

**Darien-Woodridge Fire Protection District  
Annual Financial Report  
For The Year Ended May 31, 2007**

**Darien-Woodridge Fire Protection District**  
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**For The Year Ended May 31, 2007**

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## INDEPENDENT AUDITORS' REPORT

To The Board of Trustees  
Darien-Woodridge Fire Protection District  
Darien, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the fiduciary fund, of the Darien-Woodridge Fire Protection District as of and for the year ended May 31, 2007, which collectively comprise the District's financial statements, as listed in the table of contents. These financial statements are the responsibility of the Darien-Woodridge Fire Protection District's management. Our responsibility is to express an opinion 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information, including the fiduciary fund, of the Darien-Woodridge Fire Protection District as of May 31, 2007, 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.

The management's discussion and analysis is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Darien-Woodridge Fire Protection District's basic financial statements. The combining and individual fund financial schedules for the year ended May 31, 2007, and supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Darien-Woodridge Fire Protection District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Knuttle & Associates, P.C.*

# **Darien-Woodridge Fire Protection District Management's Discussions and Analysis May 31, 2007**

The Darien-Woodridge Fire Protection District (the "District") Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the new 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 year and the 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 7.)

## **Financial Highlights**

- Overall revenues for all funds this past year were \$5,425,631 and expenses were \$5,225,681.
- Total net assets increased from \$2,623,386 to \$2,842,688 over the course of the year.
- Property taxes levied and collected were \$4,748,781.
- Ambulance Charges and other charges increased over the past year resulting in revenues of \$421,498.
- The District continues to have the limited financial ability to devote resources toward maintaining, improving and expanding its services.
- The District's outstanding long-term debt decreased to \$7,650,697 as of May 31, 2007.

## **Challenges / Future Activity**

The District continues to experience an eroding tax rate imposed by the tax limitation act. This is compounded as the cost of goods, utilities, personnel and services are rising at a higher level than the allowable property tax increases. Future plans may include a general obligation bond referendum to increase property tax revenues to meet budget demands and to maintain service levels.

## **Overview of the Financial Statements**

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The District also includes in this report additional information to supplement the basic financial statements.

## **Government-wide Financial Statements**

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Assets*. This is the District-wide statement of position presenting information that includes all of the District's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the District's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* that reports how the District's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The District does not have any funds that would be considered business-type activities.

The government-wide financial statements are presented on pages 7 - 8 of this report.

## **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

*Governmental funds* are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

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

Budgetary comparison statements are included in the basic financial statements for the general fund and major special revenue funds. Budgetary comparison schedules for other special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 9 – 11 of this report.

## **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 14 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The supplementary information includes the computation of District's legal debt margin detail and assessed valuations. Supplementary information can be found on pages 41 - 43 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 35-40.

### **Government-wide Financial Analysis**

The District implemented the new financial reporting model used in this report beginning with the fiscal year ended May 31, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the District as whole.

The District's combined net assets were \$2,842,688, which includes a negative \$1,644,502 investment in capital assets. The total revenues were \$5,425,631, while the total expenditures were \$5,225,681, which included \$380,168 of interest on long term debt.

### **Financial Analysis of the District's Funds**

#### **Governmental Funds**

As discussed, 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 \$3,009,262. Of this year-end total, \$2,740,767 is unreserved and undesignated, indicating availability for continuing the District's operations.

The total ending fund balances of governmental funds shows an increase of \$199,950 over the prior year. This decrease is primarily the result of the programs described within the analysis of the District's governmental activities.

#### **Major Governmental Funds and General Fund Budgetary Highlights**

The Fire Protection and Ambulance funds are the primary operating funds of the District, are reported as major funds, and account for the routine operations of the District. Revenues in the Ambulance fund were \$2,635,864, which was \$208,567 under budget. Expenditures were \$2,436,580 which was \$329,265 under budget. The net budget variance was a favorable \$120,698. The fund balance increased to \$2,089,049 at the end of the year from \$1,889,765 in the prior year.

Revenues in the Fire Protection Fund were \$2,356,921, which was \$24,249 over budget. Expenditures were \$2,366,589 which was \$384,236 under budget. The net budget variance was a favorable \$408,485. The fund balance decreased to \$651,718 from \$661,286 in the prior year

## **Capital Asset and Debt Administration**

### **Capital Assets**

The District's investment in capital assets, net of accumulated depreciation for governmental activities as of May 31, 2007 was \$5,180,498. The net decrease in capital assets for the year was \$257,632.

### **Debt Administration**

As of May 31, 2007, the Fire District has debt outstanding of \$6,825,000.

### **Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that would adversely affect its financial health in the near future.

### **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's accountant located at 7550 Lyman Ave., Darien, IL. 60561 IL.

**Darien-Woodridge Fire Protection District**  
**Statement of Net Assets**  
**May 31, 2007**

	<b>Total Governmental Activities</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	\$ 802,569
Property Tax Receivable	4,915,736
Prepaid Expenses	74,697
<b>Total Current Assets</b>	<u>5,793,002</u>
<b>Non-Current Assets</b>	
Capital Assets	
Capital Assets Not Being Depreciated (Land)	805,000
Other Capital Assets, Net of Depreciation	4,375,498
<b>Total Non-Current Assets</b>	<u>5,180,498</u>
<b>TOTAL ASSETS</b>	<u>10,973,500</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable and Accruals	87,861
Accrued Wages	159,046
Accrued Vacation and Sick Pay	93,208
Bonds Payable	140,000
<b>Total Current Liabilities</b>	<u>480,115</u>
<b>Non-Current Liabilities</b>	
Accrued Vacation and Sick Pay	965,697
Bonds Payable (Net of Discount)	6,685,000
<b>Total Non-Current Liabilities</b>	<u>7,650,697</u>
<b>TOTAL LIABILITIES</b>	<u>8,130,812</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	(1,644,502)
Unrestricted Net Assets	4,487,190
<b>TOTAL NET ASSETS</b>	<u>\$ 2,842,688</u>

See Accompanying Notes to the Financial Statements.

