

Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2008

YOUR VOTE MATTERS! FEBRUARY 5



Administrative Office
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Lombard, IL 60148
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**LOMBARD PARK DISTRICT
LOMBARD, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008**

Prepared by:

The Business Office

**Jason Myers – Superintendent of Finance
and Personnel**

**Lombard Park District
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008**

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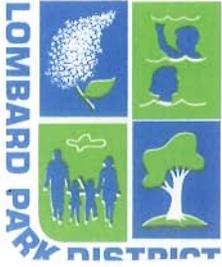
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PART I – INTRODUCTORY SECTION



June 23, 2009

To the Board of Park Commissions of Lombard Park District:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Lombard Park District for the year ended December 31, 2008.

This report consists of management's representations concerning the finances of the Lombard Park District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Lombard Park District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Lombard Park District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Lombard Park District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. The District has implemented GASB Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for state and local governments. As management, we assert that to the best of our knowledge and belief, this financial report is complete in all material respects.

Selden Fox, Ltd., a firm of licensed certified public accountants, has audited the Lombard Park District's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Lombard Park District for the fiscal year ended December 31, 2008 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the Lombard Park District's financial statements for the year ended December 31, 2008 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.



PROVIDING LEISURE OPPORTUNITIES FOR PEOPLE TO ENJOY LIFE



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

This Report is presented in three sections:

The introductory section contains this transmittal letter, the certificate of achievement, an organizational chart, and a list of elected and appointed officials.

The financial section contains the auditor's report on the financial statements and schedules, management's discussion and analysis, the basic financial statements, the notes to the financial statements, required supplementary information, and the combining and individual fund schedules.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

General Information

The Lombard Park District is a unit of government subject to the rules of the Park District Code 70ILCS Articles one through thirteen. The District is located in the eastern portion of DuPage County, Illinois, which is about 20 miles west of downtown Chicago. The Village is bordered by the Village of Addison to the north, Downers Grove to the south, Glen Ellyn to the west and Villa Park to the east. The Village's population is approximately 43,894 per the 2005 Census. The Village's tax base is largely residential, with significant retail and some industrial development as well.

The legislative authority is a seven member Board elected at large, each serving a six-year term. Terms are staggered to allow for the election of either two or three members every two years. The Board of Park Commissioners, among other things, is responsible for passing ordinances, adopting a budget, appointing committees, policy, and hiring of an Executive Director.

The Lombard Park District provides a full range of recreation services, including 13 passive recreation areas, a public golf course and water park, as well as other recreation activities.

The annual appropriation ordinance serves as the foundation for the Lombard Park District's financial planning and control. All departments of the District are required to submit budgets to the Board of Park Commissioners for review and approval, with final passage of the appropriations ordinance after a public hearing before the end of the first quarter (March 31) of the fiscal year (January 1 through December 31). The appropriation ordinance is prepared by fund. Transfers of funds between the different funds require approval of the Board of Park Commissioners. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual appropriated budget has been adopted.

Major Initiatives

The Park District's staff, following objectives of the Board of Park Commissioners, has been involved in various projects throughout the year. The Park District is committed to ensuring that its residents are well served. Some of the significant projects are listed below.

- The District passed a \$5.9 million referendum in February and is using \$5.4 million to build Paradise Bay Water Park and the remaining \$500,000 on other capital projects that were identified through a community survey.
- The District invested numerous dollars to ensure that Paradise Bay was ADA accessible.
- The Lombard Lagoon parking lot was redesigned.
- Lombard Community Building received new windows and flooring.
- Repaved the Old Grove West, Southland, and Westmore Woods parking lots.
- Replaced numerous backstop and sideline fences at Madison Meadow and Westmore Woods.
- Improved Sunset Knoll Recreation Center through the purchase of new hallway furniture, addition of wall murals, door replacement, ceiling tile enhancements and the addition of a closet in the multi-purpose room.
- A ball field groomer with attachment, a gas field marker and a replacement truck were all purchased.
- Western Acres Golf Course added irrigation timers.

Factors Affecting Financial Condition

Local Economy

The majority of the Lombard Park District's tax base is residential, followed by retail and industrial. The Lombard Park District provides a large source of employment opportunities to the local economy, employing over 330 people each year. Unemployment in Lombard is under 4.6%. There are over 1,200 hotel rooms, 90 restaurants, and 30 churches in Lombard. The labor force makeup in Lombard is 12% manufacturing, 84% nonmanufacturing, and .6% agricultural. The top employers in terms of employees continue to include the Village and Park District, as well as Aspect Software (Retail) and Acosta Sales & Marketing (Marketing).

Factors Affecting Financial Condition (cont'd)

Long-term Financial Planning

Each year the budget is developed to dispense the optimum portion of resources to serve resident needs through sound financial management, while meeting the limitations of a mandated tax cap. Although during 2003 some nonreferendum bonding authority was granted back to the District, we are still faced with significant challenges brought by the limitation of nonreferendum bonding powers for future years, as well as federal and state mandates such as ADA. The District also puts great emphasis at holding expenses down and providing the residents and businesses with quality services at a reasonable cost.

Due to the Tax Cap legislation passed in 1993, the Lombard Park District was unable to issue nonreferendum debt for more than 10 years. This forced District officials to be extremely wary of using Park District funds. District officials continue this conservative nature of budgeting and spending.

During 2006 and beyond, the District now has some tools needed to combat an aging infrastructure. Management continues to monitor and balance the short-term and long-term needs of the community. With this in mind, the Board and staff have reaffirmed the five year comprehensive plan based upon a survey of residents' attitudes and interests.

Unemployment is increasing, housing values are decreasing, and a leveling economy challenged the District's growth in the future. Although it is always difficult, if not impossible, to predict the long-term economic trends which impact so heavily on and thereby determine the financial planning prospects of an individual community, it is likely that the general trend for the Lombard Park District will be a slow but steady progress in terms of its financial health.

Cash Management

Cash temporarily idle during the year was invested in the Park District Liquid Asset Fund. This fund distributes interest on daily cash balances, as well as offers a certificate of deposit program that assures the District of earning the highest interest rates possible with banks located throughout the United States. The amount of interest earned during 2008 by the Governmental Funds totaled \$132,412.

Risk Management

The Park District is exposed to various risks of loss related to employee health benefits, workers' compensation claims, theft of, damage to, and destruction of assets, as well as natural disasters. The Park District participates in a self-insurance pool, the Park District Risk Management Agency (PDRMA). This pool provides all necessary first dollar coverage for the District's Property and Casualty program. Premiums have been recorded as expenditures in the appropriate fund. There have been no significant reductions in insurance coverage from coverage in prior years. For additional information regarding Risk Management and PDRMA, please refer to Note IV.B. in the notes to the financial statements.

Factors Affecting Financial Condition (cont'd)

Retirement Plans

The Park District sponsors a defined benefit pension plan for its employees. The Park District contributes to 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 the majority of local governments and school districts in Illinois. For additional information regarding IMRF, please refer to Note IV.A. in the notes to the financial statements.

Awards and Acknowledgements

This report is being compiled and submitted to the Governmental Finance Officers Association for consideration for awarding to the Lombard Park District the Certificate of Achievement for Excellence in Financial Reporting. We believe this report complies with and meets the Certificate of Achievement Requirements and are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of this report is possible through the efforts of the Park District staff, and the commitment towards excellence in financial reporting by the Park District Board of Park Commissioners.

Respectfully submitted,

Paul W. Friedrichs

Paul W. Friedrichs
Executive Director

Jason S. Myers

Jason S. Myers
Superintendent of Finance
and Personnel

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lombard Park District
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

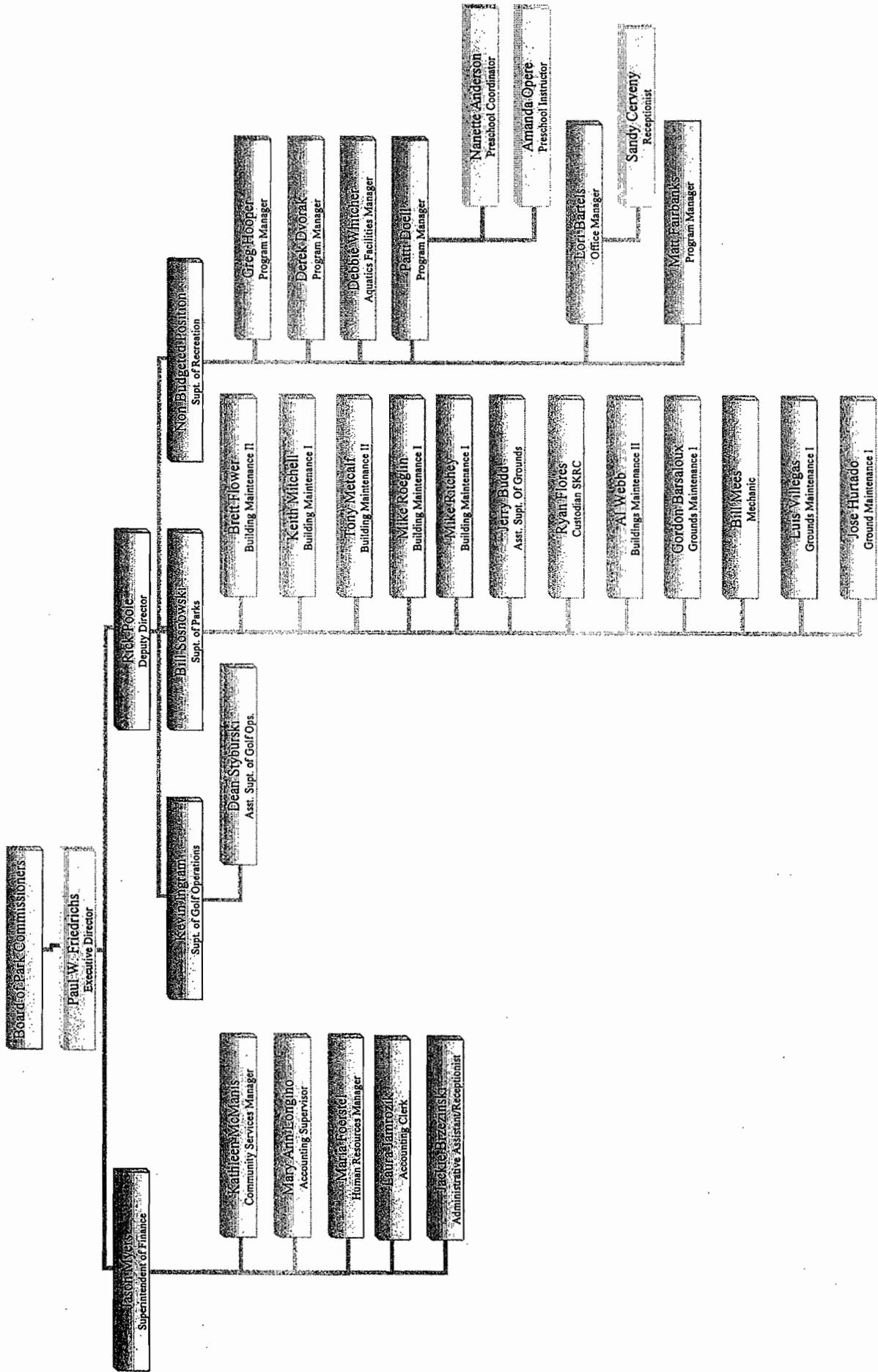
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

Lombard Park District Organizational Chart 2009



LOMBARD PARK DISTRICT

PRINCIPAL OFFICIALS

December 31, 2008

LEGISLATIVE

DISTRICT BOARD OF COMMISSIONERS

Keith Giagnorio, President
Michael Kuderna, Vice President
John Bielenda
Kathleen Hogan
Janice Mills
Char Roberts
William "Bill" Ware

ADMINISTRATIVE

Paul W. Friedrichs, Executive Director
Rick C. Poole, Deputy Director
Jason Myers, Superintendent of Finance and Personnel
William Sosnowski, Superintendent of Parks
Kevin Ingram, Superintendent of Golf Operations

ADMINISTRATIVE OFFICE

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Lombard, Illinois 60148
Telephone (630) 627-1281

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PART II – FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Lombard Park District
Lombard, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Lombard Park District** as of and for the year ended December 31, 2008, which collectively comprise Lombard Park District's basic financial statements and the schedules of revenues, expenditures and changes in fund balance – budget and actual for the General and major Special Revenue Funds as listed in the table of contents. These financial statements are the responsibility of the Park 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, major funds, and remaining fund information of the Lombard Park District as of December 31, 2008, and the results of its operations of those activities and funds and the budgetary comparison for the major funds, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and schedule of funding progress listed in the table of contents are not a required part of the basic financial statements, but are 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 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 basic financial statements taken as a whole. The accompanying financial information listed as supplementary information and other financial schedules in the accompanying table of contents are presented for additional analysis, and are not a required part of the basic financial statements of the Lombard Park 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.

