

City of Berwyn, Illinois



A Century of Progress with Pride

Comprehensive Annual Financial Report
For the Year Ended December 31, 2009

CITY OF BERWYN, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2009

Prepared by Finance Department

CITY OF BERWYN, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	1-4
Organizational Chart.....	5
List of Elected and Appointed Officials.....	6
FINANCIAL SECTION	
Independent Auditor’s Report.....	7-8
Management’s Discussion and Analysis.....	9-23
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets.....	24
Statement of Activities	25
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	26
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets	27
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	28
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	29
Proprietary Funds	
Statement of Net Assets.....	30
Statement of Revenues, Expenses, and Changes in Net Assets	31
Statement of Cash Flows	32

CITY OF BERWYN, ILLINOIS
 TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued)	
Fiduciary Funds	
Statement of Fiduciary Net Assets	33
Statement of Changes in Fiduciary Net Assets	34
Notes to Financial Statements	35-74
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund	75
Cermak Road TIF Fund	76
Schedule of Funding Progress	
Illinois Municipal Retirement Fund	77
IMRF-Sheriffs' Law Enforcement Personnel	78
Police Pension Fund	79
Firefighters' Pension Fund	80
Other Postemployment Benefits	81
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	82
IMRF-Sheriffs' Law Enforcement Personnel	83
Police Pension Fund	84
Firefighters' Pension Fund	85
Other Postemployment Benefits	86
Notes to Required Supplementary Information	87-88
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
Debt Service Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	89

CITY OF BERWYN, ILLINOIS
 TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
 FINANCIAL SECTION (Continued)	
Combining and Individual Fund Financial Statements and Schedules (Continued)	
Major Governmental Funds (Continued)	
2007 Bond Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	90
General Fund	
Schedule of Revenues - Budget and Actual	91-93
Schedule of Expenditures - Budget and Actual	94-99
Nonmajor Governmental Funds	
Combining Balance Sheet	100-101
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	102-103
Special Revenue Funds	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Community Outreach Fund	104
Library Fund	105
Motor Fuel Tax Fund.....	106
South Berwyn Corridor TIF Fund	107
Roosevelt Road TIF Fund.....	108
Ogden Avenue TIF Fund	109
Foreign Fire Insurance Fund.....	110
Senior Citizens Program Fund.....	111
CDBG Fund.....	112
Fiduciary Funds	
Pension Trust Funds	
Combining Statement of Net Assets	113
Combining Statement of Changes in Net Assets	114

CITY OF BERWYN, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION	
Net Assets by Component.....	115
Changes in Net Assets.....	116-117
Fund Balances of Governmental Funds.....	118
Changes in Fund Balances of Governmental Funds.....	119
General Governmental Tax Revenues by Source.....	120
Assessed Value and Actual Value of Taxable Property.....	121
Property Tax Rates – Direct and Overlapping Governments.....	122
Principal Property Taxpayers.....	123
Property Tax Levies and Collections.....	124
Ratios of Outstanding Debt by Type.....	125
Ratios of General Bonded Debt Outstanding.....	126
Direct and Overlapping Governmental Activities Debt.....	127
Schedule of Legal Debt Margin	128
Demographic and Economic Information.....	129
Principal Employers.....	130
Full-time Equivalent Employees	131
Operating Indicators	132
Capital Asset Statistics	133



A Century of Progress with Pride

6700 West 26th Street Berwyn, Illinois 60402-0701 Telephone: (708) 788-2660 (708) 788-0273
www.berwyn-il.gov

June 10, 2010

To the City Council and Citizens of the
City of Berwyn, Illinois:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2009.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP, Certified Public Accountants & Advisors, have issued an unqualified (“clean”) opinion on the City of Berwyn’s financial statements for the year ended December 31, 2009. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

The City of Berwyn was incorporated as a City on June 6, 1908 with approximately 5,000 residents. A century later, Berwyn is home to approximately 55,000 residents. Berwyn is bordered by Roosevelt Road on the North, Harlem Avenue on the West, Lombard Avenue on the East and Pershing Road on the South. These boundaries encompass only 3.9 square miles. As of the 2000 census, the average household income was \$43,101, while the median family income was \$51,767.

Berwyn is a home rule community which operates under a Strong Mayor form of government, according to Illinois Municipal Code 65 ILCS 5/. This form of government has an elected Mayor, clerk, treasurer, and alderman elected from wards. The Berwyn City Council consists of eight aldermen. The terms of elected officials are four years. The Mayor is given the power to appoint and remove, with the advice and consent of the City Council, his administrative assistants, budget and finance director, heads of all departments, all other officers of the municipality, and members of commissions, boards and agencies, except those covered by civil service. The powers of the council are purely legislative.

The City provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, compliance inspections, water and sewer service, garbage removal, commuter parking, and recreational and cultural activities. The City is also financially accountable for the Berwyn Development Corporation (BDC). While legally separate, it is considered a component unit of the City. The BDC is a discretely presented component unit with a separate column on the Statement of Net Assets and the Statement of Activities. Additional information on this entity can be found in the notes to financial statements (See Note 1.A).

The Council is required to adopt a final budget by March 31 of each year. This annual budget provides the spending authority for the operations of the City. The budget is prepared by fund and department. Transfers between line items within a department may be made by department heads. However, transfers between departments or funds require approval from the city council.

Local Economy

Berwyn is predominantly a residential community and therefore does not have a particularly large industrial base or many large property taxpayers. By far, the largest employer in the City is MacNeal Memorial Hospital.

With a relatively large number of single family homes, the much publicized housing downturn had a significant impact on the City. In particular, the real estate transfer tax which accounted for over \$3.25 million of general fund revenue in 2005 and \$2.9 million in 2006 provided under \$1.6 million in 2007 and less than \$1 million of revenues in 2008 and just over \$1 million in 2009 as home sales slowed. In spite of growing foreclosures, however, property tax revenues were strong in 2009. This is primarily attributable to increasing property tax revenues generated by the City's four tax increment financing (TIF) districts.

In 2009, the City, like most municipalities in the state and nation, was negatively impacted by the economic recession. In particular, sales tax revenues and state income tax revenues have declined significantly in 2009 as unemployment increased and spending declined.

Long-term Financial Planning

With the recent change in administration, a new committee of the City Council was created to deal with issues involving business, licensing and taxation. A major focus of this committee will be to explore ways to increase revenues. Long term, the goal is to reduce the City's reliance on property tax revenues by enhancing our retail tax base. To accomplish this, the City is working through our component unit, the Berwyn Development Corporation, to assemble properties in our TIF districts for new developments.

The City has also put in place a plan to restructure long term debt over the next several years. This will reduce the proportion of property tax revenues necessary to meet current debt service requirements thereby freeing up these revenues for use in the general fund. It has been the intent of the City to use these revenues to rebuild a fund balance in the general fund. While the

national and regional economic woes have had a detrimental effect on these plans, the long term focus remains on strengthening our financial position as further discussed below.

Relevant Financial Policies

In 2007, City Council passed a fund balance policy requiring that the general fund maintain an unreserved fund balance of 16% of the following year's budget, the motor fuel tax fund maintain an unreserved fund balance of 15% of the following year's operating budget and 25% of the following year's expected capital projects, and the water and sewer fund maintain unreserved equity of 5% of the following year's budget. The policy further requires that should any other fund have a deficit fund balance, a plan will be determined to eliminate the deficit.

At December 31, 2008, the general fund was out of compliance with the policy and, in fact, had a negative unreserved fund balance. During 2009, the City made efforts to begin remedying this situation. However, in the midst of a severe recession, compliance could not realistically be accomplished within one year. Nevertheless, the deficit in the general fund was reduced during the year through a combination of cost reduction and debt restructuring. For 2010, a number of revenue enhancements were enacted to further progress to the goal of building a fund balance. Continuing the debt restructuring plan will also help in this regard as will continued efforts to reduce costs.

The internal service fund (which accounts for the City's liability, workers compensation and other insurance costs) also had a deficit net asset balance on December 31, 2009. Actual claims incurred during 2009 were down from the prior year. However, a significant liability was recorded for some prior year claims. The City has taken a conservative approach in its assessment of the likelihood of loss from these claims. The City's policy has been to fund the internal service fund based on charges to other funds and departments of 115% of the prior year's claim expenses. However, this policy was suspended during 2009 and alternative funding approaches were undertaken to avoid large swings in funding based on anomalies and to systematically reduce the deficit in this fund.

Major Initiatives

In 2010, we will once again be presenting our budget plan to Standard & Poors in order to maintain or improve the City's A- credit rating. By maintaining or improving our credit rating, the City will be able to continue to secure favorable terms as they relate to refinancing existing debt. This is a critical component of our short and long term financial plans.

The City was awarded a \$444,000 federal energy grant in December of 2009 to make the City buildings more energy efficient. As a part of that process the City will be replacing the library's air conditioning unit, City Hall boiler, and recreation center roof. This grant enables the City to apply for other energy related grants. The City also received \$3.9 million in funding for the Neighborhood Stabilization Program. These grant monies will be utilized beginning in 2010 to repair vacant and foreclosed homes. The City of Berwyn was one of only five cities state wide to receive this funding. In addition, the City is currently awaiting approval for more than \$10 million in other grant monies.