**Darien-Woodridge Fire Protection District**  
**Statement of Activities**  
**For The Year Ended May 31, 2007**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and Change in Net Assets
				Total Governmental Activities
<b>Governmental Activities</b>				
General Government	\$ 5,006,230	\$ 421,498	\$ 37,918	\$ (4,546,814)
Interest on Long-Term Debt	380,168	0	0	(380,168)
<b>Total Governmental Activities</b>	<u>5,386,398</u>	<u>421,498</u>	<u>37,918</u>	<u>(4,926,982)</u>
<b>GENERAL REVENUES</b>				
Taxes				
				\$ 4,928,850
Property taxes levied for general purposes				36,272
Replacement taxes for general purposes				104,900
Interest Income				76,262
Miscellaneous				<u>76,262</u>
<b>TOTAL GENERAL REVENUES</b>				<u>5,146,284</u>
<b>CHANGE IN NET ASSETS</b>				219,302
<b>NET ASSETS,</b>				
<b>BEGINNING OF YEAR</b>				<u>2,623,386</u>
<b>END OF YEAR</b>				<u>\$ 2,842,688</u>

See Accompanying Notes to the Financial Statements.

**Darien-Woodridge Fire Protection District  
 Governmental Funds  
 Balance Sheet  
 May 31, 2007**

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 844,394	\$ (41,825)	\$ 802,569
Taxes Receivable	4,447,207	468,529	4,915,736
Prepaid Expenditures	0	74,697	74,697
<b>TOTAL ASSETS</b>	<u>5,291,601</u>	<u>501,401</u>	<u>5,793,002</u>
<b>LIABILITIES</b>			
Accounts Payable	87,861	0	87,861
Accrued Wages	159,046	0	159,046
Accrued Vacation and Sick Pay	93,208	0	93,208
Deferred Tax Revenue	2,210,719	232,906	2,443,625
<b>TOTAL LIABILITIES</b>	<u>2,550,834</u>	<u>232,906</u>	<u>2,783,740</u>
<b>FUND BALANCES</b>			
Unreserved, Undesignated	2,740,767	0	2,740,767
Unreserved, Special Revenue	0	(18,808)	(18,808)
Unreserved, Debt Service	0	287,303	287,303
<b>TOTAL FUND BALANCES</b>	<u>2,740,767</u>	<u>268,495</u>	<u>3,009,262</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 5,291,601</u>	<u>\$ 501,401</u>	

**AMOUNTS REPORTED IN THE STATEMENT OF NET ASSETS ARE DIFFERENT BECAUSE:**

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	5,180,498
Bonds Payable are not reported as liabilities in the fund financial statements.	(6,825,000)
Accrued vacation and sick pay are not reported as liabilities in fund financial statements	(965,697)
Deferred Property Tax Revenue is not recorded on the Statement of Net Assets	2,443,625
<b>NET ASSETS OF GOVERNMENTAL FUNDS</b>	<u>\$ 2,842,688</u>

See Accompanying Notes To The Financial Statements.

**Darien-Woodridge Fire Protection District**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For The Year Ended May 31, 2007**

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>REVENUES</b>			
Property Taxes	\$ 4,319,556	\$ 429,225	\$ 4,748,781
Replacement Taxes	33,312	2,960	36,272
Interest Income	104,239	661	104,900
Charges	12,446	0	12,446
Fees	409,052	0	409,052
Grants Received	37,918	0	37,918
Other Income	76,262	0	76,262
<b>TOTAL REVENUES</b>	<u>4,992,785</u>	<u>432,846</u>	<u>5,425,631</u>
<b>EXPENDITURES</b>			
Fire Protection	2,111,505	0	2,111,505
Ambulance	2,181,496	0	2,181,496
Debt Service			
Principal	130,000	0	130,000
Interest	380,168	0	380,168
Payroll Taxes and I.M.R.F.	0	120,568	120,568
Tort Liability Insurance	0	293,894	293,894
Audit	0	8,050	8,050
<b>TOTAL EXPENDITURES</b>	<u>4,803,169</u>	<u>422,512</u>	<u>5,225,681</u>
<b>NET CHANGE IN FUND BALANCES</b>	189,616	10,334	199,950
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>2,551,151</u>	<u>258,161</u>	<u>2,809,312</u>
<b>END OF YEAR</b>	<u>\$ 2,740,767</u>	<u>\$ 268,495</u>	<u>\$ 3,009,262</u>

See Accompanying Notes To The 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, 2007**

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Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 199,950
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(289,672)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	32,040
Property tax revenues in the Statement of Activities that do not provide current financial resources are reported as deferred property tax revenue in the fund financial statements.	180,069
Compensated Absences are not treated as an expenditure in the fund financial statements.	(33,085)
Payments of bond principal are treated as an expenditure in the fund financial statements.	<u>130,000</u>
Change in Net Assets of Governmental Activities (Statement of Activities)	<u><u>\$ 219,302</u></u>

See Accompanying Notes to the Financial Statements.

**Darien-Woodridge Fire Protection District  
 Fireman's Pension Trust Fund  
 A Fiduciary Component Unit  
 Statement of Fund Net Assets  
 May 31, 2007**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Cash	\$ 1,524,481	\$ 210,780
Investments	10,093,102	9,814,729
Interest Receivable	67,909	50,625
Prepaid Expenses	750	0
<b>TOTAL ASSETS</b>	<u>11,686,242</u>	<u>10,076,134</u>
<b>LIABILITIES</b>		
Accrued Expenses	6,326	5,757
<b>TOTAL LIABILITIES</b>	<u>6,326</u>	<u>5,757</u>
<b>NET ASSETS</b>		
Restricted for Pension Funds	<u>11,679,916</u>	<u>10,070,377</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 11,686,242</u>	<u>\$ 10,076,134</u>

See Accompanying Notes To The Financial Statements.

**Darien-Woodridge Fire Protection District  
 Fireman's Pension Trust Fund  
 A Fiduciary Component Unit  
 Schedule of Revenues, Expenses, and Changes in Fund Net Assets  
 For The Year Ended May 31, 2007**

	<u>2007</u>	<u>2006</u>
<b>REVENUES</b>		
Contributions		
Employer:		
Property Taxes	\$ 198,724	\$ 237,482
Replacement Taxes	3,865	1,692
Plan Member	218,093	195,519
	<u>420,682</u>	<u>434,693</u>
Total Contributions		
Investment Income		
Net Appreciation in Fair Value of Investments	883,629	180,078
Investment Earnings	449,271	388,558
	<u>1,332,900</u>	<u>568,636</u>
Total Investment Income		
<b>TOTAL REVENUES</b>	<u>1,753,582</u>	<u>1,003,329</u>
<b>EXPENSES</b>		
Pension Benefits	109,958	0
Pension Refunds	0	70,430
Administrative Expenses	34,085	32,769
	<u>144,043</u>	<u>103,199</u>
<b>TOTAL EXPENSES</b>		
<b>NET CHANGE IN FUND NET ASSETS</b>	1,609,539	900,130
<b>NET ASSETS,</b>		
<b>BEGINNING OF YEAR</b>	<u>10,070,377</u>	<u>9,170,247</u>
<b>END OR YEAR</b>	<u>\$ 11,679,916</u>	<u>\$ 10,070,377</u>

See Accompanying Notes To The Financial Statements.