The basic financial statements of Lombard Park District as of December 31, 2007 were audited by other auditors, whose report dated August 26, 2008 expressed an unqualified opinion on those basic financial statements which are not presented with the accompanying financial statements. In their report, the other auditors expressed unqualified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information. In their opinion, the 2007 information included in the individual fund financial schedules is fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2007 taken as a whole.

The introductory and statistical information listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Selden Fox, Ltd.

June 23, 2009

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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Lombard Park District
Management's Discussion and Analysis
For the Year Ended December 31, 2008**

The Management's Discussion and Analysis of Lombard Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2008. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net assets increased \$109,000. This represents a 0.7 percent increase from 2007 net assets.
- General revenues accounted for \$5.3 million in revenue or 79 percent of all revenues. Program specific revenues in the form of charges for services and sales and grants accounted for \$1.4 million or 21 percent of total revenues of \$6.7 million.
- The District had \$10.1 million in expenses related to governmental activities. However, only \$1.4 million of these expenses were offset by program specific charges for services. General revenues (primarily taxes) of \$6.7 million were adequate to provide for these programs.
- The General Fund had \$2.0 million in revenues and \$1.9 million in expenditures. The General Fund's fund balance increased by approximately \$38,247 during 2008.
- The District's total debt decreased by \$5.0 million during the current year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the fiscal year being reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and program income (governmental activities). The District has business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include general governmental and recreational activities. The District's business-type activities consist of operations of Western Acres Golf Course.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are either governmental or proprietary funds (the District maintains no fiduciary funds).

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

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

Overview of the Financial Statements (cont'd)

Fund Financial Statements (cont'd)

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Recreation, Special Recreation, Bond and Interest and Capital Projects Funds. All funds are considered major with the exception of IMRF, Audit Fund and Liability Insurance Funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement has been provided for each of the other funds to demonstrate compliance with this budget. There were no amendments to the current year's budget.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its noncertified employees.

District-wide Financial Analysis

Current Year Impacts

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Lombard Park District, total net assets increased approximately \$109,000 to \$15.2 million during 2008. This increase is primarily due to the collection of property taxes to make payments on the District's bonded debt. The District's total assets equal \$31.2 million. The District's total liabilities equal \$15.9 million.

The Lombard Park District was one of 16 park districts that lost more than half of their nonreferendum bonding authority due to the 1993 Tax Cap Legislation. In fact, the Lombard Park District lost 100% of this type of funding. Late in 2003, both Houses of the State of Illinois overrode the Governor's veto of Senate Bill 83, and with it, restored to the District \$741,000 of nonreferendum bonding authority. As was the case in 2008, future year's net assets will be positively affected due to this change in legislation.

The largest portion of the District's net assets reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

District-wide Financial Analysis (cont'd)

Current Year Impacts (cont'd)

A portion of the net assets of the District is restricted for recreation, pension payments, audit, liability, debt service and capital projects. The unrestricted combined balance, for both governmental and business-type activities, of \$1.1 million may be used to meet the ongoing obligations to the District's citizens and creditors. All net asset categories show positive balances at year end.

Governmental Activities

The Governmental Activities experienced a slight increase in revenue due primarily to the receipt of tax increment financing distributions. This increase combined with continued prudent spending and making debt payments resulted in an increase in net assets to \$14.7 million compared to \$14.6 million in the prior fiscal year. Overall, the District's financial position has improved since the prior fiscal year.

Business-type Activities

The business-type activity of the District includes the Golf Fund. Golf Fund revenues can be affected by climate, at times, with warmer and drier summers bringing higher demand. The operating revenues of the Golf Department decreased by \$46.8 thousand in comparison to the prior year, due to decreased demand by consumers and negative weather impacts to the course.

District-wide Financial Analysis (cont'd)

**Table 1
Condensed Statement of Net Assets
(In Millions of Dollars)**

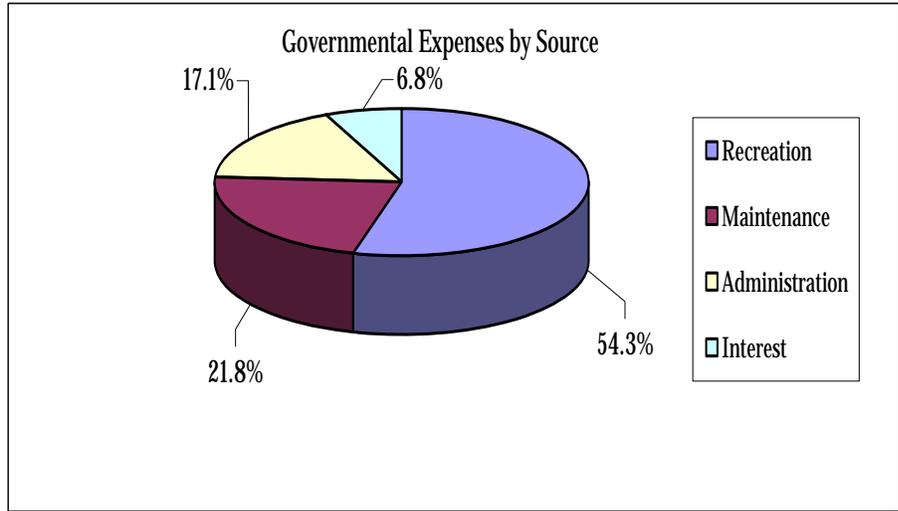
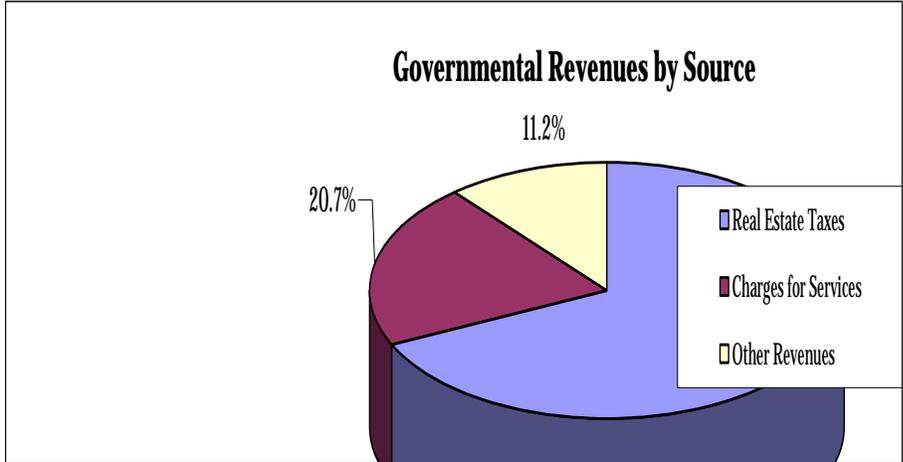
	Governmental-type Activities		Business-type Activities	
	2007	2008	2007	2008
Current and other assets	\$ 11.2	\$ 14.4	\$ 0.1	\$ 0.1
Capital assets	13.5	16.2	0.4	0.4
Total assets	24.7	30.6	0.5	0.5
Long-term outstanding debt	5.3	10.4	-	-
Other liabilities	4.8	5.5	-	-
Total liabilities	10.1	15.9	-	-
Net assets:				
Invested in capital assets, net of related debt	11.6	8.5	0.4	0.4
Restricted	.02	5.3	-	-
Unrestricted	2.8	0.9	0.1	0.1
Total net assets	\$ 14.6	\$ 14.7	\$ 0.5	\$ 0.5

District-wide Financial Analysis (cont'd)

Table 2
Changes in Net Assets
(In Millions of Dollars)

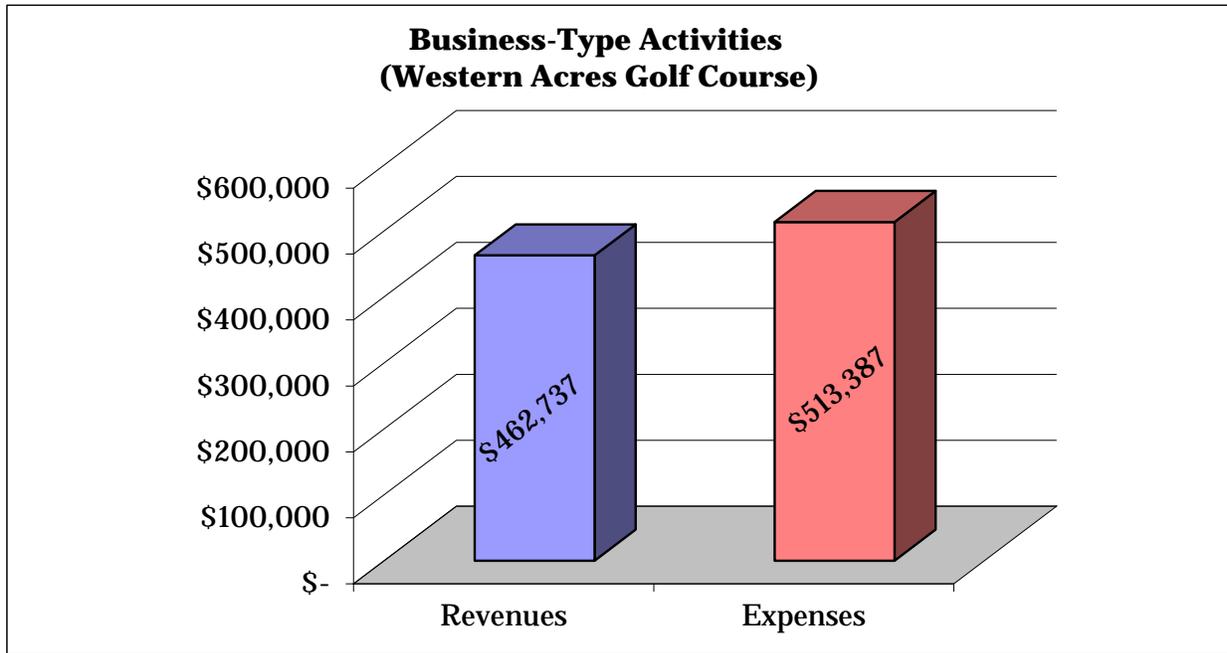
	Governmental-type Activities		Business-type Activities	
	2007	2008	2007	2008
Revenues:				
Program revenues:				
Charges for services	\$ 1.6	\$ 1.4	\$ 0.6	\$ 0.5
General revenues:				
Property taxes	3.8	4.4	-	-
Other	0.8	0.9	-	-
Total revenues	<u>6.2</u>	<u>6.7</u>	<u>0.6</u>	<u>0.5</u>
Expenses:				
Administration	0.8	1.0	-	-
Recreation	3.1	3.9	-	-
Maintenance	1.1	1.3	-	-
Interest and other bank fees	0.2	0.4	-	-
Golf course	-	-	0.6	0.5
Total expenses	<u>5.2</u>	<u>6.6</u>	<u>0.6</u>	<u>0.5</u>
Increase in net assets	1.0	0.1	-	-
Net assets, beginning of the year	<u>13.6</u>	<u>14.6</u>	<u>0.5</u>	<u>0.5</u>
Net assets, end of the year	<u>\$ 14.6</u>	<u>\$ 14.7</u>	<u>\$ 0.5</u>	<u>\$ 0.5</u>

District-wide Financial Analysis (cont'd)



District-wide Financial Analysis (cont'd)

Business-type Activities



Financial Analysis of the District's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Lombard Park District's financing requirements.

The District's major funds are the General Fund, Recreation Fund, Special Recreation, Bond and Interest Fund, and the Capital Projects Fund.

As reflected in the governmental funds - statement of revenues, expenditures and changes in fund balances, the District's overall fund balance increased by \$2.5 million during fiscal year 2008. The majority of this increase was due to the \$2.7 million increase to the Capital Projects Fund due to the issuance of the referendum bond. The remaining funds continued to be stable and decreased by \$0.1 million.

The Recreation Fund's expenditures experienced a negative variance to budget for the year by \$112,000 due to the payment for the early retirement incentive that was offered during the year. This also had an impact on the General and Recreation Funds. The Capital Projects Fund experienced a significant gain due to the referendum bond issuance. This fund was budgeted to decrease by \$2.1 million in 2007 and actually went up by 2.7 million.

Financial Analysis of the District's Funds (cont'd)

Also reflected in the governmental funds - statement of revenues, expenditures and changes in fund balances, the nonmajor funds (Liability, Audit and IMRF and Social Security Funds) has a decrease of \$56,438 during fiscal year 2008.

General Fund Budgetary Highlights

The General Fund generated \$130,000 better than anticipated during the 2008 budget process for operations due to the increase in TIF proceeds. As mentioned earlier, the District passed a referendum in February for \$5.9 million dollars. This money will be used to pay for the construction of Paradise Bay and miscellaneous capital projects.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2008, the Lombard Park District had total capital assets (net of accumulated depreciation) of \$16.5 million, invested in a broad range of capital assets including buildings, vehicles and equipment, playgrounds, swimming pools and golf course. As noted earlier, the passage of Senate Bill 83 at the end of 2003 will greatly impact the ability of the District to acquire capital assets in the future. Additional information regarding the District's capital assets can be found in Note III.C. to the financial statements.