The City has retained a firm to perform an in depth analysis of all utility expenses. The recently submitted results of their analysis indicate a potential annual savings in excess of \$100,000. In addition, this firm is beginning an analysis of all municipal utility tax revenues to insure that the City is receiving the proper amount.

In response to difficult economic times, the mayor has asked City employees to consider furlough days. This request resulted in over \$140,000 in savings to the City for 2010.

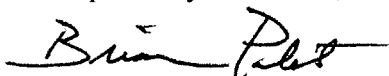
In the midst of an unprecedented global recession, due to the sound leadership of the Berwyn Development Corporation in partnership with the City, Berwyn has been very active regarding economic development. Due to the newly constructed parking deck in our depot district, we have encouraged further economic development via additional badly needed parking. For example, we provided financial assistance through our TIF district to enable the opening of Brando's Beef. In addition, we assisted LaNotte restaurant regarding their interior expansion of their dining room. We also provided commercial loan assistance to Garv Inn regarding their remodeling efforts. Some of the more notable TIF supported economic development projects that will be completed in 2010/2011 are: Culvers restaurant on Roosevelt Road; Jimmy John's restaurant on Cermak Road; American Depot Diner; Autre Monde restaurant on Roosevelt Road; PCC Community Wellness Center on Roosevelt Road; and Luigi's Paisans Pizza on Ogden Avenue. We have also been successful in attracting a major national retailer which will be opening in late 2011 within the City's only major shopping center. The shopping center is undergoing a new \$10 million dollar facelift to be competitive in today's retail climate. Other notable accomplishments under way include installing new infrastructure, road way, curb and gutter and streetscape on Roosevelt Road. In addition to TIF assistance for the Roosevelt Road project, the City was able to obtain \$6,950,000 in ITEP and IDOT grant funds through a joint effort with the Village of Oak Park and the Town of Cicero.

Awards and Acknowledgements

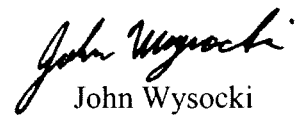
The City has prepared a comprehensive annual financial report (CAFR) which it is submitting to the Government Finance Officers Association (GFOA) for consideration for its Certificate of Achievement for Excellence in Financial Reporting.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance department staff. We wish to express our appreciation to all members of the department for their assistance. We also want to express appreciation to the Mayor and City Council for their support and encouragement in maintaining the highest standards of professionalism in the financial operations of the City.

Respectfully submitted,

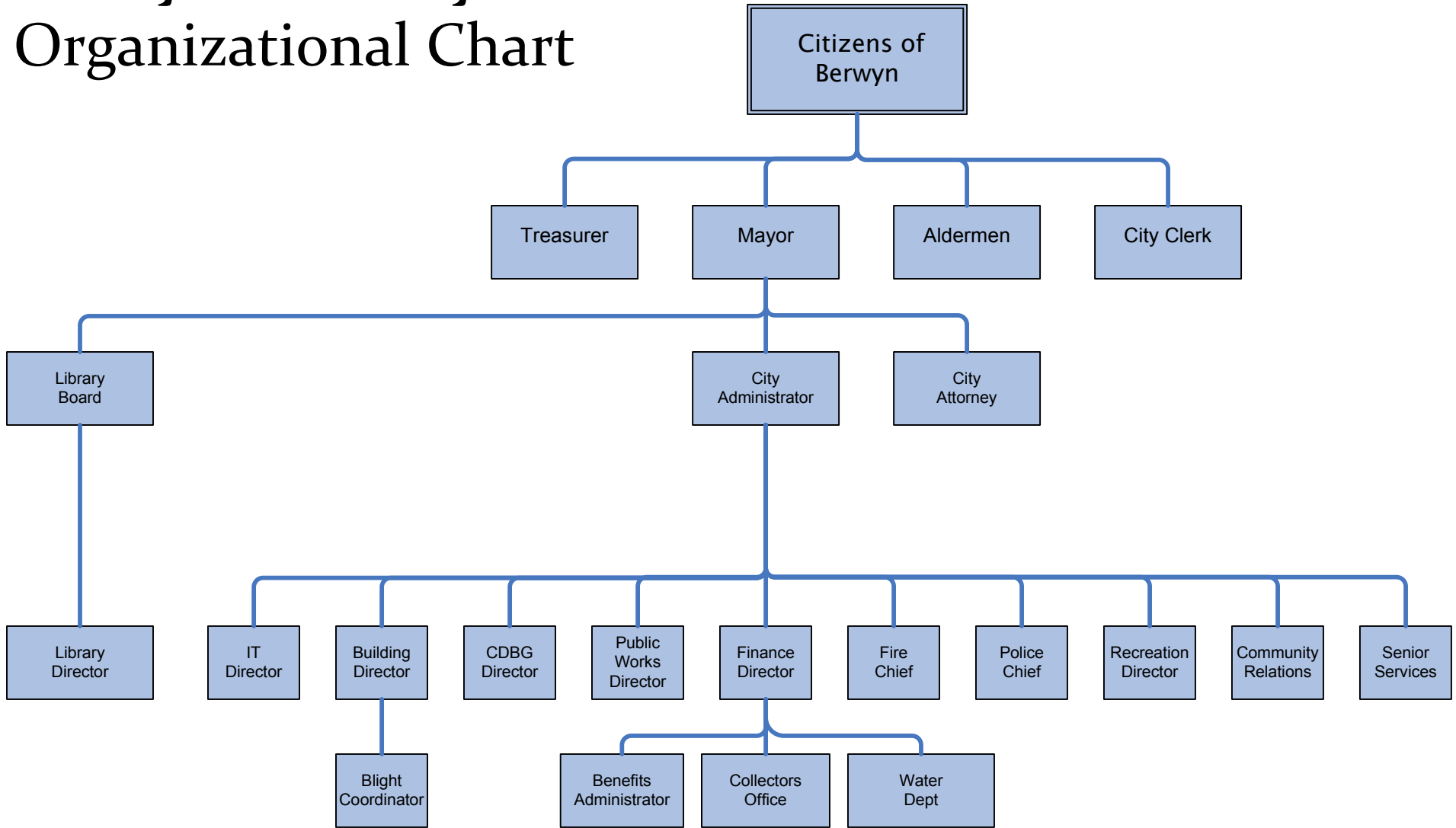


Brian Pabst
City Administrator



John Wysocki
Finance Director

City of Berwyn Organizational Chart



**City of Berwyn
List of Elected and Appointed Officials
December 31, 2009**

Elected Officials

Robert J. Lovero	Mayor
Joseph Kroc	Treasurer
Thomas Pavlik	Clerk
Nona Chapman	Alderman, 1 st Ward
Jeffrey G. Boyajian	Alderman, 2 nd Ward
Margaret Paul	Alderman, 3 rd Ward
Michele Skryd	Alderman, 4 th Ward
Cesar A. Santoy	Alderman, 5 th Ward
Theodore J. Polashek	Alderman, 6 th Ward
Rafael "Ralph" Avila	Alderman, 7 th Ward
Nora Laureto	Aldermen, 8 th Ward

Appointed Officials

Anthony Bertuca	City Attorney
Tammy Clausen	Director, Library Services
Robert Dwan	Director, Community Development
James Frank	Director, Information Technology
Charles Lazzara	Director, Building Department
Anthony Martinucci	Director, Recreation Department
Denis O'Halloran	Fire Chief
Brian Pabst	City Administrator
James Ritz	Police Chief
Robert Schiller	Director, Public Works
John Wysocki	Director, Finance

FINANCIAL SECTION



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Berwyn, 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 City of Berwyn, Illinois (the City), as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the City of Berwyn, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Berwyn Development Corporation (discretely presented component unit), which represents 100% of the assets, net assets, and revenues of the discretely component unit of the City of Berwyn, Illinois. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Berwyn Development Corporation, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of the Berwyn Development Corporation were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the basic financial statements referred to above present fairly, in all material respects, the discretely presented component unit, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berwyn, Illinois, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 10, 2010 on our consideration of the City of Berwyn, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the required supplementary information 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 the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements taken as a whole. The combining and individual fund financial statements and schedules and the financial information listed as supplemental data in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Berwyn, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

A handwritten signature in black ink, appearing to read "Sibich LLP". The signature is written in a cursive, flowing style.

Aurora, Illinois
June 10, 2010

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS



A Century of Progress with Pride

6700 West 26th Street Berwyn, Illinois 60402-0701 Telephone: (708) 788-2660 Fax: (708) 788-0273
www.berwyn-il.gov

Management's Discussion and Analysis

As management of the City of Berwyn, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Berwyn for the fiscal year ended December 31, 2009.

Financial Highlights

The assets of the City of Berwyn (primary government only) exceeded its liabilities at the close of the most recent fiscal year by \$32,599,478. The City has deficit unrestricted net assets of \$12,363,002 at year end.

In 2009, the City's total net assets decreased by \$11,064,540. This decrease is primarily the result of several factors. First, revenues were down as a result of the severe economic downturn which affected the nation. Second, economic development costs were up significantly due, in part, to the transfer of \$1.9 million of property to a developer in accordance with an agreement entered into in prior years. Finally, as in past years business-type activities ran at an operating loss mostly due to the significant expense of depreciation on capital infrastructure which is not funded through the City's rate structure. Also, during 2009 construction was completed on the City's new parking garage and the costs were transferred to a newly established fund accounted for as a business-type activity.