**Darien-Woodridge Fire Protection District**  
**Notes To The Financial Statements**  
**For The Year Ended May 31, 2007**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Darien-Woodridge Fire Protection District is a municipal corporation of the State of Illinois headquartered in the County of DuPage and duly chartered pursuant to the Illinois revised statutes Chapter 127-42. The District was formed in 1988 from the merger of the Darien-Woodridge Fire Protection District and the Belmont Fire Protection District.

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 Department 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 Fire District follows the provisions 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 that primary government.

The Fire District has concluded that the Fireman's Pension Trust Fund meets the criteria of Statement 39 for inclusion as a component unit. The Fire District is not required to be included as a component unit of any other entity.

**B. Changes in Accounting Methods**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (GASB 34). The Darien-Woodridge Fire Protection District has implemented GASB 34 effective June 1, 2004.

The implementation of GASB 34 adds two "Government -Wide" financial statements as basic financial statements required for all governmental units. They are the Statement of Net Assets, which presents the financial condition of the governmental activities of the Fire Protection District at fiscal year end, and the Statement of Activities, which presents a comparison between direct expenses and program revenues for each program or function of the Fire Protection District's governmental activities.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Changes in Accounting Methods (Continued)

The reporting model for GASB 34 classifies funds as governmental activities. Further, all non-fiduciary funds are classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

Both new statements are prepared on the full accrual basis. Previously, in accordance with accounting standards for governmental units, the Fire Protection District used the modified accrual basis accounting for certain funds. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

C. 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.

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 Fire Protection 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, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating 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, revenues or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the Fire Protection District are financed. The Fire Protection 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 Fire Protection District's governmental funds follows:

General Fund

The General Fund is the general operating fund of the Fire Protection 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 & IMRF  
Tort Liability  
Audit

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 Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Component Unit

The Component Unit, the Firefighter's Pension Trust Fund, is used to account for assets held in a trustee capacity. This Fund is accounted for with an emphasis on capital maintenance.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

MAJOR FUNDS

The Fire Protection District reports the following major governmental funds:

The General Fund, which accounts for the fire protection district's primary operating activities.

NON-MAJOR FUNDS

The Fire Protection District reports the following non-major funds:

Payroll Taxes and IMRF  
Tort Liability  
Audit  
Debt Service

COMPONENT UNIT

The Fire Protection District reports the following component unit, which is a fiduciary fund:

Firefighter's Pension Trust Fund

D. Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement 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 revenues 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 Fire Protection 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 Fire Protection District considers property taxes available if they are due and collected within 60 days after year end. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

The Fire Protection District reports deferred revenues on its Governmental Funds Balance Sheet. For governmental fund 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 Fire Protection

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Fire Protection 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 Fireman's Pension Trust Fund, a 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.

E. Measurement Focus

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

The measurement focus is the flow of 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 the funds 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 recreation funds.

The Pension Trust Funds are 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.

F. 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 operating budget for the fiscal year commencing the following June 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments.

A working budget approved by the Board of Trustees is adopted by June 1. Prior to August 31, the final budget is passed by an appropriation ordinance. A tax levy ordinance is filed with the County Clerk by the last Tuesday in December to obtain tax revenue.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Budgets and Budgetary Accounting (Continued)

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 budget amounts shown in the financial statements are those originally adopted because there were no amendments during the past fiscal year.

Within the audit report, the budgeted amounts represent the working budget figures of the District. The legally enacted appropriated amounts differ from these amounts.

G. Investments

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

H. 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.

I. Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

**GOVERNMENT -WIDE FINANCIAL STATEMENTS**

In the government-wide financial statements, the District has adopted a capitalization threshold of \$1,000 for capital asset additions. 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.

Prior to June 1, 2004, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government wide financial statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is currently encouraged, but not required.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

GOVERNMENT -WIDE FINANCIAL STATEMENTS (CONTINUED)

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 asset is as follows:

Buildings	40 years
Machinery and Equipment	7 to 10 years
Vehicles	7 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 asset or materially extend asset lives are not capitalized.

J. 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 the uncertainty of the timing of nonunion vacation benefits the entire accrued liability of \$64,553 is recorded as a non-current liability. Effective September 2, 1993, union employees must utilize vacation benefits each year or the benefit lapses. Therefore, unused union vacation pay of \$93,208 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 12 hours per month for firefighters and 10 days per year for management personnel, to a maximum of 120 days. Accumulated sick pay vests to nonunion employees yearly and the unused portion is paid upon termination or retirement. At year end, the unused sick pay for nonunion employees of \$436,709 is recorded as an accrued non-current liability.

Effective September 2, 1993, the union employees' sick pay vests only after 19 years of service. The District has estimated that union employees with 13 years or more service can reasonably be expected to receive this benefit in the future. The accrual for this unused sick pay of \$464,435 is recorded as a non-current liability also.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Accumulated Vacation and Sick Pay (Continued)

	Balance June 1, 2006	Increase	Retired	Balance May 31, 2007	Amounts Due Within One Year
Compensated Absences	\$ 1,028,108	\$ 33,086	\$ 2,289	\$ 1,058,905	\$ 93,208

K. 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.

L. 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 laws or regulations of other governments, or law 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 reserved and unreserved. The Fire Protection District has not designated any unreserved fund balances for any particular purposes at May 31, 2007.

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 of that 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, 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. Certain bond issue levies and referendum increases are exempt from this limitation.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

**NOTE 2 - PROPERTY TAXES (CONTINUED)**

Property taxes are collected by the DuPage County Collector who remits to the Fire Protection 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 within 30 to 60 days of the due dates.

The tax extension of \$5,187,680 for the year 2006 is based upon an assessed valuation of \$1,092,143,188. 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:

<u>Fund and/or Purpose</u>	<u>Limit</u>	<u>Rate</u>	<u>Extension</u>
Fire Protection	0.3000	0.2030	\$ 2,217,051
IMRF	NONE	0.0036	39,317
Pension	NONE	0.0249	271,944
Liability Insurance	NONE	0.0316	345,117
Social Security	NONE	0.0070	76,450
Ambulance	0.3000	0.2042	2,230,156
Audit	0.0050	0.0007	7,645
Total		<u>0.4750</u>	<u>\$ 5,187,680</u>

**NOTE 3 - DEPOSITS AND INVESTMENTS**

Investments and deposits with financial institutions are pooled for the various funds and interest income earned on the investments is allocated to the various funds based upon the fund's investment balances.