Table 3
Capital Assets
(Net of Depreciation)

	<u>2007</u>	<u>2008</u>
Land and land improvements	\$ 7,390,078	\$ 7,409,743
Buildings	4,233,311	4,194,430
Pool buildings and facilities	803,437	27,603
Machinery and equipment	1,487,869	1,419,455
Construction in progress	-	<u>3,486,930</u>
Total	<u>\$ 13,914,695</u>	<u>\$ 16,538,161</u>

The District maintained \$385,630 in capital assets related to Business-type activities. The assets consisted primarily of buildings, equipment and land improvements. Further information can be obtained in Note III.C.

Capital Asset and Debt Administration (cont'd)

Long-term Debt

At December 31, 2008, the District had \$10.3 million in total outstanding long-term debt. The District currently has no debt outstanding with regards to business-type activities. (More detailed information about the District's long-term liabilities is presented in Note III.E. to the financial statements.)

Table 4
Outstanding Long-term Debt
(In Thousands of Dollars)

	<u>2007</u>	<u>2008</u>
General obligation bonds	\$ 4,250	\$ 9,485
Debt certificates and other	<u>1,046</u>	<u>836</u>
Total	<u>\$ 5,296</u>	<u>\$ 10,321</u>

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the Lombard Park District was unaware of any existing circumstances that would significantly affect its financial health in both the immediate as well as long term future.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives.

If you have questions about this report, or need additional financial information, contact the Business Office:

Jason S. Myers
Superintendent of Finance and Personnel
227 West Parkside Avenue
Lombard, Illinois 60148

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BASIC FINANCIAL STATEMENTS

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**Lombard Park District
Statement of Net Assets
December 31, 2008**

Assets	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash	\$ 381,421	\$ 143,489	\$ 524,910
Investments	9,049,779	-	9,049,779
Receivables, net	4,849,794	15,108	4,864,902
Prepaid items	94,054	6,369	100,423
Deferred bond issuance costs	98,964	-	98,964
Capital assets not being depreciated	8,325,468	-	8,325,468
Capital assets net of accumulated depreciation	7,827,063	385,630	8,212,693
Total assets	<u>30,626,543</u>	<u>550,596</u>	<u>31,177,139</u>
Liabilities			
Accounts payable and other current liabilities	830,583	15,265	845,848
Accrued interest	16,734	-	16,734
Unearned revenue	4,724,718	17,098	4,741,816
Noncurrent liabilities:			
Due within one year	868,825	-	868,825
Due in more than one year	9,470,000	-	9,470,000
Total liabilities	<u>15,910,860</u>	<u>32,363</u>	<u>15,943,223</u>
Net Assets			
Investment in capital assets, net of related debt	8,503,616	385,630	8,889,246
Restricted for:			
Capital projects	5,163,031	-	5,163,031
Debt service	115,588	-	115,588
Unrestricted	933,448	132,603	1,066,051
Total net assets	<u>\$ 14,715,683</u>	<u>\$ 518,233</u>	<u>\$ 15,233,916</u>

See accompanying notes.

**Lombard Park District
Statement of Activities
For the Year Ended December 31, 2008**

Functions/Programs	Net (Expense) Expenses	Revenue and Charges for Services
Governmental activities:		
Administration	\$ 1,033,506	\$ -
Recreation	3,863,846	1,385,361
Maintenance	1,280,798	-
Interest on long-term debt	361,255	-
Total governmental activities	6,539,405	1,385,361
Business-type activities -		
Golf Course	513,387	462,737
Total activities	\$ 7,052,792	\$ 1,848,098
	General revenues:	
	Taxes:	
	Property	
	Replacement	
	Investment earnings	
	Miscellaneous	
	Total general revenues	
	Transfer	
	Change in net assets	
	Net assets, beginning of the year	
	Net assets, end of the year	

See accompanying notes.

Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (1,033,506)	\$ -	\$ (1,033,506)
(2,478,485)	-	(2,478,485)
(1,280,798)	-	(1,280,798)
(361,255)	-	(361,255)
(5,154,044)	-	(5,154,044)
-	(50,650)	(50,650)
(5,154,044)	(50,650)	(5,204,694)
4,428,680	-	4,428,680
132,412	-	132,412
329,706	406	330,112
422,532	-	422,532
5,313,330	406	5,313,736
(18,750)	18,750	-
140,536	(31,494)	109,042
14,575,147	549,727	15,124,874
\$ 14,715,683	\$ 518,233	\$ 15,233,916

**Lombard Park District
Balance Sheet - Governmental Funds
December 31, 2008**

	General	Recreation
Assets		
Assets:		
Cash	\$ 41,760	\$ 16,323
Investments	437,749	640,000
Accrued interest receivable	593	75
Property taxes receivable	1,685,334	860,464
Other receivables	17,803	5,101
Prepaid items	80,767	13,287
Total assets	\$ 2,264,006	\$ 1,535,250
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 45,882	\$ 74,898
Accrued salaries	52,698	50,233
Accrued other	24,589	7,787
Deferred recreation program revenue	3,707	117,916
Deferred property tax revenue	1,663,121	849,248
Total liabilities	1,789,997	1,100,082
Fund balance:		
Reserved for:		
Debt Service Funds	-	-
Prepaid items	80,767	13,287
Henderson donation	12,083	-
Unreserved - undesignated reported in:		
General Fund	381,159	-
Special Revenue Funds	-	421,881
Capital Projects Funds	-	-
Total fund balance	474,009	435,168
Total liabilities and fund balance	\$ 2,264,006	\$ 1,535,250

See accompanying notes.

<u>Special Recreation</u>	<u>Bond and Interest</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ 8,663	\$ 78,753	\$ 228,588	\$ 7,334	\$ 381,421
-	-	7,972,030	-	9,049,779
3	-	132,017	70	132,758
624,318	997,365	-	496,937	4,664,418
29,714	-	-	-	52,618
-	-	-	-	94,054
<u>\$ 662,698</u>	<u>\$ 1,076,118</u>	<u>\$ 8,332,635</u>	<u>\$ 504,341</u>	<u>\$ 14,375,048</u>
\$ 7,943	\$ 214	\$ 497,563	\$ 9,859	\$ 636,359
-	-	-	-	102,931
-	-	-	-	32,376
-	-	-	-	121,623
616,375	983,628	-	490,723	4,603,095
<u>624,318</u>	<u>983,842</u>	<u>497,563</u>	<u>500,582</u>	<u>5,496,384</u>
-	92,276	-	-	92,276
-	-	-	-	94,054
-	-	-	-	12,083
-	-	-	-	381,159
38,380	-	-	3,759	464,020
-	-	7,835,072	-	7,835,072
<u>38,380</u>	<u>92,276</u>	<u>7,835,072</u>	<u>3,759</u>	<u>8,878,664</u>
<u>\$ 662,698</u>	<u>\$ 1,076,118</u>	<u>\$ 8,332,635</u>	<u>\$ 504,341</u>	<u>\$ 14,375,048</u>

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**Lombard Park District
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Assets
December 31, 2008**

Total fund balance - governmental funds (pages 16 and 17)	\$ 8,878,664
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.	16,152,531
Interest expense is not subject to accrual in governmental funds.	(16,734)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(17,869)
Bond issuance costs are not deferred in governmental funds.	40,047
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(10,320,956)</u>
Net assets of governmental activities (page 13)	<u>\$ 14,715,683</u>

See accompanying notes.

Lombard Park District
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended December 31, 2008

	General	Recreation
Revenues:		
Property taxes	\$ 1,603,751	\$ 810,196
Personal property replacement income tax	128,440	-
Interest	5,605	391
Charges for services	7,516	1,377,845
Reimbursements	21,438	45,512
Donations	8,094	14,751
Other	310,298	772
	Total revenues	2,249,467
	2,085,142	2,249,467
Expenditures:		
Current:		
Administration	726,668	-
Recreation	-	2,291,685
Maintenance	1,152,302	-
Debt service:		
Principal	-	43,977
Interest and fees	-	4,047
Capital outlay	-	-
	Total expenditures	2,339,709
	1,878,970	2,339,709
	Revenues over (under) expenditures	
	before other financing sources (uses)	
	206,172	(90,242)
Other financing sources (uses):		
Issuance of bonds	-	-
Premium on bond issuance	-	-
Transfers in	-	-
Transfers out	(167,925)	-
	Total other financing sources (uses)	-
	(167,925)	-
	Change in fund balance	(90,242)
	38,247	(90,242)
Fund balance, beginning of the year	435,762	525,410
Fund balance, end of the year	\$ 474,009	\$ 435,168

See accompanying notes.

Special Recreation	Bond and Interest	Capital Projects	Nonmajor Funds	Total
\$ 573,590	\$ 992,310	\$ -	\$ 448,833	\$ 4,428,680
-	-	-	3,972	132,412
391	-	322,959	360	329,706
-	-	-	-	1,385,361
-	-	15,000	-	81,950
-	-	-	-	22,845
-	-	1,492	5,175	317,737
<u>573,981</u>	<u>992,310</u>	<u>339,451</u>	<u>458,340</u>	<u>6,698,691</u>
-	-	-	180,277	906,945
252,767	-	-	334,501	2,878,953
-	-	-	-	1,152,302
-	805,000	-	-	848,977
-	356,185	-	-	360,232
-	-	3,973,231	-	3,973,231
<u>252,767</u>	<u>1,161,185</u>	<u>3,973,231</u>	<u>514,778</u>	<u>10,120,640</u>
<u>321,214</u>	<u>(168,875)</u>	<u>(3,633,780)</u>	<u>(56,438)</u>	<u>(3,421,949)</u>
-	-	5,900,000	-	5,900,000
-	-	63,125	-	63,125
-	167,925	322,035	-	489,960
(322,035)	-	-	-	(489,960)
<u>(322,035)</u>	<u>167,925</u>	<u>6,285,160</u>	<u>-</u>	<u>5,963,125</u>
(821)	(950)	2,651,380	(56,438)	2,541,176
<u>39,201</u>	<u>93,226</u>	<u>5,183,692</u>	<u>60,197</u>	<u>6,337,488</u>
<u>\$ 38,380</u>	<u>\$ 92,276</u>	<u>\$ 7,835,072</u>	<u>\$ 3,759</u>	<u>\$ 8,878,664</u>

**Lombard Park 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 December 31, 2008**

Amounts reported for governmental activities in the statement of activities (pages 14 and 15) are different because:

Net change in fund balances - total governmental funds (pages 19 and 20)	\$ 2,541,176
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.	3,373,603
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the cost of the capital assets disposed.	(706,519)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(5,070,422)
Interest expense on long-term debt is accrued in the government-wide statement of activities, but does not require the use of current financial resources; therefore, it is recorded as an expenditure when due in governmental funds.	(5,820)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>8,518</u>
Change in net assets of governmental activities (pages 14 and 15)	<u>\$ 140,536</u>

See accompanying notes.

**Lombard Park District
Proprietary Fund
Statement of Net Assets
December 31, 2008**

	Golf Fund
Assets	
Current assets:	
Cash	\$ 143,489
Interest receivable	79
Other receivables	15,029
Inventory	2,522
Prepaid items	2,347
Other	1,500
Total current assets	164,966
Noncurrent assets - capital assets, net of accumulated depreciation:	
Buildings	110,487
Land improvements	78,667
Equipment	196,476
Total noncurrent assets	385,630
Total assets	550,596
Liabilities	
Current liabilities:	
Accounts payable	7,672
Accrued salaries	7,593
Unearned revenue	17,098
Total liabilities	32,363
Net Assets	
Investment in capital assets	385,630
Unrestricted	132,603
Total net assets	\$ 518,233

See accompanying notes.

**Lombard Park District
Proprietary Fund
Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended December 31, 2008**

	Golf Fund
Operating revenues:	
Greens fees	\$ 341,286
Rentals	68,784
Concessions and sales	37,698
Miscellaneous	14,969
Total operating revenues	462,737
Operating expenses:	
Personal services	289,779
Commodities and supplies	89,470
Contractual services	5,305
Utilities	30,699
Depreciation and amortization	62,368
Other	35,766
Total operating expenses	513,387
Operating loss	(50,650)
Nonoperating revenues - interest income	406
Contributed capital	18,750
Net loss	(31,494)
Net assets, beginning of the year	549,727
Net assets, end of the year	\$ 518,233

See accompanying notes.