As of the close of the current fiscal year the City's governmental funds reported combined ending fund balances of \$21,547,807, a decrease of \$15,235,208 in comparison with the prior year. This decrease is primarily a result of capital outlay of \$14,730,640 as proceeds from the 2007 bond issue were spent on various planned capital projects.

At the end of the current fiscal year, fund balance for the General Fund was \$375,825, an increase of \$227,582 from the prior year.

Overview of the Financial Statements

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

Government-wide financial statements - The government-wide financial statements found on pages 24 and 25 are designed to provide readers with a broad overview of the City of Berwyn's finances, in a manner similar to a private sector business.

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

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

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

The government-wide financial statements include not only the City of Berwyn itself (known as the primary government), but also the legally separate Berwyn Development Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and 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 government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of 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.

The City of Berwyn maintains seventeen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Cermak Road TIF Fund, the Debt Service Fund and 2007 Bond Fund, which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual appropriations ordinance for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this ordinance.

The basic governmental fund financial statements can be found on pages 26 and 28 of this report.

Proprietary funds – The City of Berwyn maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses two enterprise funds - one to account for its water and sewer operations and another to account for the operations of its municipal parking garage. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Berwyn uses an internal service fund to account for its workers compensation and general liability self-insurance pool. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide

financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide information for the Water and Sewer Fund and the Parking Garage Fund which are considered to be major funds of the City, and the internal service fund.

The basic proprietary fund financial statements can be found on pages 30 - 32 of this report.

Fiduciary funds - are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 33 and 34 of this report.

Notes to financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 35 – 74 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget and actual information for the general and major special revenue funds and the City's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required supplementary information can be found on pages 75 - 88 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 89 - 114 of this report.

Government-wide Financial Analysis

Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The largest portion of the City of Berwyn's net assets represents resources that are subject to external restrictions on how they may be used. Assets restricted for use in the City's four redevelopment areas make up the bulk of these assets, followed by assets restricted by the State of Illinois for the purpose of improving streets, and assets restricted for law enforcement purposes.

Net assets of the City of Berwyn also includes its investment in capital assets (land, buildings, infrastructure and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The table below shows the comparison between 2008 and 2009 Statement of Net Assets for both governmental and business-type activities:

City of Berwyn Net Assets

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Current assets	\$ 61,710,638	\$ 64,789,798	\$ 5,584,136	\$ 5,312,052	\$ 67,294,774	\$ 70,101,850
Capital assets	<u>57,087,553</u>	<u>58,529,165</u>	<u>46,905,095</u>	<u>38,097,726</u>	<u>103,992,648</u>	<u>96,626,891</u>
Total assets	118,798,191	123,318,963	52,489,231	43,409,778	171,287,422	166,728,741
Current liabilities	29,247,257	24,335,529	592,068	442,319	29,839,325	24,777,848
Long-term liabilities	<u>108,816,578</u>	<u>98,254,612</u>	<u>32,041</u>	<u>32,264</u>	<u>108,848,619</u>	<u>98,286,876</u>
Total liabilities	138,063,835	122,590,141	624,109	474,583	138,687,944	123,064,724
Invested in capital assets net of related debt	(17,667,300)	3,546,131	46,905,095	38,097,726	29,237,795	41,643,857
Restricted	15,724,685	13,196,535	-	-	15,724,685	13,196,535
Unrestricted	<u>(17,323,029)</u>	<u>(16,013,844)</u>	<u>4,960,027</u>	<u>4,837,469</u>	<u>(12,363,002)</u>	<u>(11,176,375)</u>
Total net assets	<u>\$ (19,265,644)</u>	<u>\$ 728,822</u>	<u>\$ 51,865,122</u>	<u>\$ 42,935,195</u>	<u>\$ 32,599,478</u>	<u>\$ 43,664,017</u>

Significant Changes in the City's Statement of Net Assets:

Governmental activities

The City's governmental activities current assets decreased from 2008 by approximately \$3.1 million. This was largely a result of reduced cash balances. The cash was used to pay for increased construction activity.

Capital assets within the governmental activities decreased \$1.4 million in 2009 due primarily to the completion of the parking garage which was included in construction in progress during 2008 and has now been transferred to business type activities. The decrease in construction in progress was partially offset by various capital additions more fully explained in the Capital Asset and Debt Administration section of this Managements Discussion and Analysis.

Long-term liabilities increased by about \$10.5 million. However, \$7.7 million of this increase is the result of a December 30, 2009 bond issue that was used to refund an existing issue with a January 1, 2010 call date. Because the proceeds of the new issue were not placed in an irrevocable escrow account, the existing bonds could not be removed from the balance sheet. On January 1, 2010, the \$7.7 million was used to pay off the called bonds and long-term liabilities were reduced. The remaining increase was due to several factors including increased liability and workers compensation claims payable, an increase in the net pension obligation and a new capital lease for the purchase of a fire truck.

Business-type activities

With the completion of the municipal parking garage, the costs of the garage which had been accounted for as construction in progress within the governmental activities were transferred to capital assets within business-type activities. This resulted in a \$10.2 million increase in capital assets. An additional \$2.7 million of water and sewer infrastructure was also added to business-type activities capital assets. These additions were offset by a \$4.1 million increase in accumulated depreciation for a net increase of \$8.8 million.

Statement of Activities

As noted earlier, the City's Statement of Activities provides a numerical analysis of the City's financial performance during the year. Revenues are broken down between program revenues and general revenues. The table below shows a comparison between the current and previous year results of operations:

City of Berwyn Changes in Net Assets

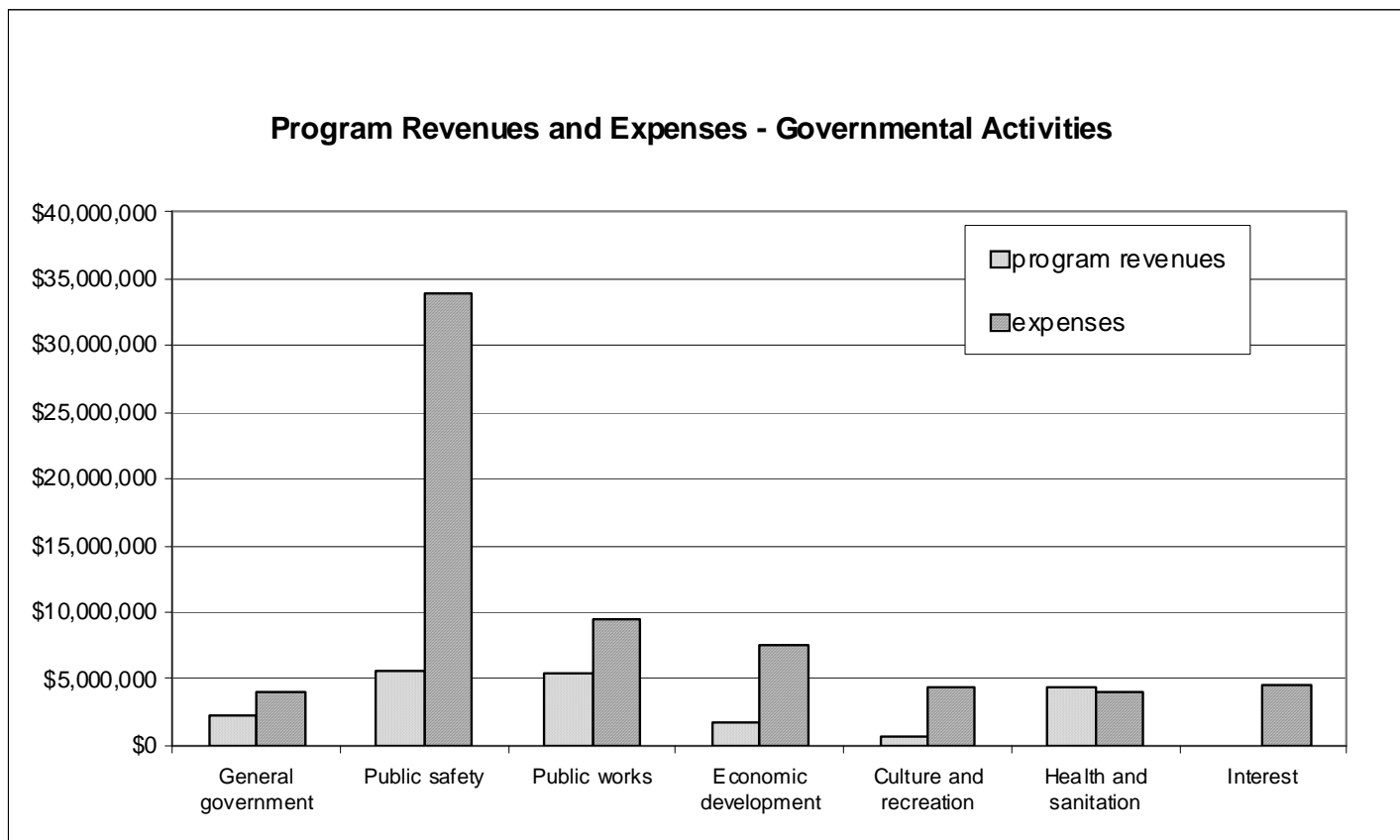
	Governmental activities		Business-type activities		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:						
Program revenues:						
Charges for services	\$ 12,946,482	\$ 13,967,209	\$ 5,801,624	\$ 5,285,856	\$ 18,748,106	\$ 19,253,065
Operating grants & contributions	4,254,621	4,147,105	-	-	4,254,621	4,147,105
Capital grants & contributions	2,906,195	1,185,936	-	-	2,906,195	1,185,936
General revenues						
Property taxes	25,164,068	24,009,284	-	-	25,164,068	24,009,284
Other taxes	15,067,364	17,250,682	-	-	15,067,364	17,250,682
Other revenues	529,159	1,090,639	27,949	50,089	557,108	1,140,728
Total revenues	60,867,889	61,650,855	5,829,573	5,335,945	66,697,462	66,986,800
Expenses:						
General government	3,985,591	3,704,316	-	-	3,985,591	3,704,316
Public safety	33,908,989	32,691,594	-	-	33,908,989	32,691,594
Highways & streets	9,491,724	8,834,260	-	-	9,491,724	8,834,260
Sanitation	4,004,624	3,979,436	-	-	4,004,624	3,979,436
Culture & recreation	4,422,112	4,482,379	-	-	4,422,112	4,482,379
Economic development	7,524,769	4,422,771	-	-	7,524,769	4,422,771
Interest on long-term debt	4,644,552	4,605,725	-	-	4,644,552	4,605,725
Water & sewer	-	-	9,675,323	9,219,236	9,675,323	9,219,236
Parking garage	-	-	104,318	-	104,318	-
Total expenses	67,982,361	62,720,481	9,779,641	9,219,236	77,762,002	71,939,717
Change in Net Assets Before Transfers	(7,114,472)	(1,069,626)	(3,950,068)	(3,883,291)	(11,064,540)	(4,952,917)
Transfers	(12,879,994)	-	12,879,994	-	-	-
Change in Net Assets	(19,994,466)	(1,069,626)	8,929,926	(3,883,291)	(11,064,540)	(4,952,917)
Net assets Jan 1	728,822	1,798,448	42,935,196	46,818,486	43,664,018	48,616,935
Net assets Dec 31	\$ (19,265,644)	\$ 728,822	\$ 51,865,122	\$ 42,935,195	\$ 32,599,478	\$ 43,664,018