Illinois statutes authorize 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 within 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 than 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.

At May 31, 2007, the total cash and investments of \$802,569 consisted of: cash on hand of \$1,500, and deposits with financial institutions of \$801,069.

Deposits with financial institutions had bank balances of \$901,914 at May 31, 2007. At May 31, 2007, \$901,914 of the District's bank balance was insured or collateralized.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category #1	\$ 600,231	\$ 600,231
Category #2	200,838	301,683
Category #3	0	0
	<u>\$ 801,069</u>	<u>\$ 901,914</u>

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Category 1 includes deposits covered by depository insurance or collateralized, with securities held by the Fire District or by its agent in the Fire District's name.

Category 2 includes deposits which are collateralized, with securities held by the pledging financial institution's trust department or agent in the Fire District's name.

Category 3 includes deposits which are uncollateralized. This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.

Investments at May 31, 2007 consisted of the following, which were registered in street name (Wall Street) and held by a national securities brokerage firm in the name of the Component Unit:

	<u>Carrying Value</u>
United States Government Securities	\$ 5,317,744
Municipal Bonds	605,000
Mutual Funds	<u>4,170,358</u>
Total Investments	<u>\$ 10,093,102</u>

**Darien-Woodridge Fire Protection District**  
**Notes To The Financial Statements (Continued)**  
**For The Year Ended May 31, 2007**

**NOTE 4 - CAPITAL ASSETS**

A summary of the changes in capital assets for the year follows. Total depreciation expense for governmental activities for the year was \$289,672.

	May 31, 2006	Additions	Retirements	May 31, 2007
GOVERNMENTAL ACTIVITIES:				
CAPITAL ASSETS NOT SUBJECT TO DEPRECIATION				
Land	\$ 805,000	\$ 0	\$ 0	\$ 805,000
TOTAL ASSETS NOT SUBJECT TO DEPRECIATION	805,000	0	0	805,000
CAPITAL ASSETS SUBJECT TO DEPRECIATION				
Buildings	5,430,000	0	0	5,430,000
Improvements	54,498	0	0	54,498
Equipment	615,384	32,040	0	647,424
Vehicles	1,987,760	0	800	1,986,960
TOTAL ASSETS SUBJECT TO DEPRECIATION	8,087,642	32,040	800	8,118,882
LESS ACCUMULATED DEPRECIATION FOR:				
Buildings	1,478,775	135,750	0	1,614,525
Improvements	51,183	543	0	51,726
Equipment	426,535	61,337	0	487,872
Vehicles	1,498,019	92,042	800	1,589,261
TOTAL ACCUMULATED DEPRECIATION	3,454,512	289,672	800	3,743,384
NET CAPITAL ASSETS SUBJECT TO DEPRECIATION	4,633,130	(257,632)	0	4,375,498
NET CAPITAL ASSETS - GOVERNMENTAL ACTIVITIES	<u>\$ 5,438,130</u>	<u>\$ (257,632)</u>	<u>\$ 0</u>	<u>\$ 5,180,498</u>

**NOTE 5 – DEBT COMMITMENTS**

The following is a summary of debt transactions during the year ended May 31, 2007:

	Balance June 1, 2006	Increase	Retired	Balance May 31, 2007	Amounts Due Within One Year
2001 Refunding Bond	<u>\$ 6,955,000</u>	<u>\$ 0</u>	<u>\$ 130,000</u>	<u>\$ 6,825,000</u>	<u>\$ 140,000</u>

This refunding note was originally issued for \$7,250,000 in 2001. Annual principal payments are required through January 1, 2031. Interest is payable bi-annually on July 1 and January 1 from 4.3% to 6.0%.

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 5 – DEBT COMMITMENTS (CONTINUED)

The debt service requirements to maturity are as follows:

Year Ended May 31,	Principal	Interest	Total
2008	140,000	374,448	514,448
2009	145,000	368,148	513,148
2010	155,000	361,623	516,623
2011	160,000	354,658	514,658
2012	175,000	347,048	522,048
2013-2017	1,035,000	1,583,335	2,618,335
2018-2022	1,350,000	1,251,480	2,601,480
2023-2027	1,820,000	801,015	2,621,015
2028-2032	1,845,000	248,313	2,093,313
Total	<u>\$ 6,825,000</u>	<u>\$ 5,690,068</u>	<u>\$ 12,515,068</u>

NOTE 6 - RETIREMENT PLANS

The District sponsors two retirement plans for its employees, both of which are defined benefit pension plans: The Illinois Municipal Retirement Fund (IMRF), which is an agent-multiple-employer public employee retirement system that acts as a common investment and administrative agent for 2,844 local governments and school districts in Illinois, and the Darien-Woodridge Fire Protection District Pension Fund (“Firefighter’s Pension”), which is a single-employer plan.

The respective plans are described on the following pages:

A. Illinois Municipal Retirement Fund

The District’s defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.imrf.org/pubs/pubs\\_homepage.htm](http://www.imrf.org/pubs/pubs_homepage.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2006 was 13.7% percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (over funded liability amortized on open basis). The amortization period at December 31, 2006 was 26 years.

**Darien-Woodridge Fire Protection District**  
**Notes To The Financial Statements (Continued)**  
**For The Year Ended May 31, 2007**

NOTE 6 - RETIREMENT PLANS (CONTINUED)

A. Illinois Municipal Retirement Fund (Continued)

For December 31, 2006, the District's annual pension cost of \$34,860 was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002 - 2004 experience study.

Valuation Date	Pension Cost (APC)	of APC Contributed	Net Pension Obligation
12/31/06	34,860	100%	0
12/31/05	\$ 29,040	100%	0
12/31/04	25,684	100%	0
12/31/03	21,918	100%	0
12/31/02	22,920	100%	0
12/31/01	24,800	100%	0
12/31/00	19,946	100%	0
12/31/99	19,491	100%	0
12/31/98	19,963	100%	0
12/31/97	17,814	100%	0

Required Supplementary Information - Schedule of Funding Progress

Valuation Date	Assets (a)	(-) Entry Age (b)	AAL (UAAL) (b-a)	Ratio (a/b)	Payroll (c)	Payroll ((b-a)/c)
12/31/2006	368,308	580,684	212,376	63.43%	254,449	83.47%
12/31/2005	\$ 301,870	\$ 504,390	\$ 202,520	59.85%	\$ 234,764	86.27%
12/31/2004	246,339	455,766	209,427	54.05%	224,117	93.45%
12/31/2003	371,187	504,293	133,106	73.61%	206,969	64.31%
12/31/2002	357,679	475,739	118,060	75.18%	218,914	53.93%
12/31/2001	315,509	392,086	76,577	80.47%	235,962	32.45%
12/31/2000	247,581	316,324	68,743	78.27%	185,369	37.08%
12/31/1999	184,742	253,061	68,319	73.00%	168,466	40.55%
12/31/1998	142,063	229,293	87,230	61.96%	170,624	51.12%
12/31/1997	119,140	226,927	107,787	52.50%	163,330	65.99%

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

A. Illinois Municipal Retirement Fund (Continued)

On a market value basis, the actuarial value of assets as of December 31, 2005 is \$402,118. On a market basis, the funded ratio would be 69.25%

\*Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002 - 2004 Experience Study. The principal changes were:

- The 1994 Group Annuity Mortality was implemented.
- For regular members, fewer normal and more early retirements are expected to occur.