**Lombard Park District
Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2008**

	Golf Course
Cash flows from operating activities:	
Receipts from customers and users	\$ 449,714
Payments to suppliers	(165,616)
Payments to employees	(289,222)
Net cash used for operating activities	(5,124)
Cash flows from investing activities - interest income	554
Net decrease in cash	(4,570)
Cash, beginning of the year	148,059
Cash, end of the year	\$ 143,489
Reconciliation of operating income to net cash used for operating activities:	
Operating loss	\$ (50,650)
Adjustments to reconcile operating income to net cash used in operating activities:	
Depreciation	62,368
Increase in assets	(19,047)
Increase in liabilities	2,205
Net cash used for operating activities	\$ (5,124)
Noncash capital and related financing activities - contributed capital	\$ 18,750

See accompanying notes.

Lombard Park District Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The Lombard Park District, Illinois (the Park District) is organized under the 1970 Illinois Constitution, and is located in DuPage County, Illinois. The Park District operates under a President-Trustee form of government and provides the following services as authorized by its charter: traditional parks and recreational services and programs, and general administrative services.

The accounting policies of the Lombard Park District, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. The Reporting Entity

This report includes all of the funds of the Lombard Park District. The reporting entity for the Park District consists of: (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body, and: (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (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 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. Blended component units, although legally separate entities are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government. This report does not contain any component units.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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 or segment. The Park District does not allocate indirect expenses to functions in the statement of activities. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements – Financial statements of the reporting entity are organized into 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, net assets/fund equity, revenues, and expenditure/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Park District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category type, and
2. The same element of the individual governmental fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental funds combined.
3. In addition, any other governmental fund that the Park District believes is particularly important to financial statement users may be reported as a major fund.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. **Summary of Significant Accounting Policies (cont'd)**

B. **Government-wide and Fund Financial Statements (cont'd)**

Fund Financial Statements (cont'd)

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Park District reports the following major governmental funds:

General Fund – Accounts for the Park District's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Recreation Fund – Accounts for all the revenues and expenditures resulting from the District's community programs. Revenue is derived mainly from program fees and expenditures consist of salaries, supplies and contractual services.

Special Recreation Fund – This fund is used for expenditures made to the Northeast DuPage Special Recreation Association (NEDSRA). The District makes payments to NEDSRA in order to provide special recreation programs to the physically and mentally handicapped within their district. Revenue to finance the payments is derived primarily from local property taxes.

Bond and Interest Fund – Is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs not being financed by proprietary or nonexpendable trust funds. The primary revenue source is local property taxes levied specifically for debt service.

Capital Projects Fund – Is used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities not being financed by proprietary funds.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund Financial Statements (cont'd)

Fund Financial Statements (cont'd)

The Park District reports the following major enterprise fund:

Proprietary Fund – Accounts for operations of the Park District which operates the Western Acres Golf Course.

The Park District reports the following nonmajor governmental funds:

Illinois Municipal Retirement Fund – Accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare for certified employees and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Liability Insurance Fund – Is used for expenditures made for liability insurance. Revenue consists primarily of local property taxes.

Audit Fund – Accounts for audit expenditures. Revenue is a result of the real estate tax levy.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

Government-wide Financial Statements – The government-wide statement of net assets and statement of activities are reported 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 economic asset 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. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Government-Wide Financial Statements (cont'd)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Park District's golf functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Park District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Park District is entitled to the resources and the amounts are available. Amounts owed to the Park District which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The Park District reports deferred revenues on its governmental funds' balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Fund Financial Statements (cont'd)

Deferred revenues also arise when resources are received before the Park District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Park District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The Enterprise Fund follows all pronouncements of the Governmental Accounting Standards Board, and has elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Proprietary Fund are charges to customers for sales and services.

Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements – 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.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

For purposes of the statement of cash flows, the Park District considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

1. Deposits and Investments (cont'd)

Illinois statutes authorize the Park District to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

The Park District has adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk – The Park District's investment policy seeks to ensure preservation of capital in the Park District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The Park District's policy does not specifically address interest rate risk. However, the policy requires the Park District's investment portfolio to be sufficiently liquid to enable the Park District to meet all operating requirements as they come due.

Credit Risk – State statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Park District's policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

Concentration of Credit Risk – The Park District's policy requires diversification of the investment portfolio to minimize risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The Park District operates its investments as an internal investment pool where each fund reports pro rata share of the investments made by the Park District.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

1. Deposits and Investments (cont'd)

Custodial Credit Risk – Deposits – The Park District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution. As of December 31, 2008, all of the District's deposits were collateralized in accordance with their investment policy.

Custodial Credit Risk – Investments – The Park District's investment policy require all securities to be collateralized to the extent of 110% of the fair market value of the investment. The District's investment policy requires all securities to be held by: (a) the government, (b) a third party custodian designated by the District and evidenced by safekeeping receipts, or (c) by an escrow agency of the pledging institution.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Illinois Park District Liquid Asset Fund Plus (IPDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. Neither is registered with the SEC as an investment company. Investments are valued at share price, which is the price for which the investment could be sold.

See Note III.A. for further information.

2. Receivables

Property taxes for levy year 2008 attach as an enforceable lien on January 1, 2008, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

2. Receivables (cont'd)

Tax bills for levy year 2008 are prepared by DuPage County and issued on or about February 1, 2008 and September 1, 2008, and are payable in two installments, on or about June 1, 2008 and September 1, 2008 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2008 property tax levy is recognized as a receivable and deferral in fiscal year 2008. There is no allowance for uncollectibles. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2008, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2008 levy.

The 2008 property tax levy is recorded as a receivable. The District expects to collect all receivables. The balance at year end is made up of the original levy net of uncollectible amounts and amounts collected in the current period. Net taxes receivable less the amount expected to be received within 60 days is reflected as deferred revenue.

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO, and charged to construction and/or operation and maintenance expense when used.

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

4. Capital Assets

Government-wide Financial Statements – Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,500 for general capital assets and an estimated useful life in excess of one year.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

4. Capital Assets (cont'd)

Government-wide Financial Statements (cont'd)

All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

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.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 years
Land improvements	25 – 30 years
Machinery and equipment	15 – 25 years

Fund Financial Statements – In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide financial statements.

5. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

6. Compensated Absences

Full-time employees earn a specified amount of vacation and sick leave each year which is dependent upon the length of the employee's continuous full-time service at the District. Vacations must be taken by March 31 of the following fiscal year in which earned, or time is lost. Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon retirement, unless the employee worked for the District prior to December 31, 1995. Those employees will be compensated for one-half of the accumulated unpaid sick time that was accumulated as of December 31, 1995, up to a maximum of 180 days, upon retirement. This amount is immaterial and therefore not shown on the balance sheet.

7. Long-term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts is reported as an other financing source and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

Lombard Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, and Net Assets or Equity (cont'd)

9. Equity Classifications

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definitions of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the Park District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements – Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reserved fund balance is that portion of fund balance that is not available for the subsequent year’s budget due to legal restrictions or resources which are not available for current spending. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled “designated.” The balance of unreserved fund balance is labeled “undesignated,” which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide financial statements.

Lombard Park District
Notes to the Financial Statements (cont'd)

II. Reconciliation of Government-wide and Fund Financial Statements

The governmental fund statement of revenues, expenditures and changes in fund balance includes a reconciliation between net changes in fund balance – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains “Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$3,373,603 are as follows:

Capital outlay	\$	3,877,639
Depreciation expense		<u>(504,036)</u>
 Net adjustment to increase net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities		 \$ 3,373,603

Another element of the reconciliation states “In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.” The details of this \$706,519 difference are as follows:

Accumulated depreciation of capital assets	\$	961,918
Cost of capital assets		<u>(1,668,437)</u>
 Net adjustment to decrease net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities		 \$ (706,519)

Another element of the reconciliation states “The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$5,070,422 difference are as follows:

Lombard Park District
Notes to the Financial Statements (cont'd)

II. Reconciliation of Government-wide and Fund Financial Statements (cont'd)

Principal repayments – general obligation debt	\$	848,977
Bonds issued		(5,900,000)
Increase in premium on bond issuance		(63,125)
Increase in deferred bond issuance costs		50,391
Amortization of deferred bond issuance costs		(10,873)
Amortization of bond premium		4,208

Net adjustments to decrease net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities	\$	(5,070,422)

III. Detailed Notes For All Funds

A. Deposits and Investments

The Park District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net assets and balance sheet as cash and investments. In addition, investments are separately held by several of the Park District's funds.

The Park District's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits with financial institutions	\$ 8,807,960	\$ 9,440,905	Custodial credit risk
IPDLAF	763,779	763,779	Interest rate risk and credit risk
Cash on hand	2,950	2,950	N/A
Total deposits and investments	\$ 9,574,689	\$ 10,207,634	

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for interest bearing accounts.

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

A. Deposits and Investments (cont'd)

A reconciliation of cash and investments as of December 31, 2008 is as follows:

Cash	\$	524,910
Investments		9,049,779
Combined carrying value on balance sheet	\$	9,574,689

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the Park District's deposits may not be returned to the Park District. The Park District does not have any deposits exposed to custodial credit risk.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Park District held investments in the Illinois Park District Liquid Asset Fund Plus which is not rated.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2008, the Park District's investments were as follows:

Investment Type	Maturity (in Months)	
	Fair Value	Less Than One Year
Illinois Park District Liquid Asset Fund Plus	\$ 763,779	\$ 763,779

See Note I.D.1. for further information on deposit and investment policies.

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

B. Receivables

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Under the accrual method, deferred revenue is recognized as revenue in the period earned. An exception in Illinois is real estate taxes, whereby the intent of the Park District is to finance the following year's operations with those monies. Therefore, these amounts will remain deferred revenue or unearned for the government-wide statements.

C. Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	Balance, December 31, 2007	Additions	Retirements/ Adjustments	Balance, December 31, 2008
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 4,838,538	\$ -	\$ -	\$ 4,838,538
Construction in progress	-	3,486,930	-	3,486,930
Total capital assets not being depreciated	4,838,538	3,486,930	-	8,325,468
Capital assets, being depreciated:				
Land improvements	3,437,695	163,417	-	3,601,112
Buildings	5,396,078	134,164	-	5,530,242
Pool buildings/facilities	1,766,710	-	1,668,437	98,273
Machinery and equipment	2,867,321	93,128	-	2,960,449
Total capital assets being depreciated	13,467,804	390,709	1,668,437	12,190,076
Total capital assets	18,306,342	3,877,639	1,668,437	20,515,544

(cont'd)

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

C. Capital Assets (cont'd)

	Balance, December 31, 2007	Additions	Retirements/ Adjustments	Balance, December 31, 2008
Governmental Activities (cont'd)				
Less accumulated depreciation for:				
Land improvements	\$ 986,855	\$ 121,719	\$ -	\$ 1,108,574
Buildings	1,284,141	143,596	-	1,427,737
Pool buildings/facilities	963,273	69,315	961,918	70,670
Machinery and equipment	1,586,626	169,406	-	1,756,032
Total accumulated depreciation	<u>4,820,895</u>	<u>504,036</u>	<u>961,918</u>	<u>4,363,013</u>
Total capital assets being depreciated, net	<u>8,646,909</u>	<u>(113,327)</u>	<u>706,519</u>	<u>7,827,063</u>
Total governmental activities' capital assets, net of accumulated depreciation	<u>\$ 13,485,447</u>	<u>\$ 3,373,603</u>	<u>\$ 706,519</u>	<u>\$ 16,152,531</u>

Depreciation expense of \$106,730, \$268,810, and \$128,496 was charged to the Administration Fund, Recreation Fund, and Maintenance Fund, respectively. Total depreciation expense at December 31, 2008 was \$504,036

	Balance, December 31, 2007	Additions	Retirements/ Adjustments	Balance, December 31, 2008
Business-type Activities				
Capital assets being depreciated:				
Land improvements	\$ 297,691	\$ -	\$ -	\$ 297,691
Buildings/facilities	488,917	-	-	488,917
Equipment	817,498	18,750	-	836,248
Total capital assets being depreciated	<u>1,604,106</u>	<u>18,750</u>	<u>-</u>	<u>1,622,856</u>
Less accumulated depreciation for:				
Land improvements	196,991	22,033	-	219,024
Buildings/facilities	367,543	29,449	-	396,992

(cont'd)

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

C. Capital Assets (cont'd)

	Balance, December 31, 2007	Additions	Retirements/ Adjustments	Balance, December 31, 2008
Business-type Activities (cont'd)				
Less accumulated depreciation for (cont'd): Equipment	\$ 610,324	\$ 10,886	\$ -	\$ 621,210
Total accumulated depreciation	1,174,858	62,368	-	1,237,226
Business-type capital assets, net of accumulated depreciation	\$ 429,248	\$ (43,618)	\$ -	\$ 385,630

D. Interfund Transfers

The composition of interfund balances as of December 31, 2008 is as follows:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Debt Service	General	\$ 167,925	Assist in debt repayment
Special Recreation	Capital Projects	322,035	Payment of capital project activities related to special recreation
		\$ 489,960	
Transfer of capital assets from governmental-type activities to business- type activities		\$ 18,750	

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

D. Interfund Transfers (cont'd)

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

E. Long-term Obligations

Long-term obligations activity for the year ended December 31, 2008 was as follows:

	Balance, December 31, 2007	Additions	Retirements/ Adjustments	Balance, December 31, 2008
Governmental Activities				
Bonds and notes payable:				
General obligation debt	\$ 4,250,000	\$ 5,900,000	\$ 665,000	\$ 9,485,000
Debt certificates	930,000	-	140,000	790,000
Note payable	89,933	-	43,977	45,956
Total bonds and notes payable	5,269,933	5,900,000	848,977	10,320,956
Other liabilities - compensated absences	26,387	17,869	26,387	17,869
	\$ 5,296,320	\$ 5,917,869	\$ 875,364	\$ 10,338,825

Compensated absences will be liquidated out of the fund in which the person's salary is paid. Those funds are the General and Recreation Fund. The Park District is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 2.875% of the most recent available equalized assessed valuation of the Park District.