Significant Changes in the Statement of Activities

Government activities

The \$19.9 million decrease in the City's net assets was primarily due to a \$12.9 million transfer to business type activities related to the completion of the parking garage and some sewer work and the subsequent transfer of those costs previously included in construction in progress to business type activities. Specific line item increases and decreases are discussed below.

The graph below shows the governmental activities revenues and expenses by function. Any deficit of revenues less expenses is then funded through general revenues, primarily taxes.



Government activities - Revenues

The table below shows the change in revenues from 2008 to 2009:

	Governmental activities		Change	% Chg
	<u>2009</u>	<u>2008</u>		
Revenues:				
Program revenues:				
Charges for services	\$ 12,946,482	\$ 13,967,209	\$ (1,020,727)	-7%
Operating grants & contributions	4,254,621	4,147,105	107,516	3%
Capital grants & contributions	2,906,195	1,185,936	1,720,259	145%
General revenues				
Property taxes	25,164,068	24,009,284	1,154,784	5%
Other taxes	15,067,364	17,250,682	(2,183,318)	-13%
Other revenues	529,159	1,090,639	(561,480)	-51%
Total revenues	<u>\$ 60,867,889</u>	<u>\$ 61,650,855</u>	<u>\$ (782,966)</u>	<u>-1%</u>

Significant changes:

The City's charges for services decreased from \$13.9 million to \$12.9 million in 2009. Charges for services are primarily made up of vehicle stickers, building and compliance permits, interdepartmental charges, court and violation fines, ambulance fees, garbage fees and (for 2008 only) 100th anniversary revenues. The decrease in the City's charges for services resulted mainly from decreases in ambulance fees of \$186,000, court and violation fines of \$378,000, various licenses and permits of \$108,000 and the 100th anniversary celebration revenues of \$285,000. These decreases were partially offset by an increase of approximately \$175,000 in garbage fees.

Capital grants and contributions increased \$1.7 million in 2009. For both 2008 and 2009, these primarily represent one time grants for major capital projects. For 2009, \$2.4 million in grants was received for the construction of the new municipal parking garage.

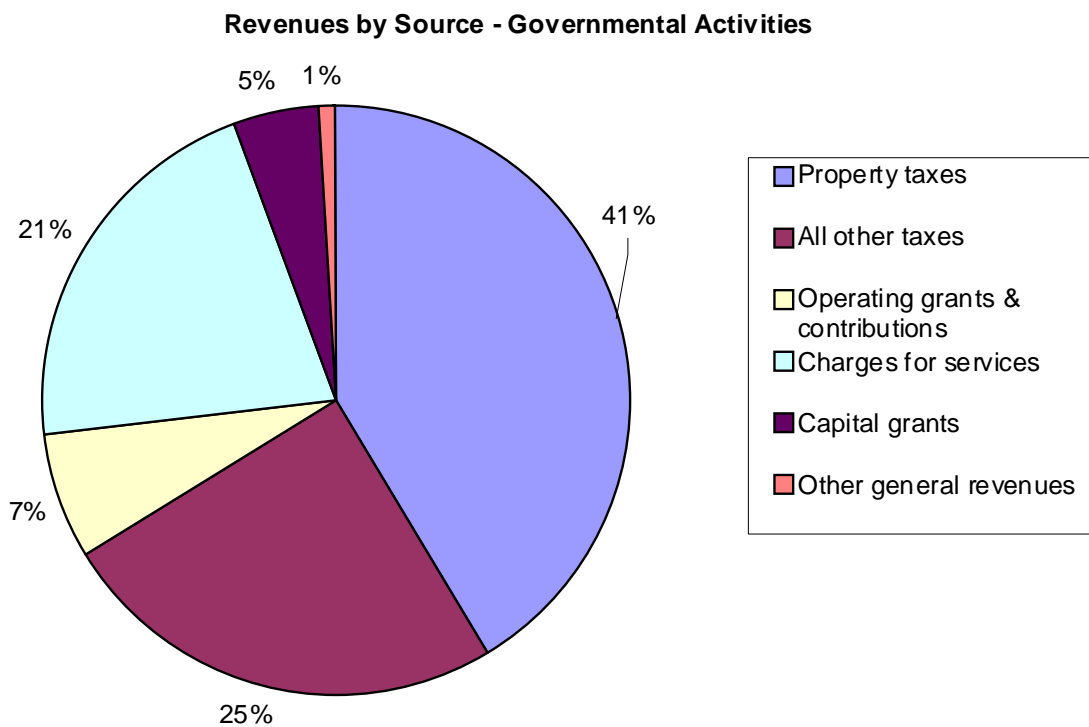
The City's property taxes revenues increased in 2009 by over \$1.1 million. This increase was primarily in the TIF districts which generated an additional \$909,000 in property taxes compared to 2008. In particular, the most significant increases were in the Ogden Avenue and Cermak Road TIFs.

The economic conditions in the nation and in Illinois had a severe impact on the City's other tax revenues in 2009. After increasing in 2008, state income tax declined \$888,000 or 15% during 2009 and municipal utility taxes declined almost \$498,000 or 11%. State and home rule sales taxes continued to decline in 2009 falling by \$428,000 or 16% and \$311,000 or 16%, respectively.

Other revenues, the most significant of which is investment income, dropped \$561,000 compared to 2008 primarily due to a very low interest rate environment combined with lower average cash balances.

Composition of Revenues:

The graph below shows the full composition of governmental activities revenues.



The City's governmental activities are supported mainly by property taxes, followed by all other taxes. These percentages shifted from 2008 when property taxes accounted for 38%, charges for services were 23%, all other taxes accounted for 28%, capital grants were 2% and other general revenues were 2% of all revenues. The primary causes for these percentages changes were the significant declines in other tax revenues and the significant increase in capital grants as previously explained.