SLEP Member contribution rate changed from 6.5% to 7.5% effective June 1, 2006.

B. Firefighter's Pension Plan

Fire sworn personnel are covered by the Firefighter's Pension Plan. Although this is a single employer pension plan, the defined benefits and employee contribution levels are governed by Illinois State Statutes (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 GASB 39 accounts for it as a component unit. Of the district's total payroll of \$3,026,965 for the year ended May 31, 2007, \$1,990,797 was reported to and covered by the plan. 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 or more years 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% of such monthly salary for each additional month over 25 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 25 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 25 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.

Participants contribute a fixed percentage of their base salary to the plans. At May 31, 2006, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 25 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 cost) plus the amount necessary to amortize the unfunded accrued liability over a forty (40) year period which commenced in 1993.

At May 31, 2006, the membership of the Firefighter's Pension Plan was as follows:

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

B. Firefighter's Pension Plan (Continued)

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them 0

Active Plan Members 30

Reserves for Annuities and Benefits in Force			
Present Value of:	0	Individuals	\$ 0
Service Retirement Annuities	0	Individuals	0
Disability Annuities	0	Individuals	0
Widows and Parents Annuities	0	Individuals	0
Children Annuities	0	Individuals	0
Deferred Annuities	1	Individuals	3,686
Handicapped Annuities	0	Individuals	<u>0</u>
Total			\$ 3,686
Accrued Liabilities for Active Participants		30 Individuals	\$ 12,141,555
Surplus			<u>\$ 0</u>
Total Liabilities and Surplus			<u><u>\$ 12,145,241</u></u>

**Darien-Woodridge Fire Protection District  
Notes To The Financial Statements (Continued)  
For The Year Ended May 31, 2007**

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**NOTE 7 - COMMON BANK ACCOUNT**

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

**NOTE 8 - 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 government 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 fiduciary agent, and, as such, has removed the agency fund from its balance sheet.

**NOTE 9 - RISK MANAGEMENT**

The Fire Protection District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; 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, 2007.

**NOTE 10 - DEFICIT FUND BALANCE**

The following funds have a fund deficit at May 31, 2007:

Tort Liability	\$ 27,747
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**NOTE 11 – EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

For the year ended May 31, 2007, actual expenditures for the following funds were in excess of budgeted expenditures:

	<u>Actual</u>	<u>Budgeted</u>
Payroll Taxes and IMRF	120,568	120,000

**NOTE 12 – JOINT VENTURE**

The District is a member of the Southwest United Fire Districts. The district pays annual contributions to this organization for training services provided to the District. During the year ended May 31, 2007, the District paid \$47,264 to this organization .

## **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 Fund**  
**Combining Balance Sheet**  
**May 31, 2007**

	<u>Ambulance</u>	<u>Fire Protection</u>	<u>Totals</u>	
			<u>2007</u>	<u>2006</u>
<b>ASSETS</b>				
Cash	\$ 1,138,719	\$ (294,325)	\$ 844,394	\$ 623,220
Taxes Receivable	2,230,156	2,217,051	4,447,207	4,368,487
<b>TOTAL ASSETS</b>	<u>3,368,875</u>	<u>1,922,726</u>	<u>5,291,601</u>	<u>4,991,707</u>
<b>LIABILITIES</b>				
Accounts Payable	45,082	42,779	87,861	113,984
Accrued Wages	79,523	79,523	159,046	160,054
Accrued Vacation and Sick Pay	46,604	46,604	93,208	95,496
Deferred Tax Revenue	1,108,617	1,102,102	2,210,719	2,071,021
<b>TOTAL LIABILITIES</b>	<u>1,279,826</u>	<u>1,271,008</u>	<u>2,550,834</u>	<u>2,440,555</u>
<b>FUND BALANCE</b>				
Unreserved: Undesignated	2,089,049	651,718	2,740,767	2,551,152
<b>TOTAL FUND BALANCE</b>	<u>2,089,049</u>	<u>651,718</u>	<u>2,740,767</u>	<u>2,551,152</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,368,875</u>	<u>\$ 1,922,726</u>	<u>\$ 5,291,601</u>	<u>\$ 4,991,707</u>

**Darien-Woodridge Fire Protection District**  
**General Fund**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**For The Year Ended May 31, 2007**

	Ambulance	Fire Protection	Totals	
			2007	2006
<b>REVENUES</b>				
Property Taxes	\$ 2,114,203	\$ 2,205,353	\$ 4,319,556	\$ 4,320,033
Replacement Tax	16,637	16,675	33,312	29,070
Interest Income	52,115	52,124	104,239	68,458
Charges	6,268	6,178	12,446	10,738
Fees	389,551	19,501	409,052	360,056
Grants Received	18,959	18,959	37,918	15,340
Other Income	38,131	38,131	76,262	68,396
<b>TOTAL REVENUES</b>	<u>2,635,864</u>	<u>2,356,921</u>	<u>4,992,785</u>	<u>4,872,091</u>
<b>TOTAL EXPENDITURES</b>	<u>2,436,580</u>	<u>2,366,589</u>	<u>4,803,169</u>	<u>5,104,680</u>
<b>NET CHANGE IN FUND BALANCE</b>	199,284	(9,668)	189,616	(232,589)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,889,765</u>	<u>661,386</u>	<u>2,551,151</u>	<u>2,783,741</u>
<b>END OF YEAR</b>	<u>\$ 2,089,049</u>	<u>\$ 651,718</u>	<u>\$ 2,740,767</u>	<u>\$ 2,551,152</u>

**Darien-Woodridge Fire Protection District**  
**General Fund**  
**Combining Schedule of Expenditures**  
**For The Year Ended May 31, 2007**