General Obligation Debt – All general obligation notes and bonds payable are backed by the full faith and credit of the Park District. Notes and bonds in the governmental funds will be retired by future property tax levies.

Lombard Park District
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Funds (cont'd)

E. Long-term Obligations (cont'd)

General Obligation Debt (cont'd)

Principal
Outstanding

\$2,175,000 General Obligation Bonds, Series 2005A, Dated June 15, 2005 – Principal is payable on December 15 of each year with final payment due December 15, 2009.

Interest is payable on June 15 and December 15 of each year, at 3.13%.

\$ 615,000

\$3,040,000 General Obligation Bonds, Series 2005B, Dated June 15, 2005 – Principal is payable on December 15 of each year as follows:

2010	\$	150,000	2018	\$	210,000
2011		155,000	2019		215,000
2012		160,000	2020		225,000
2013		170,000	2021		235,000
2014		175,000	2022		245,000
2015		185,000	2023		255,000
2016		190,000	2024		270,000
2017		200,000			

Interest is payable on June 15 and December 15 of each year, at rates ranging from 3.50% to 4.25%.

3,040,000

\$5,900,000 General Obligation Park Bonds, Series 2008, Dated March 1, 2008 – Principal is payable on December 15 of each year as follows:

2009	\$	40,000	2017	\$	415,000
2010		250,000	2018		445,000
2011		270,000	2019		475,000
2012		290,000	2020		510,000
2013		315,000	2021		540,000
2014		335,000	2022		580,000
2015		360,000	2023		615,000
2016		390,000			

Interest is payable on June 30 and December 30 of each year, at rates ranging from 3.50% to 4.00%.

5,830,000

**Lombard Park District
Notes to the Financial Statements (cont'd)**

III. Detailed Notes For All Funds (cont'd)

E. Long-term Obligations (cont'd)

Debt Service Requirement to Maturity (cont'd)

Year Ending December 31,	Long-term Obligations		
	Total	Principal	Interest
2010	\$ 902,535	\$ 550,000	\$ 352,535
2011	919,110	585,000	334,110
2012	924,355	610,000	314,355
2013	948,565	655,000	293,565
2014 – 2018	4,067,660	2,905,000	1,162,660
2019 – 2023	4,439,675	3,895,000	544,675
2024	281,475	270,000	11,475
Totals	\$ 13,713,859	\$ 10,320,956	\$ 3,392,903

IV. Other Information

A. Illinois Municipal Retirement Fund

The Park District'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 Park District is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

As set by statute, the Park District's Regular plan members are required to contribute 4.50 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 2008 was 10.31 percent of annual covered payroll. The Park 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 rate is set by statute.

Lombard Park District
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information for the three years ended December 31, 2008, 2007 and 2006 is as follows:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 177,990	100 %	\$ -
2007	178,111	100	-
2006	178,047	100	-

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included: (a) 7.50% 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 11.60% per year depending on age and service, attributable to seniority/merit, and (d) postretirement 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 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2006 valuation was 24 years.

As of December 31, 2008, the most recent actuarial valuation date, the plan was 74.67 percent funded. The actuarial accrued liability for benefits was \$4,699,352 and the actuarial value of assets was \$3,509,221, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,190,131. The covered payroll (annual payroll of active employees covered by the plan) was \$1,726,383 and the ratio of the UAAL to the covered payroll was 69 percent.

The schedule of funding progress, presented in the required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Lombard Park District
Notes to the Financial Statements (cont'd)**

IV. Other Information (cont'd)

B. Risk Management

The Park District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. The Park District participates in a public entity risk pool called PDRMA to provide coverage for losses from torts; theft of, damage to, or destruction of assets. However, other risks, such as torts; theft of, damage to, or destruction of assets; errors and omissions; and workers' compensation, are accounted for and financed by the Park District in the General Fund.

Public Entity Risk Pool

PDRMA Property/Casualty Program – Since 1984, the Park District has been a member of the Park District Risk Management Agency (PDRMA), a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability, and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The following table is a summary of the coverage in effect for the period January 1, 2008 through January 1, 2009:

Coverage	Member Deductible	PDRMA Self-insurance Retention	Limits
Property			
Property/building/contents	\$1,000	\$1,000,000	\$1,000,000,000 per occurrence
Auto physical damage	\$1,000	\$250,000	
Builders' risk	\$1,000	\$250,000	\$100,000,000 per occurrence
Business interruption	24 hours	N/A	\$10,000,000 business income and extra expense
Boiler and machinery	\$1,000	\$9,000	\$100,000,000 equipment

(cont'd)

**Lombard Park District
Notes to the Financial Statements (cont'd)**

IV. Other Information (cont'd)

B. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Property/Casualty Program (cont'd)

Coverage	Member Deductible	PDRMA Self-insurance Retention	Limits
Property (cont'd):			
Property damage	\$1,000	\$ 9,000	Breakdown
Fidelity/crime/surety	\$1,000	\$ 24,000	\$2,000,000
Seasonal employees	\$1,000	\$ 9,000	\$1,000,000
Blanket bond	\$1,000	\$ 24,000	\$2,000,000
Workers' Compensation	N/A	\$500,000	Statutory \$3,500,000 employer's liability
Pollution Liability			
Liability – third party	None	\$ 25,000	\$5,000,000 per occurrence
Property – third party	\$1,000	\$ 24,000	\$10,000,000/ general aggregate
Liability			
General liability	None	\$500,000	\$16,500,000,000 per occurrence
Auto liability	None	\$500,000	
Public officials' liability	None	\$500,000	
Employment practices	None	\$500,000	
Completed operations	None	\$500,000	
Uninsured/underinsured motorists	None	\$500,000	\$1,000,000 per occurrence

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Lombard Park District.

**Lombard Park District
Notes to the Financial Statements (cont'd)**

IV. Other Information (cont'd)

B. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Property/Casualty Program (cont'd)

As a member of PDRMA, the Park District is represented on the Property/Liability/Workers' Compensation Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Park District's governing body. The Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's balance sheet at December 31, 2007 and the statement of revenues and expenses for the period ending December 31, 2007. The Park District's portion of the overall equity of the pool is 1.2440% or \$437,500.

Assets	\$50,742,449
Liabilities	15,576,012
Member balances	35,166,437
Revenues	16,461,077
Expenditures	15,359,288

Since 89% of PDRMA's liabilities are reserved for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the member balances are adjusted annually as more recent loss information becomes available.

Lombard Park District
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

B. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Health Program – In 1990, the Lombard Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$200,000. Until January 1, 2001, the Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

Members can choose to provide any combination of coverages available to their employees, and pay premiums accordingly.

As a member of the PDRMA Health Program, the Park District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and the PDRMA Health Program is governed by a contract and by-laws that have been adopted by resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's balance sheet for December 31, 2007 and the statement of revenues and expenses for the period ending December 31, 2007.

Assets	\$10,068,733
Liabilities	2,240,228
Member balances	7,828,505
Revenues	14,159,566
Expenditures	14,358,995

A large percentage of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

Lombard Park District
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

C. Joint Ventures

Northeast DuPage Special Recreation Association (NEDSRA) – The District is a member of the Northeast DuPage Special Recreation Association (NEDSRA), which was organized by several area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each member park district's contribution is based on its respective assessed valuation. Each year the District levies taxes for its contribution to NEDSRA. The District's contribution to NEDSRA for fiscal 2008, 2007, and 2006 was \$251,757, \$249,082, and \$249,131, respectively.

NEDSRA utilized the annual contributions it receives from park districts to meet its annual operating expenses. NEDSRA is not accumulating assets or incurring liabilities that would have a financial effect on the District. Separate financial statements for NEDSRA are available from the Association's management.

D. Subsequent Events

The Park District has entered into construction contracts with outstanding commitments totaling approximately \$5,100,000 at December 31, 2008. The contracts are for various capital projects, mainly the reconstruction of the Park District's swimming pool.

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REQUIRED SUPPLEMENTARY INFORMATION

**Lombard Park District
Illinois Municipal Retirement Fund
Required Supplementary Information -
Schedule of Funding Progress
December 31, 2008**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2008	\$ 3,509,221	\$ 4,699,352	\$ 1,190,131	74.67 %	\$ 1,726,383	68.94 %
12/31/2007	3,517,911	4,530,751	1,012,840	77.65	1,709,320	59.25
12/31/2006	4,056,045	4,625,255	569,210	87.69	1,752,436	32.48
12/31/2005	3,832,168	4,429,533	597,365	86.51	1,723,210	34.67
12/31/2004	3,749,229	4,172,506	423,277	89.86	1,612,331	26.25
12/31/2003	3,795,454	3,954,553	159,099	95.98	1,538,664	10.34

On a market value basis, the actuarial value of assets as of December 31, 2008 is \$2,300,621.
On a market basis, the funded ratio would be 48.96%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005 - 2007 experience study.

See independent auditor's report.

**Lombard Park District
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007**

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Property taxes	\$ 1,586,772	\$ 1,603,751	\$ 16,979	\$ 1,544,627
Replacement taxes	122,350	128,440	6,090	130,384
Interest	16,690	5,605	(11,085)	22,578
Rent	3,000	3,726	726	7,321
Plant sale/buy a brick	6,000	3,790	(2,210)	5,378
Reimbursements	21,396	21,438	42	20,826
Donations	6,200	8,094	1,894	4,600
Miscellaneous	194,194	310,298	116,104	270,233
Total revenues	1,956,602	2,085,142	128,540	2,005,947
Expenditures:				
Administrative:				
Personnel services	446,869	620,531	(173,662)	397,874
Purchased services	42,300	42,636	(336)	22,015
Supplies/maintenance	24,062	17,435	6,627	19,983
Utilities	16,115	18,813	(2,698)	28,991
Other charges	27,010	27,253	(243)	32,146
Operating:				
Personnel services	628,564	686,802	(58,238)	671,839
Purchased services	4,200	333	3,867	975
Supplies/maintenance	227,910	248,820	(20,910)	194,065
Other charges	5,400	8,281	(2,881)	5,671
Building:				
Supplies/maintenance	19,844	18,042	1,802	17,716
Utilities	86,849	78,806	8,043	64,708
Horticulture:				
Personnel services	56,007	55,790	217	51,408
Supplies/maintenance	52,706	55,428	(2,722)	49,696
Total expenditures	1,637,836	1,878,970	(241,134)	1,557,087
Revenues over (under) expenditures before other financing uses	318,766	206,172	(112,594)	448,860

(cont'd)

**Lombard Park District
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007**

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Other financing uses - transfers out:				
Debt Service Funds	\$ (167,925)	\$ (167,925)	\$ -	\$ (171,285)
Capital Projects Funds	(150,000)	-	150,000	(150,000)
Total other financing uses	<u>(317,925)</u>	<u>(167,925)</u>	150,000	<u>(321,285)</u>
Change in fund balance	<u>\$ 841</u>	<u>38,247</u>	<u>\$ 37,406</u>	127,575
Fund balance, beginning of the year		<u>435,762</u>		<u>308,187</u>
Fund balance, end of the year		<u>\$ 474,009</u>		<u>\$ 435,762</u>

See independent auditor's report.