Governmental activities - Expenses

The table below shows the change in expenses from 2008 to 2009:

Changes in Governmental Activities Expenses

	Governmental activities		Change	% Chg
	<u>2009</u>	<u>2008</u>		
Expenses:				
General government	\$ 3,985,591	\$ 3,704,316	\$ 281,275	8%
Public safety	33,908,989	32,691,594	1,217,395	4%
Public works	9,491,724	8,834,260	657,464	7%
Economic development	7,524,769	4,422,771	3,101,998	70%
Culture and recreation	4,422,112	4,482,379	(60,267)	-1%
Health and sanitation	4,004,624	3,979,436	25,188	1%
Interest on long-term debt	<u>4,644,552</u>	<u>4,605,725</u>	<u>38,827</u>	<u>1%</u>
Total expenses	<u>\$ 67,982,361</u>	<u>\$ 62,720,481</u>	<u>\$ 5,261,880</u>	<u>8%</u>

Significant changes:

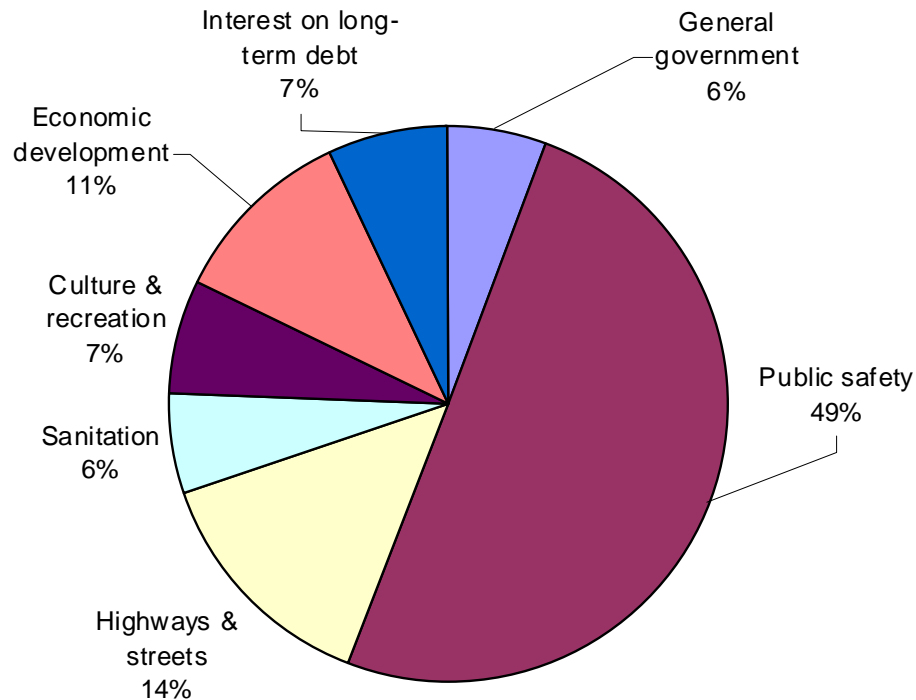
In May of 2009, a new administration took office and a number of organizational changes were made over the succeeding months which resulted in some changes in expenses by activity in comparison to the prior year. However, in general, the percentage increases for most activities was less than in prior years due to 0% salary increases for most employees in 2009. For the past several years, salary increases averaged 3-4% based on contractual agreements. For 2009, the only employees receiving increases were public works employees who were in the final year of a four year contract calling for a 4% salary increase in 2009.

Economic development expenses fluctuate annually as the majority of the City's TIF projects are reported within this function. In 2009 the City incurred \$1.9 million in expenses when it transferred property to a developer in accordance with a previously existing development agreement. In addition, other projects were also undertaken to promote future economic growth in the City.

Composition of expenses:

As in the prior year, the City's largest area of expense continues to be public safety, accounting for 49% of governmental expenses. The expense composition remained substantially the same as in 2008 with the only differences being an increase in economic development from 7% to 11% and a decrease in public safety from 53% to 49%.

Governmental Activities - Expense Composition



Business-type activities

	Business-type activities		Change	% Chg
	2009	2008		
Revenues:				
Program revenues:				
Charges for services	\$ 5,801,624	\$ 5,285,856	\$ 515,768	10%
Expenses:				
Water & sewer	\$ 9,675,323	\$ 9,219,236	\$ 456,087	5%
Parking garage	104,318	-	104,318	N/A
Total Expenses	\$ 9,779,641	\$ 9,219,236	\$ 560,405	6%

Significant changes:

Business-type activities represent the City's water and sewer utility and the newly created parking garage. The parking garage opened for business in November of 2009 and no material revenues were generated. The utility's primary source of revenue is user fees for water and sewer usage. The rates are designed to recover substantially all of the costs associated with providing water and sewer service, except for depreciation. The rates do provide some cost recovery for depreciation but are not designed to fund the entire expense. Thus, business-type activities decreased the City's net assets by \$4 million before transfers.

Water and sewer usage charges for 2009 increased from 2008 primarily due to a 10% rate increase.

Expenses within the water utility increased in 2009 due to several factors. First, the cost of water increased by \$223,000 due primarily to a rate increase from the City of Chicago. Second, repairs and maintenance costs increased by \$200,000 due, in part, to sewer upgrades. Finally, the utility chose to take a more conservative approach in valuing its accounts receivable by increasing its allowance for

doubtful accounts by \$100,000.

Financial Analysis of the Governmental Funds

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

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

Significant changes – Fund balances

	Fund				Nonmajor Governmental Funds
	General Fund	Cermak Road TIF	Debt Service	2007 Bond	
Revenues	\$ 40,590,328	\$ 2,319,441	\$ 4,871,736	\$ 3,232,754	\$ 10,727,423
Expenditures	44,441,699	2,093,616	6,701,792	14,695,811	12,048,519
Other Financing Sources (Uses) net	4,078,953	-	890,550	(443,894)	(1,521,062)
Net change in fund balance	227,582	225,825	(939,506)	(11,906,951)	(2,842,158)
Fund balance, beginning	148,243	9,340,457	1,586,220	17,147,179	8,560,916
Fund balance, ending	<u>\$ 375,825</u>	<u>\$ 9,566,282</u>	<u>\$ 646,714</u>	<u>\$ 5,240,228</u>	<u>\$ 5,718,758</u>

General Fund revenues decreased by \$1.3 million or 3% from 2008 to 2009. A poor economy was the primary factor leading to this decreased revenue. Specifically, other taxes, which includes state income tax, state and home rule sales tax, municipal utility tax and various other taxes, decreased 13% or \$2.2 million. Licenses and permits, charges for services and fines and forfeitures were also down. These decreases were partially offset by increased property tax revenues which were up by 16%. There was no increase in the property tax levy for the year. Rather, the increased property tax revenues in the General Fund were offset by decreased property tax revenues in the Debt Service Fund as more fully explained below.

General Fund expenditures increased slightly (1%) from the prior year. The increased expenditures were primarily in the area of public safety. In spite of the declines in revenue and small increase in expenditures, fund balance increased for the first time in five years. The increase was a result of a \$2.5 million transfer in from the Debt Service Fund made possible by the restructuring of debt more fully explained below.

Revenues for the Cermak Road TIF increased 24% as a result of strong property tax collections. Expenditures approximated the 2008 level. This TIF district was created in 1987 and is set to expire in 2010. During 2009, the City acquired property within the TIF district in accordance with plans for development for the remaining life of the district.

As previously noted, revenues in the Debt Service Fund were down significantly from the prior year as a result of a 2008 debt refunding that allowed for a previously scheduled payment due in 2009 to be pushed into future years. As a result, property taxes that would have been levied to make the debt service payment in 2009 were reallocated to the General Fund for operating purposes. In 2009, the City continued its refunding plan by refunding a number of debt payments due in 2009. The taxes levied and collected to make these payments resulted in a surplus in the fund of \$3.75 million. \$2.5 million of this was transferred to the General Fund to make up for the decreased revenues previously discussed and

\$1.25 million was transferred to the Internal Service Fund in an effort to shore up a negative net asset situation in that fund. Fund balance in the Debt Service Fund decreased by about \$940,000 due to the scheduled use of capitalized interest (restricted cash on hand) to make a portion of the interest payments due on the 2007 bonds.

The 2007 Bond Fund decreased fund balance by \$11.9 million as the construction activity for which these funds were intended continued during 2009. The City's parking garage, new fire station and several other capital projects were completed during the year with these funds.

Financial Analysis of the Proprietary Funds

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

Unrestricted net assets of the Water & Sewer Fund at the end of the current fiscal year amounted to \$5 million. The total decrease in net assets was \$1.1 million. The operating loss was \$3.9 million but was partially offset by a \$2.7 million capital contribution. This capital contribution represents infrastructure additions constructed with funds from the 2007 Bond Fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

As previously noted, the City established a new proprietary fund in 2009 to account for the operations of the new municipal parking garage. The fund was established with a \$10.2 million capital contribution representing the costs of constructing the garage which were financed by the 2007 Bond Fund. The only significant activity in this fund during 2009 was partial depreciation on its capital assets as the garage began operation late in the year.

The City's internal service fund mainly represents costs for the City's workmen's compensation and general liability insurances. Revenues within this fund are from charges to other funds of the City. Expenses are in the form of claim payments, third party claim processing fees, insurance costs and liability reserve funding. During 2009 the fund's expenses increased from \$3.9 million to \$4.1 million. This increase is primarily due to a conservative approach in assessing the likelihood of loss related to prior years' liability claims not yet settled. However, new claims for 2009 were down from 2008. Revenues within the internal service fund decreased slightly from 2008. The decrease was the result of a temporary change in funding policy approved by City Council. The prior policy required the City to fund the internal service fund at 115% of the prior year's expenses. For 2009, funding was equal to the insurance premiums for the year plus new claims incurred during 2009. A transfer from the Debt Service Fund made possible by the 2009 bond refunding of \$1.25 million was approved to help reduce the deficit resulting from prior years' claims. Net assets decreased \$227,000 from 2008 to a December 31, 2009 balance of negative \$3 million. This negative balance is expected to be remedied through proceeds from future bond refundings.

General Fund Budgetary Highlights

The City's ordinances require it to periodically review and amend the budget on an annual basis. As part of this review and during preparation for the subsequent years' budget, each department's budget to actual reports are analyzed to determine whether an amendment may be necessary during the year.