	Ambulance	Fire Protection	Totals	
			2007	2006
<b>EXPENDITURES</b>				
General Administration	\$ 54,924	\$ 54,924	\$ 109,848	\$ 84,732
Debt Service				
Principal	65,000	65,000	130,000	125,000
Interest	190,084	190,084	380,168	385,668
Communication	164,936	164,935	329,871	307,112
Fire Station	67,433	67,436	134,869	103,002
Mobile Equipment	7,154	7,154	14,308	19,708
Apparatus Maintenance	83,337	83,339	166,676	321,800
Training	31,235	31,235	62,470	72,988
Quartermaster	17,379	17,135	34,514	27,061
Fire Investigation	0	2,739	2,739	4,688
EMS	24,716	0	24,716	29,102
Hazardous Material	1,989	1,989	3,978	4,558
Payroll and Related	1,704,564	1,656,790	3,361,354	3,597,983
Health and Safety	13,375	13,375	26,750	8,028
Public Education	3,642	3,642	7,284	5,510
Portable Equipment	6,312	6,312	12,624	2,846
Rescue Specialist Team	500	500	1,000	4,894
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,436,580</b>	<b>\$ 2,366,589</b>	<b>\$ 4,803,169</b>	<b>\$ 5,104,680</b>

**Darien-Woodridge Fire Protection District  
Ambulance Fund  
Budgetary Comparison Schedule  
For The Year Ended May 31, 2007**

	2007			2006	
	Budgeted Amounts		Actual	Variance With Final Budget	Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 2,209,227	\$ 2,209,227	\$ 2,114,203	\$ (95,024)	\$ 2,193,644
Replacement Tax	13,204	13,204	16,637	3,433	14,352
Interest Income	5,000	5,000	52,115	47,115	34,208
Charges	7,000	7,000	6,268	(732)	5,508
Fees	475,000	475,000	389,551	(85,449)	342,899
Grants Received	35,000	35,000	18,959	(16,041)	7,670
Other Income	100,000	100,000	38,131	(61,869)	34,198
<b>TOTAL REVENUES</b>	<u>2,844,431</u>	<u>2,844,431</u>	<u>2,635,864</u>	<u>(208,567)</u>	<u>2,632,479</u>
<b>EXPENDITURES</b>					
General Administration	162,000	162,000	54,924	107,076	42,314
Debt Service					
Principal	65,000	65,000	65,000	0	62,500
Interest	195,000	195,000	190,084	4,916	192,834
Communication	163,000	163,000	164,936	(1,936)	153,556
Fire Station	95,500	95,500	67,433	28,067	51,499
Mobile Equipment	5,000	5,000	7,154	(2,154)	9,854
Apparatus Maintenance	204,545	204,545	83,337	121,208	160,900
Training	77,500	77,500	31,235	46,265	36,494
Quartermaster	30,500	30,500	17,379	13,121	13,647
EMS	80,000	80,000	24,716	55,284	29,102
Hazardous Material	0	0	1,989	(1,989)	2,279
Payroll and Related	1,658,500	1,658,500	1,704,564	(46,064)	1,816,666
Health and Safety	10,000	10,000	13,375	(3,375)	4,014
Public Education	8,000	8,000	3,642	4,358	2,755
Portable Equipment	2,500	2,500	6,312	(3,812)	1,423
Rescue Specialist Team	8,800	8,800	500	8,300	2,447
<b>TOTAL EXPENDITURES</b>	<u>2,765,845</u>	<u>2,765,845</u>	<u>2,436,580</u>	<u>329,265</u>	<u>2,582,284</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 78,586</u>	<u>\$ 78,586</u>	199,284	<u>\$ 120,698</u>	50,195
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,889,765</u>		<u>1,839,570</u>
<b>END OF YEAR</b>			<u>\$ 2,089,049</u>		<u>\$ 1,889,765</u>

**Darien-Woodridge Fire Protection District**  
**Fire Protection Fund**  
**Budgetary Comparison Schedule**  
**For The Year Ended May 31, 2007**

	2007			Variance With Final Budget	2006
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 2,314,437	\$ 2,314,437	\$ 2,205,353	\$ (109,084)	\$ 2,126,388
Replacement Tax	13,235	13,235	16,675	3,440	14,718
Interest Income	5,000	5,000	52,124	47,124	34,250
Charges	0	0	6,178	6,178	5,230
Fees	0	0	19,501	19,501	17,157
Grants Received	0	0	18,959	18,959	7,670
Other Income	0	0	38,131	38,131	34,198
<b>TOTAL REVENUES</b>	<u>2,332,672</u>	<u>2,332,672</u>	<u>2,356,921</u>	<u>24,249</u>	<u>2,239,611</u>
<b>EXPENDITURES</b>					
General Administration	162,000	162,000	54,924	107,076	42,418
Debt Service					
Principal	65,000	65,000	65,000	0	62,500
Interest	195,000	195,000	190,084	4,916	192,834
Communication	163,000	163,000	164,935	(1,935)	153,556
Fire Station	95,500	95,500	67,436	28,064	51,503
Mobile Equipment	5,000	5,000	7,154	(2,154)	9,854
Apparatus Maintenance	205,825	205,825	83,339	122,486	160,900
Training	77,500	77,500	31,235	46,265	36,494
Quartermaster	45,500	45,500	17,135	28,365	13,414
Fire Prevention and Investigation	9,500	9,500	2,739	6,761	4,688
Hazardous Material	27,000	27,000	1,989	25,011	2,279
Payroll and Related	1,658,500	1,658,500	1,656,790	1,710	1,781,317
Health and Safety	10,000	10,000	13,375	(3,375)	4,014
Public Education	21,000	21,000	3,642	17,358	2,755
Portable Equipment	3,500	3,500	6,312	(2,812)	1,423
Rescue Specialist Team	7,000	7,000	500	6,500	2,447
<b>TOTAL EXPENDITURES</b>	<u>2,750,825</u>	<u>2,750,825</u>	<u>2,366,589</u>	<u>384,236</u>	<u>2,522,396</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (418,153)</u>	<u>\$ (418,153)</u>	(9,668)	<u>\$ 408,485</u>	(282,785)
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>661,386</u>		<u>944,171</u>
<b>END OF YEAR</b>			<u>\$ 651,718</u>		<u>\$ 661,386</u>

### **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 provides 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 annual property tax levy and expenditures of these monies for the annual audit of the District.