Lombard Park District
Major Special Revenue Fund - Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Property taxes	\$ 807,706	\$ 810,196	\$ 2,490	\$ 777,591
Interest	1,655	391	(1,264)	2,075
Charges for services:				
Recreation programs	1,411,875	1,244,200	(167,675)	1,185,789
Pool	53,012	31,554	(21,458)	267,803
Reimbursements	39,520	45,512	5,992	44,823
Donations	4,500	14,751	10,251	3,237
Miscellaneous	710	772	62	2,328
Rentals and concessions:				
Recreation center	22,800	15,423	(7,377)	16,999
Pool	-	24	24	35,479
Lagoon	22,374	20,851	(1,523)	20,578
Community building	38,670	25,742	(12,928)	26,476
Log cabin	32,516	25,626	(6,890)	28,874
Outdoor rentals	16,133	14,425	(1,708)	14,939
Total revenues	2,451,471	2,249,467	(202,004)	2,426,991
Expenditures:				
Current:				
Recreation:				
Programs:				
Personnel services	1,107,071	1,354,356	(247,285)	1,082,362
Purchased services	420,154	333,993	86,161	358,778
Supplies/maintenance	155,066	121,353	33,713	103,000
Utilities	20,087	21,768	(1,681)	19,872
Other charges	134,235	136,659	(2,424)	124,608
Pool:				
Personnel services	73,731	55,708	18,023	236,779
Purchased services	700	-	700	3,124
Supplies/maintenance	2,603	1,080	1,523	43,934
Utilities	3,580	8,320	(4,740)	79,925
Other charges	19,471	11,032	8,439	31,498

(cont'd)

Lombard Park District
Major Special Revenue Fund - Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007

	2008			2007 Actual
	Original and Final Budget	Actual	Variance to Budget	
Expenditures (cont'd):				
Current (cont'd):				
Recreation (cont'd):				
Recreation center:				
Personnel services	\$ 55,649	\$ 58,547	\$ (2,898)	\$ 56,541
Supplies/maintenance	85,516	82,037	3,479	78,092
Utilities	62,374	77,582	(15,208)	61,808
Other charges	4,405	3,427	978	4,288
Lagoon:				
Personnel services	3,120	3,205	(85)	2,572
Supplies/maintenance	3,242	2,671	571	3,058
Utilities	6,038	5,664	374	5,537
Other charges	315	258	57	5
Community building:				
Personnel services	11,590	12,973	(1,383)	13,105
Supplies/maintenance	9,899	9,401	498	8,675
Utilities	23,813	16,824	6,989	24,291
Other charges	3,600	906	2,694	1,920
Log Cabin:				
Personnel services	3,120	3,160	(40)	2,905
Supplies/maintenance	3,304	2,934	370	2,709
Utilities	6,529	6,690	(161)	7,026
Other charges	850	503	347	-
Outdoor rentals - supplies/maintenance	7,809	8,658	(849)	7,472
Total expenditures	<u>2,227,871</u>	<u>2,339,709</u>	<u>(111,838)</u>	<u>2,363,884</u>
Change in fund balance	<u>\$ 223,600</u>	<u>(90,242)</u>	<u>\$ (313,842)</u>	63,107
Fund balance, beginning of the year		<u>525,410</u>		<u>462,303</u>
Fund balance, end of the year		<u>\$ 435,168</u>		<u>\$ 525,410</u>

See independent auditor's report.

Lombard Park District
Major Special Revenue Fund - Special Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Property taxes	\$ 575,405	\$ 573,590	\$ (1,815)	\$ 312,377
Interest	254	391	137	626
Donations	250	-	(250)	-
	<u>575,909</u>	<u>573,981</u>	<u>(1,928)</u>	<u>313,003</u>
Total revenues				
Expenditures:				
Current:				
Recreation:				
Payments to NEDSRA	296,201	251,757	44,444	249,082
Interest expense	200	175	25	559
Program integration	1,500	835	665	2,002
	<u>297,901</u>	<u>252,767</u>	<u>45,134</u>	<u>251,643</u>
Total expenditures				
Revenues over expenditures before other financing uses	278,008	321,214	43,206	61,360
Other financing uses - transfers out - Capital Projects Funds	<u>(280,930)</u>	<u>(322,035)</u>	<u>(41,105)</u>	<u>(30,000)</u>
Change in fund balance	<u>\$ (2,922)</u>	<u>(821)</u>	<u>\$ 2,101</u>	31,360
Fund balance, beginning of the year		<u>39,201</u>		<u>7,841</u>
Fund balance, end of the year		<u>\$ 38,380</u>		<u>\$ 39,201</u>

See independent auditor's report.

**Lombard Park District
Notes to the Required Supplementary Information**

1. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Park Commissioners. All annual appropriations lapse at fiscal year end.

Prior to December 31, the Park District submits to the Board of Park Commissioners a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the General Fund and Special Revenue Funds.

The Board of Park Commissioners is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. The appropriated budget is prepared by fund, function and department. The Board of Park Commissioners is authorized to transfer budget amounts between departments within any fund not exceeding in the aggregate 10% of the total budgeted amount in the fund; however, the Board of Park Commissioners must approve revisions that alter the total expenditures of any fund.

2. Excess of Expenditures Over Appropriations

For the year ended December 31, 2008, expenditures exceeded appropriations in the following funds:

General	\$	241,134
Recreation		111,838
Audit		2,523
Municipal Retirement and Social Security		58,693

These excess expenditures were funded by available fund balance.

SUPPLEMENTARY INFORMATION

Lombard Park District
Bond and Interest Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues - property taxes	\$ 748,468	\$ 992,310	\$ 243,842	\$ 746,756
Expenditures:				
Debt service:				
Principal	735,000	805,000	(70,000)	720,000
Interest	183,028	355,596	(172,568)	203,439
Other	-	589	(589)	589
Total expenditures	<u>918,028</u>	<u>1,161,185</u>	<u>(243,157)</u>	<u>924,028</u>
Revenues over (under) expenditures before other financing sources	(169,560)	(168,875)	685	(177,272)
Other financing sources - transfers in - General Fund	<u>167,925</u>	<u>167,925</u>	<u>-</u>	<u>171,285</u>
Change in fund balance	<u>\$ (1,635)</u>	<u>(950)</u>	<u>\$ 685</u>	<u>(5,987)</u>
Fund balance, beginning of the year		<u>93,226</u>		<u>99,213</u>
Fund balance, end of the year		<u>\$ 92,276</u>		<u>\$ 93,226</u>

See independent auditor's report.

**Lombard Park District
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007**

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Interest	\$ 232,038	\$ 322,959	\$ 90,921	\$ 295,718
Grants	400,000	15,000	(385,000)	-
Donations	-	-	-	150
Other	-	1,492	1,492	-
Total revenues	<u>632,038</u>	<u>339,451</u>	<u>(292,587)</u>	<u>295,868</u>
Expenditures:				
Capital outlay:				
Water park reconstruction	1,800,000	3,486,930	(1,686,930)	-
Permanent improvements	1,365,500	221,725	1,143,775	521,480
Equipment purchase	-	214,186	(214,186)	78,478
Paying agent fees	-	50,390	(50,390)	-
Total expenditures	<u>3,165,500</u>	<u>3,973,231</u>	<u>(807,731)</u>	<u>599,958</u>
Revenues under expenditures before other financing sources	<u>(2,533,462)</u>	<u>(3,633,780)</u>	<u>(1,100,318)</u>	<u>(304,090)</u>
Other financing sources:				
Issuance of bonds	-	5,900,000	5,900,000	-
Premium on bond issuance	-	63,125	63,125	-
Insurance recovery	-	-	-	116,271
Transfers in:				
General Fund	150,000	-	(150,000)	30,000
Special Recreation Fund	280,930	322,035	41,105	150,000
Total other financing sources	<u>430,930</u>	<u>6,285,160</u>	<u>5,854,230</u>	<u>296,271</u>
Change in fund balance	<u>\$(2,102,532)</u>	<u>2,651,380</u>	<u>\$ 4,753,912</u>	<u>(7,819)</u>
Fund balance, beginning of the year		<u>5,183,692</u>		<u>5,191,511</u>
Fund balance, end of the year		<u>\$ 7,835,072</u>		<u>\$ 5,183,692</u>

See independent auditor's report.

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Liability Fund – To account for monies provided by the tax levy for the purpose of protecting the Park District from various risks of loss.

Audit Fund – To account for the expenditures in connection with the Park District's annual financial and compliance audit which is mandated by state statute.

Municipal Retirement and Social Security Fund – To account for the activities resulting from the Park District's participation in the Illinois Municipal Retirement Fund and the Federal Social Security Program.

NONMAJOR SPECIAL REVENUE FUNDS

**Lombard Park District
Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2008**

	<u>Liability</u>	<u>Audit</u>	Municipal Retirement and Social Security	<u>Total</u>
Assets				
Cash	\$ 7,134	\$ 80	\$ 120	\$ 7,334
Receivables:				
Property taxes	135,049	22,094	339,794	496,937
Interest	25	-	45	70
	<u>135,074</u>	<u>22,094</u>	<u>339,839</u>	<u>497,001</u>
Total assets	<u>\$ 142,208</u>	<u>\$ 22,174</u>	<u>\$ 339,959</u>	<u>\$ 504,341</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 9,853	\$ -	\$ 6	\$ 9,859
Deferred property tax revenue	133,600	21,895	335,228	490,723
	<u>143,453</u>	<u>21,895</u>	<u>335,234</u>	<u>500,582</u>
Total liabilities	143,453	21,895	335,234	500,582
Fund balance (deficit) - unreserved undesignated	<u>(1,245)</u>	<u>279</u>	<u>4,725</u>	<u>3,759</u>
Total liabilities and fund balance	<u>\$ 142,208</u>	<u>\$ 22,174</u>	<u>\$ 339,959</u>	<u>\$ 504,341</u>

See independent auditor's report.

Lombard Park District
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	<u>Liability</u>	<u>Audit</u>	<u>Municipal Retirement and Social Security</u>	<u>Total</u>
Revenues:				
Property taxes	\$ 104,680	\$ 14,339	\$ 329,814	\$ 448,833
Replacement taxes	-	-	3,972	3,972
Interest	127	-	233	360
PDRMA safety incentive award	1,500	-	-	1,500
Miscellaneous	3,675	-	-	3,675
Total revenues	<u>109,982</u>	<u>14,339</u>	<u>334,019</u>	<u>458,340</u>
Expenditures:				
Current:				
Liability	123,392	-	-	123,392
Audit	-	15,523	-	15,523
Pension fund contribution	-	-	375,863	375,863
Total expenditures	<u>123,392</u>	<u>15,523</u>	<u>375,863</u>	<u>514,778</u>
Change in fund balance	(13,410)	(1,184)	(41,844)	(56,438)
Fund balance, beginning of the year	<u>12,165</u>	<u>1,463</u>	<u>46,569</u>	<u>60,197</u>
Fund balance (deficit) , end of the year	<u>\$ (1,245)</u>	<u>\$ 279</u>	<u>\$ 4,725</u>	<u>\$ 3,759</u>

See independent auditor's report.

**Lombard Park District
Liability Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2008
With Comparative Actual Amounts For the Year Ended December 31, 2007**

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Property taxes	\$ 122,445	\$ 104,680	\$ (17,765)	\$ 100,551
Interest	537	127	(410)	674
PDRMA safety incentive award	1,500	1,500	-	1,500
Miscellaneous	1,950	3,675	1,725	1,785
Total revenues	<u>126,432</u>	<u>109,982</u>	<u>(16,450)</u>	<u>104,510</u>
Expenditures:				
Current:				
Recreation:				
Insurance	123,750	118,730	5,020	115,145
Professional services	4,500	3,900	600	3,178
Supplies	2,000	762	1,238	-
Total expenditures	<u>130,250</u>	<u>123,392</u>	<u>6,858</u>	<u>118,323</u>
Change in fund balance	<u>\$ (3,818)</u>	<u>(13,410)</u>	<u>\$ (9,592)</u>	<u>(13,813)</u>
Fund balance, beginning of the year		<u>12,165</u>		<u>25,978</u>
Fund balance (deficit), end of the year		<u>\$ (1,245)</u>		<u>\$ 12,165</u>

See independent auditor's report.

**Lombard Park District
 Audit Fund
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended December 31, 2008
 With Comparative Actual Amounts For the Year Ended December 31, 2007**

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues - property taxes	\$ 13,000	\$ 14,339	\$ 1,339	\$ 13,407
Expenditures - current - audit	13,000	15,523	(2,523)	12,750
Change in fund balance	\$ -	(1,184)	\$ (1,184)	657
Fund balance, beginning of the year		1,463		806
Fund balance, end of the year		\$ 279		\$ 1,463

See independent auditor's report.

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**Lombard Park District
Municipal Retirement and Social Security Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual**

For the Year Ended December 31, 2008

With Comparative Actual Amounts For the Year Ended December 31, 2007

	2008		Variance to Budget	2007 Actual
	Original and Final Budget	Actual		
Revenues:				
Property taxes	\$ 319,080	\$ 329,814	\$ 10,734	\$ 316,399
Replacement taxes	3,775	3,972	197	4,032
Interest	984	233	(751)	1,234
Reimbursements	-	-	-	2,176
Total revenues	<u>323,839</u>	<u>334,019</u>	<u>10,180</u>	<u>323,841</u>
Expenditures:				
Current:				
Pension Fund contributions:				
IMRF	165,464	219,502	(54,038)	150,137
FICA	151,706	156,361	(4,655)	154,997
Total expenditures	<u>317,170</u>	<u>375,863</u>	<u>(58,693)</u>	<u>305,134</u>
Change in fund balance	<u>\$ 6,669</u>	<u>(41,844)</u>	<u>\$ (48,513)</u>	<u>18,707</u>
Fund balance, beginning of the year		<u>46,569</u>		<u>27,862</u>
Fund balance, end of the year		<u>\$ 4,725</u>		<u>\$ 46,569</u>

See independent auditor's report.