The City amended the General Fund budget during 2009. The primary purpose for the amendment was to reallocate budget dollars across departments due to organizational changes brought about by the change in administration. For example, certain positions were eliminated including the City Collector in the Finance Department and the Human Resources Director and other positions were added. Also, the mid year elimination of funding for the Regional Housing Authority reduced the budget by \$92,000.

Another significant amendment was the increase of the police department budget by \$400,000 to cover expenditures related to the unallowable federal seizure costs from prior years which are being reimbursed by foregoing future revenues. Seizure revenues recorded in a separate special revenue fund were significantly higher than anticipated for the year which resulted in more of the amount owed being paid back during 2009 than expected. However, this also resulted in the need to record additional offsetting expenditures within the police department.

The table below summarizes the City's final budget compared to actual results for the current year.

	General Fund			
	Final Budget	Actual	Variance	% Var.
Revenues				
Property taxes	\$ 12,380,790	\$ 12,294,809	\$ (85,981)	-1%
Other taxes	16,550,000	14,663,442	(1,886,558)	-11%
Charges for services	6,154,200	5,937,316	(216,884)	-4%
Fines and fees	4,160,000	3,766,895	(393,105)	-9%
Licenses and permits	2,564,800	2,368,969	(195,831)	-8%
Intergovernmental	88,000	94,382	6,382	7%
Investment income	40,000	50,360	10,360	26%
Miscellaneous	1,126,795	1,414,154	287,359	26%
Total Revenues	43,064,585	40,590,327	(2,474,258)	-6%
Expenditures				
Current				
General government	3,846,553	3,787,572	58,981	2%
Public safety	31,225,894	30,830,279	395,615	1%
Highways and streets	4,154,675	4,226,807	(72,132)	-2%
Sanitation	4,160,000	4,004,624	155,376	4%
Economic development	321,514	318,900	2,614	1%
Culture and recreation	1,319,042	1,263,767	55,275	4%
Debt Service	11,250	9,750	1,500	13%
Total expenditures	45,038,928	44,441,699	597,229	1%

Significant changes from budget

Revenues

As previously mentioned, other taxes were significantly less than budgeted due to the severe recession in 2009. The largest variances were in state income tax which was \$863,172 less than budget, municipal utility tax which was \$349,738 less than budget, state sales tax which was \$329,487 less than budget and home rule sales tax which was \$236,257 less than budget.

Fines and fees were under budget primarily due to fewer impound vehicles and violation fines. These are difficult items to predict and may be an indication of greater compliance with the law.

Miscellaneous revenues consist mainly of cable franchise fees, interdepartmental charges, reimbursements and grant revenue. Grant revenue was not budgeted for and amounted to \$281,133, accounting for most of the variance.

Expenditures

Overall, General Fund expenditures were almost \$600,000 under budget. This was the result of an overall effort to control costs in a difficult economy. Some of the more significant individual variances were as follows.

- ✚ Public works department salaries were approximately \$200,000 over budget primarily due to an apparent budgeting error whereby several existing staff had not been budgeted for.
- ✚ Utilities expenditures in the police and fire departments and external gas and oil in the public works department were under budget due to lower than expected gasoline prices during 2009.
- ✚ Internal service fund charges in most departments were less than budgeted as a result of the previously mentioned policy change in the funding approach.

Capital Asset and Debt Administration

Significant change - Capital assets

The table below summarizes the City's capital asset balances at year end for 2009 with comparative figures for 2008.

City of Berwyn Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 9,843,565	\$ 9,721,739	\$ 24,600	\$ 24,600	\$ 9,868,165	\$ 9,746,339
CIP	1,278,308	4,651,020	-	-	1,278,308	4,651,020
Buildings	11,422,702	8,564,281	10,363,490	312,483	21,786,192	8,876,764
Equipment	930,327	999,829	-	-	930,327	999,829
Land improvements	2,337,628	2,269,803	52,621	67,655	2,390,249	2,337,458
Vehicles	2,358,901	2,207,385	56,159	68,674	2,415,060	2,276,059
Infrastructure	<u>28,916,122</u>	<u>30,115,108</u>	<u>36,408,225</u>	<u>37,624,314</u>	<u>65,324,347</u>	<u>67,739,422</u>
Total	<u>\$ 57,087,553</u>	<u>\$ 58,529,165</u>	<u>\$ 46,905,095</u>	<u>\$ 38,097,726</u>	<u>\$ 103,992,648</u>	<u>\$ 96,626,891</u>

During 2009, the City completed a number of capital projects begun in prior years including a new 16th Street fire station (\$3 million), a new parking garage in the South Berwyn TIF district (\$10.2 million), and a Roosevelt Road sewer project (\$2.7 million). All of these projects were funded, at least in part, with proceeds from the 2007 bond issue. Additional funding for the fire station and parking garage was from grants.

Some of the other larger additions were: purchase of a fire truck (\$430,000), alley improvements (\$1,100,000), acquisition of a parcel of land (totaling \$122,000), Cuyler and Maple pool renovations (\$150,000) and construction of a salt dome (\$104,000). Other projects begun during 2009 and expected to be completed in 2010 include an Oak Park Avenue lighting project, the utility billing and cash receipting modules of our new ERP system and a Roosevelt Road streetscape project.

These increases in capital assets were offset by depreciation charges of \$3,473,657.

The costs of the parking garage and the Roosevelt Road sewer project were both transferred to business-type activities. Additional information on the City's capital assets can be found in Note III.C. in the notes to financial statements of this report.

Significant change – Long-term debt

The changes to the City's long-term obligations are summarized below.

	Governmental activities		Business-type activities		Total	
	2009	2008	2008	2008	2009	2008
General obligation bonds	\$ 95,843,519	\$ 86,468,157	\$ -	\$ -	\$ 95,843,519	\$ 86,468,157
Installment notes payable	1,357,654	2,014,738	-	-	1,357,654	2,014,738
Unamortized premiums	1,982,239	2,114,809	-	-	1,982,239	2,114,809
Unamortized loss on refunding	(1,237,448)	(1,534,191)	-	-	(1,237,448)	(1,534,191)
Capital Leases	758,641	537,770	-	-	758,641	537,770
Claims Payable	4,086,815	3,700,324	-	-	4,086,815	3,700,324
Net pension obligation	1,488,149	50,553	-	-	1,488,149	50,553
Net OPEB Obligation	758,629	732,617	-	-	758,629	732,617
IMRF early retirement liability	869,915	928,763	-	-	869,915	928,763
Grant refunds	460,318	883,267	-	-	460,318	883,267
Compensated absences	2,448,147	2,357,805	32,041	32,264	2,480,188	2,390,069
Total	\$ 108,816,578	\$ 98,254,612	\$ 32,041	\$ 32,264	\$ 108,848,619	\$ 98,286,876

During 2009, the City was able to maintain its uninsured bond rating of A-. However, all of the City's outstanding debt is insured with an AAA rating.

During 2009, the City continued the restructuring of its outstanding general obligation debt which was begun in prior years. The City issued \$5,165,000 of General Obligation Bonds, Series 2009 to fully refund the City's Initially Taxable Convertible General Obligation Refunding Bonds, Series 1998 as well as the current maturities and interest payable on several other bond issues. The effect of the refunding was to provide excess funds in the Debt Service Fund from the property tax collections that would have been used to make these debt service payments. These excess funds were transferred to the General Fund to make up for the revenue shortfalls previously discussed and to the Internal Service Fund to begin to address the deficit resulting from prior year claims.

During 2009, the City also issued \$7,720,000 of General Obligation Bonds, Series 2009 to fully refund the City's General Obligation Corporate Purpose Bonds, Series 1999. The purpose of this refunding was to take advantage of favorable interest rates saving \$329,771 in future interest costs. The 2009 issue closed on December 20, 2009 and the call date on the Series 1999 bonds was January 1, 2010. Because the refunding did not qualify as an in-substance defeasance, both the 2009 and the 1999 issues are reflected in the Statement of Net Assets along with the cash from the 2009 issue. However, on

January 1, 2010, the 1999 issue was paid in full.

Further details of these refundings along with additional information on the City's long-term debt can be found in Note III.E in the notes to financial statements.

Other significant changes in total long term debt during 2009 include: 1. an additional capital lease entered into to finance the purchase of fire truck; 2. an increase in liability claims payable; 3. an increase in the actuarially determined net pension obligation; and 4. a decrease in grant refunds for prior year unallowable costs to be returned to the granting agency.

Economic Factors and Next Year's Budgets and Rates

Economic conditions in the country and in Illinois, in particular, will continue to present a challenge for the City at least during the first half of 2010. In particular, uncertainty surrounding the timing of the receipt of the City's share of state income tax revenues could provide cash flow challenges. Also, it is expected to take some time for sales tax revenues to rebound to pre-recession levels. As a result, City Council has approved an increase in the overall property tax levy to be collected during 2010. This, combined with an expected bond refunding later in the year that reduced the Debt Service Fund levy, is expected to provide a 25% increase in this revenue line in the General Fund for 2010. The City has also increased rates on a number of license fees, user fees and fines.

The City is well positioned for economic development as the economy improves. Fund balances in the four TIFs are strong as are property tax receipts in those funds. During the first several months of 2010, the City has acquired property in the Roosevelt Road and Cermak TIFs and has reached agreements with outside parties to develop a Culvers Restaurant and a Jimmy John's Restaurant on the sites. Other redevelopment opportunities are also being explored and negotiated.