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

**Darien-Woodridge Fire Protection District**  
**Non-Major Funds**  
**Combining Balance Sheet**  
**May 31, 2007**

	<b>Special Revenue Funds</b>					
	<b>Payroll Taxes and IMRF</b>	<b>Tort Liability</b>	<b>Audit</b>	<b>Debt Service</b>	<b>Totals</b>	
					<b>2007</b>	<b>2006</b>
<b>ASSETS</b>						
Cash	\$ (50,626)	\$ (276,003)	\$ (2,499)	\$ 287,303	\$ (41,825)	\$ (12,266)
Taxes Receivable	115,767	345,117	7,645	0	468,529	388,266
Prepaid Expenditures	0	74,697	0	0	74,697	74,697
<b>TOTAL ASSETS</b>	<u>65,141</u>	<u>143,811</u>	<u>5,146</u>	<u>287,303</u>	<u>501,401</u>	<u>450,697</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Deferred Tax Revenue	57,548	171,558	3,800	0	232,906	192,537
<b>TOTAL LIABILITIES</b>	<u>57,548</u>	<u>171,558</u>	<u>3,800</u>	<u>0</u>	<u>232,906</u>	<u>192,537</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved: Undesignated	7,593	(27,747)	1,346	287,303	268,495	258,160
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 65,141</u>	<u>\$ 143,811</u>	<u>\$ 5,146</u>	<u>\$ 287,303</u>	<u>\$ 501,401</u>	<u>\$ 450,697</u>

**Darien-Woodridge Fire Protection District**  
**Non-Major Funds**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**For The Year Ended May 31, 2007**

	<u>Special Revenue Funds</u>				<u>Totals</u>	
	<u>Payroll Taxes and IMRF</u>	<u>Tort Liability</u>	<u>Audit</u>	<u>Debt Service</u>	<u>2007</u>	<u>2006</u>
	<b>REVENUES</b>					
Property Taxes	\$ 104,866	\$ 316,505	\$ 7,854	\$ 0	\$ 429,225	\$ 421,516
Replacement Taxes	713	2,186	61	0	2,960	3,246
Interest Income	159	488	14	0	661	368
<b>TOTAL REVENUES</b>	<u>105,738</u>	<u>319,179</u>	<u>7,929</u>	<u>0</u>	<u>432,846</u>	<u>425,130</u>
<b>EXPENDITURES</b>						
Payroll Taxes and I.M.R.F.	120,568	0	0	0	120,568	108,107
Liability Insurance	0	293,894	0	0	293,894	291,667
Audit	0	0	8,050	0	8,050	7,650
<b>TOTAL EXPENDITURES</b>	<u>120,568</u>	<u>293,894</u>	<u>8,050</u>	<u>0</u>	<u>422,512</u>	<u>407,424</u>
<b>NET CHANGE IN FUND BALANCE</b>	(14,830)	25,285	(121)	0	10,334	17,706
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>22,423</u>	<u>(53,032)</u>	<u>1,467</u>	<u>287,303</u>	<u>258,161</u>	<u>240,454</u>
<b>END OF YEAR</b>	<u>\$ 7,593</u>	<u>\$ (27,747)</u>	<u>\$ 1,346</u>	<u>\$ 287,303</u>	<u>\$ 268,495</u>	<u>\$ 258,160</u>

**Darien-Woodridge Fire Protection District**  
**Payroll Taxes and I.M.R.F. Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For The Year Ended May 31, 2007**

	2007			Variance With Final Budget	2006
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 96,868	\$ 96,868	\$ 104,866	\$ 7,998	\$ 102,810
Replacement Taxes	566	566	713	147	800
Interest Income	0	0	159	159	91
<b>TOTAL REVENUES</b>	<u>97,434</u>	<u>97,434</u>	<u>105,738</u>	<u>8,304</u>	<u>103,701</u>
<b>EXPENDITURES</b>					
I.M.R.F.	40,000	40,000	35,857	4,143	31,217
Payroll Taxes	80,000	80,000	84,711	(4,711)	76,890
<b>TOTAL EXPENDITURES</b>	<u>120,000</u>	<u>120,000</u>	<u>120,568</u>	<u>(568)</u>	<u>108,107</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (22,566)</u>	<u>\$ (22,566)</u>	<u>(14,830)</u>	<u>\$ 7,736</u>	<u>(4,406)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>22,423</u>		<u>26,828</u>
<b>END OF YEAR</b>			<u>\$ 7,593</u>		<u>\$ 22,422</u>

**Darien-Woodridge Fire Protection District**  
**Tort Liability Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**Budget and Actual**  
**For The Year Ended May 31, 2007**

	2007			2006	
	Budgeted Amounts		Actual	Variance With Final Budget	Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 296,856	\$ 296,856	\$ 316,505	\$ 19,649	\$ 311,478
Replacement Taxes	1,735	1,735	2,186	451	2,399
Interest Income	0	0	488	488	272
<b>TOTAL REVENUES</b>	<u>298,591</u>	<u>298,591</u>	<u>319,179</u>	<u>20,588</u>	<u>314,149</u>
<b>EXPENDITURES</b>					
Workmen's Compensation	298,000	298,000	238,305	59,695	236,847
Vehicle Insurance	0	0	19,207	(19,207)	21,000
General Liability	57,000	57,000	35,000	22,000	31,183
Accident and Sickness	5,000	5,000	1,382	3,618	2,637
<b>TOTAL EXPENDITURES</b>	<u>360,000</u>	<u>360,000</u>	<u>293,894</u>	<u>66,106</u>	<u>291,667</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (61,409)</u>	<u>\$ (61,409)</u>	25,285	<u>\$ 86,694</u>	22,482
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>			<u>(53,032)</u>		<u>(75,514)</u>
<b>END OF YEAR</b>			<u>\$ (27,747)</u>		<u>\$ (53,032)</u>

**Darien-Woodridge Fire Protection District**  
**Audit Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For The Year Ended May 31, 2007**

	2007			Variance With Final Budget	2006
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 8,333	\$ 8,333	\$ 7,854	\$ (479)	\$ 7,228
Replacement Taxes	49	49	61	12	47
Interest Income	0	0	14	14	5
<b>TOTAL REVENUES</b>	<u>8,382</u>	<u>8,382</u>	<u>7,929</u>	<u>(453)</u>	<u>7,280</u>
<b>EXPENDITURES</b>					
Audit	8,500	8,500	8,050	450	7,650
<b>TOTAL EXPENDITURES</b>	<u>8,500</u>	<u>8,500</u>	<u>8,050</u>	<u>450</u>	<u>7,650</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (118)</u>	<u>\$ (118)</u>	<u>(121)</u>	<u>\$ (3)</u>	<u>(370)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,467</u>		<u>1,837</u>
<b>END OF YEAR</b>			<u>\$ 1,346</u>		<u>\$ 1,467</u>