**Lombard Park District
Noncurrent Liabilities
Schedule of Long-term Obligations to Maturity
December 31, 2008**

Year Ending December 31,	Total		General Obligation Bonds, Series 2005A Dated June 15, 2005		General Obligation Bonds, Series 2005B Dated June 15, 2005	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 850,956	\$ 379,528	\$ 615,000	\$ 19,250	\$ -	\$ 117,765
2010	550,000	352,535	-	-	150,000	117,765
2011	585,000	334,110	-	-	155,000	112,515
2012	610,000	314,355	-	-	160,000	107,090
2013	655,000	293,565	-	-	170,000	101,490
2014	510,000	271,065	-	-	175,000	95,540
2015	545,000	253,215	-	-	185,000	89,415
2016	580,000	233,955	-	-	190,000	82,755
2017	615,000	213,275	-	-	200,000	75,725
2018	655,000	191,150	-	-	210,000	68,125
2019	690,000	166,063	-	-	215,000	59,725
2020	735,000	139,650	-	-	225,000	51,125
2021	775,000	111,525	-	-	235,000	42,125
2022	825,000	80,525	-	-	245,000	32,725
2023	870,000	46,912	-	-	255,000	22,312
2024	270,000	11,475	-	-	270,000	11,475
	\$ 10,320,956	\$ 3,392,903	\$ 615,000	\$ 19,250	\$ 3,040,000	\$ 1,187,672

See independent auditor's report.

General Obligation Park Bonds, Series 2008 Dated March 1, 2008		Debt Certificates Series 2002 Dated January 1, 2003		Note Payable	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 40,000	\$ 216,300	\$ 150,000	\$ 24,145	\$ 45,956	\$ 2,068
250,000	214,900	150,000	19,870	-	-
270,000	206,150	160,000	15,445	-	-
290,000	196,700	160,000	10,565	-	-
315,000	186,550	170,000	5,525	-	-
335,000	175,525	-	-	-	-
360,000	163,800	-	-	-	-
390,000	151,200	-	-	-	-
415,000	137,550	-	-	-	-
445,000	123,025	-	-	-	-
475,000	106,338	-	-	-	-
510,000	88,525	-	-	-	-
540,000	69,400	-	-	-	-
580,000	47,800	-	-	-	-
615,000	24,600	-	-	-	-
-	-	-	-	-	-
\$ 5,830,000	\$ 2,108,363	\$ 790,000	\$ 75,550	\$ 45,956	\$ 2,068

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PART III – STATISTICAL SECTION

**Lombard Park District
Net Assets by Component
Last Five Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)**

	December 31,		
	2008	2007	2006
Governmental activities:			
Invested in capital assets, net of related debt	\$ 8,504	\$ 8,397	\$ 11,988
Restricted	5,279	5,742	1,461
Unrestricted	933	436	188
Total governmental activities	\$ 14,716	\$ 14,575	\$ 13,637
Business-type activities:			
Invested in capital assets, net of related debt	\$ 386	\$ 429	\$ 397
Unrestricted	132	121	112
Total business-type activities	\$ 518	\$ 550	\$ 509
Primary government:			
Invested in capital assets, net of related debt	\$ 8,890	\$ 8,826	\$ 12,385
Restricted	5,279	5,742	1,461
Unrestricted	1,065	557	300
Total primary government	\$ 15,234	\$ 15,125	\$ 14,146

The Park District implemented GASB Statement Number 34 in the fiscal year ended December 31, 2004.

See independent auditor's report.

<u>2005</u>		<u>2004</u>	
\$	11,732	\$	11,042
	-		-
	<u>1,092</u>		<u>1,793</u>
\$	<u>12,824</u>	\$	<u>12,835</u>

\$	463	\$	532
	<u>154</u>		<u>156</u>
\$	<u>617</u>	\$	<u>688</u>

\$	12,195	\$	11,574
	-		-
	<u>1,246</u>		<u>1,949</u>
\$	<u>13,441</u>	\$	<u>13,523</u>

**Lombard Park District
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)**

	<u>2008</u>	<u>2007</u>
Expenses:		
Governmental activities:		
Administration	\$ 1,034	\$ 784
Recreation	3,864	3,133
Maintenance	1,281	1,058
Interest and fees	361	210
Total governmental activities' expenses	6,540	5,185
Business-type activities - golf course	513	578
Total primary government expenses	\$ 7,053	\$ 5,763
Program revenues:		
Governmental activities:		
Charges for services - recreation	\$ 1,385	\$ 1,649
Capital grants and contributions	-	-
Total governmental activities' revenues	1,385	1,649
Business-type activities - charges for services - golf course	463	510
Total primary government revenues	\$ 1,848	\$ 2,159
Net (expense) revenue:		
Governmental activities	\$ (5,155)	\$ (3,536)
Business-type activities	(50)	(68)
Total primary government net expense	(5,205)	(3,604)
General revenues and other changes in net assets:		
Governmental activities:		
Taxes	4,561	3,946
Investment earnings	330	323
Miscellaneous	405	205
Total governmental activities	5,296	4,474
Business-type activities:		
Investment earnings	-	2
Capital contribution	18	107
Total business-type activities	18	109
Total primary government	\$ 5,314	\$ 4,583
Changes in net assets:		
Governmental activities	\$ 141	\$ 938
Business-type activities	(32)	41
Total primary government	\$ 109	\$ 979

The Park District implemented GASB Statement Number 34 in the fiscal year ended December 31, 2004.

See independent auditor's report.

December 31,		
2006	2005	2004
\$ 1,027	\$ 1,000	\$ 990
2,586	2,676	2,764
1,236	1,133	888
225	55	46
<u>5,074</u>	<u>4,864</u>	<u>4,688</u>
567	572	583
<u>\$ 5,641</u>	<u>\$ 5,436</u>	<u>\$ 5,271</u>
\$ 1,570	\$ 1,560	\$ 1,574
35	160	-
<u>1,605</u>	<u>1,720</u>	<u>1,574</u>
457	499	513
<u>\$ 2,062</u>	<u>\$ 2,219</u>	<u>\$ 2,087</u>
\$ (3,469)	\$ (3,144)	\$ (3,114)
(110)	(73)	(70)
<u>(3,579)</u>	<u>(3,217)</u>	<u>(3,184)</u>
3,782	3,647	3,462
294	161	37
205	57	48
<u>4,281</u>	<u>3,865</u>	<u>3,547</u>
2	-	-
<u>-</u>	<u>-</u>	<u>-</u>
2	-	-
<u>\$ 4,283</u>	<u>\$ 3,865</u>	<u>\$ 3,547</u>
\$ 812	\$ 721	\$ 433
(108)	(73)	(70)
<u>\$ 704</u>	<u>\$ 648</u>	<u>\$ 363</u>

**Lombard Park District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)**

	December 31,		
	2008	2007	2006
General Fund:			
Reserved	\$ 93	\$ 24	\$ 27
Unreserved	381	412	281
Total General Fund	\$ 474	\$ 436	\$ 308
All other governmental funds:			
Reserved	\$ 106	\$ 138	\$ 145
Unreserved, reported in:			
Recreation	422	519	462
Bond and Interest	-	-	99
Capital Projects	7,835	5,146	5,192
Other governmental funds	42	99	55
Total all other governmental funds	\$ 8,405	\$ 5,902	\$ 5,953

Source: Audited financial statements from December 31, 1999 to December 31, 2008.

See independent auditor's report.

2005	2004	2003	2002	2001	2000	1999
\$ -	\$ -	\$ -	\$ -	\$ 454	\$ 460	\$ 412
287	246	291	414	427	372	372
<u>\$ 287</u>	<u>\$ 246</u>	<u>\$ 291</u>	<u>\$ 414</u>	<u>\$ 881</u>	<u>\$ 832</u>	<u>\$ 784</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
471	482	493	394	499	490	711
12	6	-	-	-	-	-
5,692	1,131	377	406	52	63	184
60	85	123	140	146	122	118
<u>\$ 6,235</u>	<u>\$ 1,704</u>	<u>\$ 993</u>	<u>\$ 940</u>	<u>\$ 697</u>	<u>\$ 675</u>	<u>\$ 1,013</u>

Lombard Park District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	December 31,		
	2008	2007	2006
Revenues:			
Taxes	\$ 4,561	\$ 3,946	\$ 3,782
Grants	-	-	27
Interest earned	330	323	293
Charges for services	1,385	1,604	1,516
Donations	23	8	16
Reimbursements	82	66	39
Other	317	283	213
Total revenues	6,698	6,230	5,886
Expenditures:			
Administration	907	686	929
Recreation	2,879	2,867	2,349
Maintenance	1,152	1,056	1,137
Debt service:			
Principal	849	720	555
Interest and fees	360	204	317
Capital outlay	3,973	600	996
Total expenditures	10,120	6,133	6,283
Revenues over (under) expenditures before other financing sources (uses)	(3,422)	97	(397)
Other financing sources (uses):			
Proceeds from borrowing	5,963	-	-
Proceeds from sale of capital asset	-	-	-
Payment to escrow agent	-	-	-
Insurance recovery	-	116	-
Transfers in	490	351	194
Transfers out	(490)	(351)	(194)
Total other financing sources (uses)	5,963	116	-
Net changes in fund balances	\$ 2,541	\$ 213	\$ (397)
Debt service as a percentage of noncapital expenditures	19.7%	16.7%	16.5%

See independent auditor's report.

	2005	2004	2003	2002	2001	2000	1999
\$	3,647	\$ 3,499	\$ 2,555	\$ 2,490	\$ 2,384	\$ 2,275	\$ 2,190
	160	-	-	50	-	80	-
	158	36	20	30	59	101	118
	1,520	1,480	1,424	1,435	1,359	1,372	1,286
	8	6	15	22	100	46	6
	40	46	51	40	70	33	30
	49	42	630	78	8	62	5
	5,582	5,109	4,695	4,145	3,980	3,969	3,635
	900	985	459	436	380	345	325
	2,327	2,286	2,111	2,088	2,011	2,018	1,835
	1,058	888	919	884	835	776	732
	768	762	35	34	-	-	-
	55	50	43	14	-	-	-
	1,038	937	2,866	596	412	1,178	1,021
	6,146	5,908	6,433	4,052	3,638	4,317	3,913
	(564)	(799)	(1,738)	93	342	(348)	(278)
	5,215	1,455	-	-	-	380	-
	-	11	-	-	-	-	-
	(79)	-	-	-	-	-	-
	-	-	-	-	-	-	-
	72	203	-	-	279	525	262
	(72)	(203)	(151)	(543)	(279)	(525)	-
	5,136	1,466	(151)	(543)	-	380	262
\$	4,572	\$ 667	\$ (1,889)	\$ (450)	\$ 342	\$ 32	\$ (16)
	16.1%	16.3%	2.2%	1.4%	0.0%	0.0%	0.0%

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**Lombard Park District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years**

Levy Year	Real Property	Total Assessed Valuation	Estimated Actual Taxable Value	Total Direct Tax Rate
2007	\$ 1,438,713,171	\$ 1,438,713,171	\$ 4,316,139,513	\$ 0.3088
2006	1,345,504,164	1,345,504,164	4,036,512,492	0.2843
2005	1,240,141,236	1,240,141,236	3,720,423,708	0.2962
2004	1,163,936,351	1,163,936,351	3,491,809,053	0.3051
2003	1,069,949,415	1,069,949,415	3,209,848,245	0.3171
2002	1,000,630,630	1,000,630,630	3,001,891,890	0.2487
2001	913,635,418	913,635,418	2,740,906,254	0.2654
2000	851,617,116	851,617,116	2,554,851,348	0.2701
1999	800,287,706	800,287,706	2,400,863,118	0.2722
1998	765,167,123	765,167,123	2,295,501,369	0.2755

Source: DuPage County Clerk.

Note: Property is assessed using a multiplier of 33.33%, therefore estimated actual taxable values are equal to assessed values times 3.

See independent auditor's report.

**Lombard Park District
Property Tax Rates - Direct and Overlapping Governments*
Last Ten Fiscal Years**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
DuPage County	\$ 0.2831	\$ 0.1651	\$ 0.1713	\$ 0.1797
DuPage County Forest Preserve	0.1849	0.1187	0.1303	0.1271
DuPage Airport Authority	0.0322	0.0170	0.0183	0.0198
York Township	0.0832	0.0031	0.0344	0.0352
York Township Road District	0.0318	0.0323	0.0335	0.0343
Village of Lombard	0.5853	0.4664	0.4789	0.4947
Village of Lombard Library Fund	0.2090	0.1659	0.1702	0.1758
Grade School District 44	2.6852	2.8581	2.8473	2.8909
High School District 87	2.1228	1.6612	1.7210	1.7200
Community College District 502	0.2027	0.1888	0.1929	0.1874
Total overlapping rate	6.4202	5.6766	5.7981	5.8649
Lombard Park District	0.2755	0.3088	0.2843	0.2962
Total rate	\$ 6.6957	\$ 5.9854	\$ 6.0824	\$ 6.1611

Note: The totals above reflect the typical tax rates for individual taxpayers within the District. By showing all other overlapping rates, we would have materially distorted the true picture of the tax rate burden within the District.

* Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: DuPage County Clerk's Office, Department of Tax Extensions.

See independent auditor's report.

Tax Year					
2004	2003	2002	2001	2000	1999
\$ 0.1850	\$ 0.1999	\$ 0.2154	\$ 0.2353	\$ 0.2536	\$ 0.2683
0.1358	0.1419	0.1534	0.1654	0.1742	0.1797
0.0213	0.0230	0.0248	0.0271	0.0291	0.0306
0.0354	0.0368	0.0379	0.0402	0.0410	0.0413
0.0345	0.0359	0.0370	0.0392	0.0400	0.0402
0.4983	0.5200	0.5335	0.5670	0.5776	0.5805
0.1774	0.1858	0.1907	0.2026	0.2063	0.2073
2.7979	2.7851	2.3713	2.5343	2.5806	2.6402
1.7716	1.8582	1.9224	2.0431	2.0874	2.0892
0.1972	0.2097	0.2179	0.1930	0.1966	0.2006
5.8544	5.9963	5.7043	6.0472	6.1864	6.2779
0.3051	0.3171	0.2487	0.2654	0.2701	0.2722
\$ 6.1595	\$ 6.3134	\$ 5.9530	\$ 6.3126	\$ 6.4565	\$ 6.5501

**Lombard Park District
Principal Property Tax Payers
Current Year and Nine Years Ago**

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Yorktown LLC, Highland Yorktown LLC, and Yorktown Joint Venture	\$ 36,912,390	1	2.61%	\$ 24,193,760	2	2.85%
Carramerica IL Holding	15,466,640	2	1.09%	12,016,670	3	1.42%
SMII Oak Creek LP	13,782,890	3	0.97%	-	-	0.64%
F & F Realty	12,243,290	4	0.87%	-	-	0.68%
Income and Growth Fund	11,630,860	5	0.82%	-	-	0.00%
Red Mortgage Capital	11,452,760	6	0.81%	-	-	0.00%
St. Paul Insurance Co.	9,567,000	8	0.68%	-	-	0.00%
AIMCO	9,463,180	9	0.67%	-	-	0.00%
Alter Asset Management	-	-	-	26,717,500	1	3.15%
Natural Gas Pipeline	-	-	-	10,821,070	4	1.28%
Waste Management	-	-	-	9,458,180	5	1.12%
Ackberg Partners, LLP	-	-	-	9,037,220	6	1.07%
Beacon Hill	9,567,000	7	0.68%	7,780,250	7	0.92%
Clover Creek Apartments	-	-	-	6,605,690	8	0.78%
Yorktown Association	-	-	-	6,402,020	9	0.75%
Royal Management Corp.	8,859,210	10	0.63%	6,178,890	10	0.73%
	\$138,945,220		9.83%	\$119,211,250		15.39%

Source: DuPage County Tax Extension Office, Village of Lombard,
DuPage County and Addison, Milton and York Township Assessor's Offices

See independent auditor's report.

**Lombard Park District
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2008	\$ 4,791,368	\$ -	-
2007	4,459,468	4,428,114	99.30
2006	3,673,298	3,667,539	99.84
2005	3,551,169	3,541,148	99.72
2004	3,392,809	3,384,613	99.76
2003	2,488,568	2,486,757	99.93
2002	2,424,788	2,421,614	99.87
2001	2,300,217	2,298,699	99.93
2000	2,188,383	2,181,150	99.67
1999	2,108,668	2,105,331	99.84

See independent auditor's report.

**Lombard Park District
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	General Obligation Debt	Debt Certificates	Total Primary Government	Percentage of Personal Income	Per Capita
2008	\$ 9,485,000	\$ 790,000	\$ 10,275,000	0.87 %	\$ 234.09
2007	4,250,000	930,000	5,180,000	0.44	121.42
2006	4,830,000	1,070,000	5,900,000	0.50	138.29
2005	5,215,000	1,200,000	6,415,000	0.54	150.36
2004	1,454,775	1,200,000	2,654,775	0.22	62.23
2003	-	1,200,000	1,200,000	0.10	28.13
2002	-	-	-	-	-
2001	-	-	-	-	-
2000	-	-	-	-	-
1999	-	-	-	-	-

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

See independent auditor's report.

**Lombard Park District
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year	General Obligation Debt	Debt Certificates	Total Primary Government	Percentage of Actual Taxable Value of Property	Per Capita	Population
2008	\$ 9,485,000	\$ 790,000	\$ 10,275,000	0.66 %	\$ 216.09	43,894
2007	4,250,000	930,000	5,180,000	0.41	121.42	43,894
2006	4,830,000	1,070,000	5,900,000	0.41	138.29	42,633
2005	5,215,000	1,200,000	6,415,000	0.60	150.36	42,633
2004	1,454,775	1,200,000	2,654,775	0.27	62.23	42,633
2003	-	1,200,000	1,200,000	-	-	-
2002	-	-	-	-	-	-
2001	-	-	-	-	-	-
2000	-	-	-	-	-	-
1999	-	-	-	-	-	-

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

See independent auditor's report.

**Lombard Park District
Legal Debt Margin Information
Last Ten Fiscal Years
(Dollars in Thousands)**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Debt limit	\$ 41,363	\$ 38,683	\$ 35,654	\$ 33,463	\$ 30,761
Total net debt applicable to limit	<u>10,275</u>	<u>5,180</u>	<u>4,830</u>	<u>6,415</u>	<u>2,156</u>
Legal debt margin	<u>\$ 31,088</u>	<u>\$ 33,503</u>	<u>\$ 30,824</u>	<u>\$ 27,048</u>	<u>\$ 28,605</u>
Total net debt applicable to the limit as a percentage of debt limit	24.84%	13.39%	13.55%	19.17%	7.01%
Legal debt margin calculation -					
2008 tax year:					
Assessed value	\$ 1,438,713				
Debt limit (% of assessed value)	<u>2.875%</u>				
	<u>41,363</u>				
Debt applicable to limit - general obligation bonds	<u>10,275</u>				
Total net debt applicable to limit	<u>10,275</u>				
Legal debt margin	<u>\$ 31,088</u>				

See independent auditor's report.

2003	2002	2001	2000	1999
\$ 28,768	\$ 26,267	\$ 24,484	\$ 23,008	\$ 22,005
-	-	-	-	-
<u>\$ 28,768</u>	<u>\$ 26,267</u>	<u>\$ 24,484</u>	<u>\$ 23,008</u>	<u>\$ 22,005</u>
0.00%	0.00%	0.00%	0.00%	0.00%

Lombard Park District
Direct and Overlapping Debt Outstanding
December 31, 2008

Overlapping Agencies	Outstanding Debt	Applicable to the District	
		Percent	Amount
County:			
DuPage County	\$ 229,225,000	3.583 %	\$ 8,213,132
DuPage County Forest Preserve	222,447,898	3.583	7,970,308
DuPage Water Commission	35,560,000	3.724	1,324,254
Municipalities:			
Village of Glen Ellyn	15,020,000	1.136	170,627
Village of Villa Park	8,085,000	0.913	73,816
Miscellaneous:			
DuPage Special Service Area #16	80,000	59.739	47,791
Lombard Special Service Area #2	655,000	100.000	655,000
Lombard Special Service Area #4	95,000	100.000	95,000
Lombard Special Service Area #6	50,000	87.491	43,746
School Districts:			
Addison #4	23,555,000	4.542	1,069,868
Marquardt #15	9,442,114	0.711	67,133
Lombard #44	14,975,000	79.307	11,876,223
Villa Park #45	18,012,258	27.433	4,941,303
Glen Ellyn #89	2,215,000	4.414	97,770
Glenbard High School #87	51,640,000	17.441	9,006,532
DuPage High School #88	16,115,000	11.632	1,874,497
DuPage Community College #502	176,580,000	3.236	5,714,129
Total overlapping debt	823,752,270		53,241,129
Direct debt - Lombard Park District	10,275,000	100.000	10,275,000
Total direct and overlapping debt	\$ 834,027,270		\$ 63,516,129

Source: DuPage County Clerk.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Park District. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the boundaries of the government and dividing it by the government's total taxable assessed value.

See independent auditor's report.

**Lombard Park District
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (Thousands of Dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Schooling</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2008	43,894	\$ N/A	\$ N/A	36.7	13.2	5,739	4.5 %
2007	43,894	N/A	N/A	36.7	13.2	5,708	4.6
2006	43,894	N/A	N/A	36.7	13.2	5,688	4.1
2005	42,322	1,649,923	38,985	36.7	13.2	5,732	5.4
2004	42,322	1,575,733	37,232	36.7	13.2	5,729	5.5
2003	42,322	1,519,360	35,900	36.7	13.2	5,840	6.2
2002	42,322	1,497,903	35,393	36.7	13.2	5,843	5.8
2001	42,322	1,484,021	35,065	36.7	13.2	5,720	4.1
2000	42,322	1,170,923	27,667	36.7	13.2	5,647	3.2
1999	40,870	1,331,912	32,589	33.3	12.9	5,536	2.9

Sources:

U.S. Census Bureau
School District 44
Glenbard East High School
Village of Lombard

See independent auditor's report.

**Lombard Park District
Principal Employers
Current Year and Nine Years Ago**

Taxpayer	2008		1999	
	Employees	Rank	Employees	Rank
Aspect Software	1,000	1	-	-
Acosta Sales & Marketing Co.	500	2	500	2
Highcrest Property Management Co.	400	3	-	-
Adjustable Forms, Inc.	350	4	350	4
Dial America Marketing, Inc.	310	5	-	-
Carson Pirie Scott & Co.	300	6	475	3
West Suburban Bancorp, Inc.	300	6	300	6
Imperial Service System	300	6	-	-
JC Penney Co., Inc.	275	9	275	7
Commercial Testing & Engineering Co.	-	-	600	1
Successories, Inc.	-	-	300	5
Electronic Data Systems Corp.	-	-	250	8
	<u>3,735</u>		<u>3,050</u>	

Source: Village of Lombard.

See independent auditor's report.

**Lombard Park District
Government Employees by Function/Program
Last Ten Fiscal Years**

	Full-time Equivalent Employees									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Parks and Recreation:										
Administrative	7	6	6	6	6	6	6	6	6	5
Recreation	10	11	11	10	11	11	11	11	11	8
Golf Course	2	2	2	3	3	3	3	3	3	2
Maintenance	13	12	14	14	14	14	14	14	14	14
Grand total	32	31	33	33	34	34	34	34	34	29

Source: Park District Human Resources Department.

See independent auditor's report.

**Lombard Park District
Operating Indicators by Function/Program
Last Ten Fiscal Years**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Parks and recreation:				
Program fees	\$ 1,244,200	\$ 1,185,782	\$ 1,099,288	\$ 1,060,975
Pool fees	31,554	267,803	265,801	296,539
Reimbursements	45,512	44,823	37,513	28,985
Donations	14,751	3,237	12,778	5,369
Miscellaneous	772	2,320	2,035	5,796
Rental facilities	102,091	143,346	137,297	141,040
Golf course	462,737	509,572	456,957	498,569
Total	\$ 1,901,617	\$ 2,156,883	\$ 2,011,669	\$ 2,037,273

See independent auditor's report.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ 1,104,851	\$ 1,000,467	\$ 998,767	\$ 919,133	\$ 900,288	\$ 830,065
263,665	314,508	320,388	319,271	318,219	344,047
42,518	35,394	32,890	38,600	27,490	23,272
3,020	6,900	3,300	5,850	2,250	3,151
5,381	2,673	3,981	4,195	7,841	8,714
93,368	86,198	95,330	102,369	131,099	90,215
<u>512,552</u>	<u>517,651</u>	<u>560,833</u>	<u>548,599</u>	<u>555,012</u>	<u>506,324</u>
<u>\$ 2,025,355</u>	<u>\$ 1,963,791</u>	<u>\$ 2,015,489</u>	<u>\$ 1,938,017</u>	<u>\$ 1,942,199</u>	<u>\$ 1,805,788</u>

**Lombard Park District
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Parks and recreation:										
Acreage	457	457	457	457	457	452	452	452	452	452
Playgrounds	15	15	12	12	14	14	14	14	14	14
Basketball courts	5	5	5	6	6	6	6	6	6	7
Baseball/softball diamonds	22	22	22	22	22	22	22	22	22	19
Soccer/football fields	14	14	14	14	14	14	14	13	13	13
Community centers	4	4	4	4	4	4	4	4	4	4

Source: Park District Records.

See independent auditor's report.