The City has been awarded some grants that will begin in 2010. The most significant of these is a Neighborhood Stabilization Program grant in the amount of \$1.3 million to be used to purchase and redevelop abandoned or foreclosed residential properties. The City also been awarded a \$444,300 grant from the U.S. Department of Energy which will provide funding for the needed replacement of air conditioning equipment at the library, a boiler at city hall and the roof at the recreation center. A number of other grant proposals are still pending.

For 2010, the City has also finalized new union contracts with its fire, police, public works and clerical staff unions. These unions, with the exception of public works, operated without contracts for 2009 and the new contracts provide for no retroactive salary increases for 2009. The new contracts provide for salary increases of approximately 1% for 2010 for fire and police, 2% for clerical staff and 0% for public works. In addition, the contracts provide for a 10% employee contribution towards medical insurance premiums, the entire amount of which was previously paid for by the City.

The City will continue to seek cost savings and revenue enhancement opportunities during 2010. These efforts, combined with increased economic development opportunities being explored by the City and its component unit, the Berwyn Development Corporation, make the outlook for the City of Berwyn a very positive one for years to come.

Requests for Information

This financial report is designed to provide a general overview of the City of Berwyn's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Berwyn Finance Director, 6700 W. 26th Street, Berwyn, Illinois 60402.

CITY OF BERWYN, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
ASSETS				
Cash and investments	\$ 18,196,910	\$ 956,600	\$ 19,153,510	\$ 547,900
Restricted cash	8,188,088	-	8,188,088	278,968
Receivables, net of allowance where applicable				
Property tax	23,341,204	-	23,341,204	-
Sales tax	578,851	-	578,851	-
Home rule sales tax	443,140	-	443,140	-
Income tax	1,458,634	-	1,458,634	-
Utility tax	713,494	-	713,494	-
Accounts Interest	2,233,809	1,250,489	3,484,298	13,723
Prepaid expenses	26,240	-	26,240	7,836
Due (to) from other funds	(3,377,047)	3,377,047	-	-
Due from other governments	1,975,346	-	1,975,346	-
Notes receivable	1,924,076	-	1,924,076	2,289,441
Deferred charges	1,542,199	-	1,542,199	-
Land held for resale	4,454,761	-	4,454,761	-
Capital assets, not being depreciated	11,121,873	24,600	11,146,473	-
Capital assets, being depreciated (net of accumulated depreciation)	45,965,680	46,880,495	92,846,175	47,561
Total Assets	<u>118,798,191</u>	<u>52,489,231</u>	<u>171,287,422</u>	<u>3,185,429</u>
LIABILITIES				
Accounts payable	2,270,076	559,009	2,829,085	38,780
Accrued payroll	1,087,638	33,059	1,120,697	-
Accrued interest payable	409,441	-	409,441	-
Due to fiduciary funds	86,014	-	86,014	-
Unearned revenue	23,992,443	-	23,992,443	-
Other liabilities	401,645	-	401,645	278,968
Notes payable - current	1,000,000	-	1,000,000	-
Noncurrent liabilities				
Due within one year	14,504,390	9,470	14,513,860	977,070
Due in more than one year	94,312,188	22,571	94,334,759	1,001,866
Total Liabilities	<u>138,063,835</u>	<u>624,109</u>	<u>138,687,944</u>	<u>2,296,684</u>
NET ASSETS				
Invested in capital assets, net of related debt	(17,667,300)	46,905,095	29,237,795	47,561
Restricted for				
Public safety	926,810	-	926,810	-
Public works	944	-	944	-
Economic development	14,150,217	-	14,150,217	83,851
Debt service	646,714	-	646,714	-
Unrestricted (deficit)	<u>(17,323,029)</u>	<u>4,960,027</u>	<u>(12,363,002)</u>	<u>757,333</u>
TOTAL NET ASSETS (DEFICIT)	<u>\$ (19,265,644)</u>	<u>\$ 51,865,122</u>	<u>\$ 32,599,478</u>	<u>\$ 888,745</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2009

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Assets							
	Program Revenues				Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
PRIMARY GOVERNMENT								
Governmental Activities								
General government	\$ 3,985,591	\$ 2,281,261	\$ -	\$ -	\$ (1,704,330)	\$ -	\$ (1,704,330)	\$ -
Public safety	33,908,989	4,288,119	891,881	471,195	(28,257,794)	-	(28,257,794)	-
Public works	9,491,724	1,492,820	1,416,084	2,435,000	(4,147,820)	-	(4,147,820)	-
Economic development	7,524,769	-	1,764,798	-	(5,759,971)	-	(5,759,971)	-
Culture and recreation	4,422,112	487,998	181,858	-	(3,752,256)	-	(3,752,256)	-
Health and sanitation	4,004,624	4,396,284	-	-	391,660	-	391,660	-
Interest	4,644,552	-	-	-	(4,644,552)	-	(4,644,552)	-
Total Governmental Activities	67,982,361	12,946,482	4,254,621	2,906,195	(47,875,063)	-	(47,875,063)	-
Business-Type Activities								
Water and sewer	9,675,323	5,801,624	-	-	-	(3,873,699)	(3,873,699)	-
Parking Garage	104,318	-	-	-	-	(104,318)	(104,318)	-
Total Business-type Activities	9,779,641	5,801,624	-	-	-	(3,978,017)	(3,978,017)	-
TOTAL PRIMARY GOVERNMENT	\$ 77,762,002	\$ 18,748,106	\$ 4,254,621	\$ 2,906,195	(47,875,063)	(3,978,017)	(51,853,080)	-
COMPONENT UNIT								
Berwyn Development Corporation	\$ 1,355,099	\$ 1,212,944	\$ -	\$ -	-	-	-	(142,155)
General Revenues								
Taxes								
Property					25,164,068	-	25,164,068	-
Sales					2,295,513	-	2,295,513	-
Home rule sales					1,688,743	-	1,688,743	-
Income					5,036,828	-	5,036,828	-
Replacement					214,288	-	214,288	-
Municipal utility					4,050,262	-	4,050,262	-
Real estate transfer					1,028,125	-	1,028,125	-
Other					753,605	-	753,605	-
Investment income					330,184	23,949	354,133	-
Gain on sale of capital assets					116,837	4,000	120,837	-
Miscellaneous					82,138	-	82,138	-
Transfers					(12,879,994)	12,879,994	-	-
Total General Revenues and Transfers					27,880,597	12,907,943	40,788,540	-
CHANGE IN NET ASSETS					(19,994,466)	8,929,926	(11,064,540)	(142,155)
NET ASSETS, JANUARY 1					728,822	42,935,196	43,664,018	1,030,900
NET ASSETS (DEFICIT), DECEMBER 31					\$ (19,265,644)	\$ 51,865,122	\$ 32,599,478	\$ 888,745

CITY OF BERWYN, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2009

	<u>General</u>	<u>Cermak Road TIF</u>	<u>Debt Service</u>	<u>2007 Bond</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 713,231	\$ 4,563,825	\$ -	\$ 5,399,712	\$ 7,520,142	\$ 18,196,910
Restricted cash	-	-	8,188,088	-	-	8,188,088
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	15,655,549	37,076	4,843,974	-	2,804,605	23,341,204
Sales taxes	578,851	-	-	-	-	578,851
Home rule sales tax	443,140	-	-	-	-	443,140
Income taxes	1,458,634	-	-	-	-	1,458,634
Utility tax	713,494	-	-	-	-	713,494
Accounts	2,104,004	-	5,516	-	36,286	2,145,806
Interest	1,982	3,186	564	444	4,757	10,933
Prepaid items	16,391	-	-	-	9,849	26,240
Due from other funds	2,145,250	-	110,592	-	79,425	2,335,267
Due from other governments	-	-	-	1,190,850	784,496	1,975,346
Notes receivable	593,958	-	-	-	1,330,118	1,924,076
Advances to other funds	-	650,000	-	-	-	650,000
Land held for resale	-	4,454,761	-	-	-	4,454,761
Total Assets	\$ 24,424,484	\$ 9,708,848	\$ 13,148,734	\$ 6,591,006	\$ 12,569,678	\$ 66,442,750
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 639,225	\$ 92,411	\$ -	\$ 1,092,153	\$ 446,289	\$ 2,270,078
Accrued payroll	1,602,731	-	-	-	75,827	1,678,558
Accrued interest payable	-	-	27,377	-	-	27,377
Deferred revenues	15,407,150	-	4,744,643	-	3,844,985	23,996,778
Due to other funds	4,611,894	50,155	-	258,625	1,833,819	6,754,493
Due to fiduciary funds	86,014	-	-	-	-	86,014
Other liabilities	701,645	-	-	-	-	701,645
Notes payable	1,000,000	-	-	-	-	1,000,000
Bonds payable	-	-	7,730,000	-	-	7,730,000
Advances from other funds	-	-	-	-	650,000	650,000
Total Liabilities	24,048,659	142,566	12,502,020	1,350,778	6,850,920	44,894,943
FUND BALANCES						
Reserved						
Notes receivable	593,958	-	-	-	-	593,958
Advances	-	650,000	-	-	-	650,000
Prepaid items	16,391	-	-	-	-	16,391
Land held for resale	-	4,454,761	-	-	-	4,454,761
Public safety	-	-	-	-	926,810	926,810
Public works	-	-	-	-	944	944
Economic development	-	4,461,521	-	-	4,583,935	9,045,456
Debt Service Fund	-	-	216,003	-	-	216,003
Capitalized interest	-	-	430,711	-	-	430,711
Unreserved (deficit)						
General Fund	(234,524)	-	-	-	-	(234,524)
Special Revenue Funds	-	-	-	-	178,493	178,493
Capital Projects Funds	-	-	-	5,240,228	28,576	5,268,804
Total Fund Balances	375,825	9,566,282	646,714	5,240,228	5,718,758	21,547,807
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,424,484	\$ 9,708,848	\$ 13,148,734	\$ 6,591,006	\$ 12,569,678	\$ 66,442,750