**Darien-Woodridge Fire Protection District  
Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For The Year Ended May 31, 2007**

	2007			2006	
	Budgeted Amounts		Actual	Variance With Final Budget	Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0	0	0
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES</b>					
Bond and Interest	0	0	0	0	0
Bond Fees	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 0</u>	<u>\$ 0</u>	0	<u>\$ 0</u>	0
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>287,303</u>		<u>287,303</u>
<b>END OF YEAR</b>			<u>\$ 287,303</u>		<u>\$ 287,303</u>

**Darien-Woodridge Fire Protection District**  
**Debt Service Requirements**  
**Refunding Note Issue Dated September 12, 2001**  
**May 31, 2007**

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Original Issue \$ 7,250,000  
Principal Due Each Year January 1  
Interest Dates January 1 and July 1  
Paying Agent Harris Bank

<u>FISCAL YEAR</u>	<u>RATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008	4.50	140,000	374,448	514,448
2009	4.50	145,000	368,148	513,148
2010	4.50	155,000	361,623	516,623
2011	4.75	160,000	354,648	514,648
2012	5.00	175,000	347,048	522,048
2013	5.50	185,000	338,298	523,298
2014	5.50	195,000	328,123	523,123
2015	5.60	205,000	317,398	522,398
2016	5.60	220,000	305,918	525,918
2017	5.70	230,000	293,598	523,598
2018	5.70	245,000	280,488	525,488
2019	6.00	255,000	266,523	521,523
2020	6.00	270,000	251,223	521,223
2021	6.00	280,000	235,023	515,023
2022	6.00	300,000	218,223	518,223
2023	5.80	325,000	200,223	525,223
2024	5.80	345,000	181,373	526,373
2025	5.80	365,000	161,363	526,363
2026	5.80	385,000	140,193	525,193
2027	5.25	400,000	117,863	517,863
2028	5.25	430,000	96,863	526,863
2029	5.25	445,000	74,288	519,288
2030	5.25	470,000	50,925	520,925
2031	5.25	500,000	26,237	526,237
TOTAL		<u>\$ 6,825,000</u>	<u>\$ 5,690,058</u>	<u>\$ 12,515,058</u>

**Darien-Woodridge Fire Protection District**  
**Statistical Comparison of Property Taxes Levied to Property Taxes Collected**  
**Tax Years 2006-1997**  
**May 31, 2007**

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
ASSESSED VALUATION	\$ 1,092,143,188	\$ 1,005,868,461	\$ 928,680,280	\$ 838,606,162	\$ 775,553,255	\$ 714,910,375	\$ 687,675,900	\$ 650,179,274	\$ 631,343,692	\$ 594,045,909
TAX RATES										
Fire Protection	0.2030	0.2174	0.2209	0.2389	0.2580	0.2673	0.2703	0.2712	0.2700	0.2802
Ambulance	0.2042	0.2169	0.2154	0.2357	0.2453	0.2686	0.2724	0.2724	0.2694	0.2764
Pension	0.0249	0.0199	0.0254	0.0270	0.0262	0.0257	0.0279	0.0317	0.0329	0.0350
Auditing	0.0007	0.0008	0.0007	0.0009	0.0010	0.0008	0.0009	0.0016	0.0002	0.0000
Payroll Taxes and IMRF	0.0106	0.0093	0.0120	0.0116	0.0129	0.0140	0.0126	0.0131	0.0133	0.0138
Tort Liability	0.0316	0.0285	0.0360	0.0303	0.0218	0.0199	0.0180	0.0180	0.0183	0.0073
Bond and Interest	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0320	0.0311	0.0308
TOTAL TAX RATES	<u>0.4750</u>	<u>0.4928</u>	<u>0.5104</u>	<u>0.5444</u>	<u>0.5652</u>	<u>0.5963</u>	<u>0.6021</u>	<u>0.6400</u>	<u>0.6352</u>	<u>0.6435</u>
TAX EXTENSION										
Fire Protection	\$ 2,217,051	\$ 2,186,758	\$ 2,051,455	\$ 2,003,430	\$ 2,000,927	\$ 1,910,955	\$ 1,858,788	\$ 1,763,286	\$ 1,704,628	\$ 1,664,517
Ambulance	2,230,156	2,181,729	2,000,377	1,976,595	1,902,432	1,920,249	1,873,229	1,771,088	1,700,840	1,641,943
Pension	271,944	191,115	235,885	226,424	203,195	183,732	191,862	206,107	207,712	207,916
Auditing	7,645	9,053	6,501	7,547	7,756	5,719	6,189	10,403	1,263	0
Payroll Taxes and IMRF	115,767	101,593	111,441	97,278	100,046	100,087	86,647	85,173	83,969	81,978
Tort Liability	345,117	286,673	334,325	254,098	169,071	142,267	123,782	117,032	115,536	43,365
Bond and Interest	0	0	0	0	0	0	0	216,001	202,996	187,958
TOTAL TAXES EXTENSIONS	<u>\$ 5,187,680</u>	<u>\$ 4,956,921</u>	<u>\$ 4,739,984</u>	<u>\$ 4,565,372</u>	<u>\$ 4,383,427</u>	<u>\$ 4,263,009</u>	<u>\$ 4,140,497</u>	<u>\$ 4,169,090</u>	<u>\$ 4,016,944</u>	<u>\$ 3,827,677</u>
AMOUNT COLLECTED	<u>\$ 2,608,894</u>	<u>\$ 4,951,263</u>	<u>\$ 4,735,217</u>	<u>\$ 4,561,673</u>	<u>\$ 4,381,423</u>	<u>\$ 4,256,704</u>	<u>\$ 4,134,471</u>	<u>\$ 4,163,611</u>	<u>\$ 4,010,809</u>	<u>\$ 3,823,069</u>
PERCENTAGE OF EXTENSIONS COLLECTED	<u>50.29%</u>	<u>99.89%</u>	<u>99.90%</u>	<u>99.92%</u>	<u>99.95%</u>	<u>99.85%</u>	<u>99.85%</u>	<u>99.87%</u>	<u>99.85%</u>	<u>99.88%</u>

**Darien-Woodridge Fire Protection District**  
**Computation of Legal Debt Margin**  
**May 31, 2007**

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Assessed Valuation (2006)	<u>\$ 1,092,143,188</u>
Statutory Debt Limit (5.75% of Assessed Valuation)	62,798,233
Outstanding Bonded Debt	<u>6,825,000</u>
Legal Debt Margin	<u>55,973,233</u>