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS**

December 31, 2009

FUND BALANCES OF GOVERNMENTAL FUNDS	\$	21,547,807
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 governmental funds		57,087,553
Some receivables that are not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements		4,335
The net other postemployment benefits obligation is not a current use of funds and, therefore, is not reported in the governmental funds		(758,629)
The net pension obligation is not a current use of funds and, therefore, is not reported in the governmental funds		(1,488,149)
The unamortized bond issuance cost is not a current financial resource and, therefore, is not reported in the governmental funds		1,542,198
The unamortized bond premium (discount) is not a current financial resource and, therefore, is not reported in the governmental funds		(1,982,239)
The unamortized loss on refunding is not a current financial use of funds and, therefore, is not reported in the governmental funds		1,237,448
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds		(382,064)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		(93,117,270)
The unrestricted net assets (deficit) of the internal service funds are included in the governmental activities in the statement of net assets		<u>(2,956,634)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	<u>(19,265,644)</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2009

	General	Cermak Road TIF	Debt Service	2007 Bond	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 12,294,809	\$ 2,192,337	\$ 4,865,487	\$ -	\$ 5,811,435	\$ 25,164,068
Other taxes	14,663,442	-	-	-	28,562	14,692,004
Licenses and permits	2,368,969	-	-	-	-	2,368,969
Charges for services	5,937,316	-	-	-	45,943	5,983,259
Fines and forfeitures	3,766,895	-	-	-	43,817	3,810,712
Intergovernmental	94,382	-	-	3,190,850	4,651,202	7,936,434
Investment income	50,361	112,104	6,249	41,904	119,265	329,883
Miscellaneous	1,414,154	15,000	-	-	27,199	1,456,353
Total Revenues	<u>40,590,328</u>	<u>2,319,441</u>	<u>4,871,736</u>	<u>3,232,754</u>	<u>10,727,423</u>	<u>61,741,682</u>
EXPENDITURES						
Current						
General government	3,787,572	-	-	-	-	3,787,572
Public safety	30,830,279	-	-	-	506,843	31,337,122
Public works	4,226,807	-	-	-	1,709,029	5,935,836
Economic development	318,900	2,093,616	-	-	6,180,527	8,593,043
Culture and recreation	1,263,767	-	-	-	2,831,325	4,095,092
Health and sanitation	4,004,624	-	-	-	-	4,004,624
Capital outlay	-	-	-	14,695,811	34,829	14,730,640
Debt service						
Principal	-	-	2,045,000	-	657,084	2,702,084
Interest and fiscal charges	9,750	-	4,275,461	-	128,882	4,414,093
Bond issuance costs	-	-	381,331	-	-	381,331
Total Expenditures	<u>44,441,699</u>	<u>2,093,616</u>	<u>6,701,792</u>	<u>14,695,811</u>	<u>12,048,519</u>	<u>79,981,437</u>
Excess (deficiency) of revenues over expenditures	<u>(3,851,371)</u>	<u>225,825</u>	<u>(1,830,056)</u>	<u>(11,463,057)</u>	<u>(1,321,096)</u>	<u>(18,239,755)</u>
OTHER FINANCING SOURCES (USES)						
Bonds issued, at par	-	-	12,885,000	-	-	12,885,000
Discount on issuance of long-term debt	-	-	(93,857)	-	-	(93,857)
Premium on issuance of long-term debt	-	-	210,889	-	-	210,889
Payment to refunded bonds escrow agent	-	-	(9,317,377)	-	-	(9,317,377)
Proceeds from sale of capital assets	1	-	-	-	139,297	139,298
Proceeds on capital lease	430,594	-	-	-	-	430,594
Transfers in	3,861,704	-	955,895	-	213,346	5,030,945
Transfers (out)	<u>(213,346)</u>	<u>-</u>	<u>(3,750,000)</u>	<u>(443,894)</u>	<u>(1,873,705)</u>	<u>(6,280,945)</u>
Total Other Financing Sources (Uses)	<u>4,078,953</u>	<u>-</u>	<u>890,550</u>	<u>(443,894)</u>	<u>(1,521,062)</u>	<u>3,004,547</u>
NET CHANGE IN FUND BALANCES	227,582	225,825	(939,506)	(11,906,951)	(2,842,158)	(15,235,208)
FUND BALANCES, JANUARY 1	<u>148,243</u>	<u>9,340,457</u>	<u>1,586,220</u>	<u>17,147,179</u>	<u>8,560,916</u>	<u>36,783,015</u>
FUND BALANCES, DECEMBER 31	<u>\$ 375,825</u>	<u>\$ 9,566,282</u>	<u>\$ 646,714</u>	<u>\$ 5,240,228</u>	<u>\$ 5,718,758</u>	<u>\$ 21,547,807</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2009

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (15,235,208)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	2,054,506
The loss on disposal of capital assets is shown as an increase of expense on the statement of activities	(22,461)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(13,315,594)
The accretion on capital appreciation bonds does not require the use of current financial resources and, therefore, is not reported in the governmental funds	(95,362)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	12,201,807
Depreciation in the statement of activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(3,473,657)
Other postemployment benefits are recognized when paid within the governmental funds; however, they are recognized as earned in the government-wide financial statements	(26,012)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements	(990,930)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Change in pension obligation	(1,437,596)
Change in pension asset	(54,678)
Change in accrued interest payable	53,256
Amortization of issuance costs	(113,834)
Capitalization of issuance costs	381,331
Deferral of bond discount/premium	(117,031)
Amortization of accounting loss on refunding	(296,743)
Amortization of bond premium and discount	249,601
Change in compensated absences	(76,882)
Change in long-term portion of prior year unallowable costs	488,948
Change in IMRF liability	58,848
The change in net assets of certain activities of internal service funds is reported with governmental activities	<u>(226,775)</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (19,994,466)</u>
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See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

December 31, 2009

	Business-Type			Governmental Activities Internal Service
	Water and Sewer	Parking Garage	Totals	
CURRENT ASSETS				
Cash and investments	\$ 956,600	\$ -	\$ 956,600	\$ -
Receivables				
Accounts (net of allowance)	1,250,489	-	1,250,489	88,003
Due from other funds	<u>3,379,698</u>	<u>-</u>	<u>3,379,698</u>	<u>1,042,179</u>
Total Current Assets	<u>5,586,787</u>	<u>-</u>	<u>5,586,787</u>	<u>1,130,182</u>
NONCURRENT ASSETS				
Capital assets				
Capital assets, not being depreciated	24,600	-	24,600	-
Capital assets, net of accumulated depreciation	<u>36,815,430</u>	<u>10,065,065</u>	<u>46,880,495</u>	<u>-</u>
Net Capital Assets	<u>36,840,030</u>	<u>10,065,065</u>	<u>46,905,095</u>	<u>-</u>
Total Assets	<u>42,426,817</u>	<u>10,065,065</u>	<u>52,491,882</u>	<u>1,130,182</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	559,009	-	559,009	-
Claims payable	-	-	-	656,891
Accrued payroll	33,059	-	33,059	-
Compensated absences	9,470	-	9,470	-
Due to other funds	<u>-</u>	<u>2,651</u>	<u>2,651</u>	<u>-</u>
Total Current Liabilities	<u>601,538</u>	<u>2,651</u>	<u>604,189</u>	<u>656,891</u>
LONG-TERM LIABILITIES				
Claims payable	-	-	-	3,429,924
Compensated absences payable	<u>22,571</u>	<u>-</u>	<u>22,571</u>	<u>-</u>
Total Long-Term Liabilities	<u>22,571</u>	<u>-</u>	<u>22,571</u>	<u>3,429,924</u>
Total Liabilities	<u>624,109</u>	<u>2,651</u>	<u>626,760</u>	<u>4,086,815</u>
NET ASSETS				
Invested in capital assets	36,840,030	10,065,065	46,905,095	-
Unrestricted (deficit)	<u>4,962,678</u>	<u>(2,651)</u>	<u>4,960,027</u>	<u>(2,956,633)</u>
Total Net Assets (Deficit)	<u>\$ 41,802,708</u>	<u>\$ 10,062,414</u>	<u>\$ 51,865,122</u>	<u>\$ (2,956,633)</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS**

For the Year Ended December 31, 2009

	Business-Type			Governmental Activities Internal Service
	Water and Sewer	Parking Garage	Totals	
OPERATING REVENUES				
Charges for services				
Billings	\$ 5,629,210	\$ -	\$ 5,629,210	\$ -
Penalties	88,410	-	88,410	-
Plumbing inspections	33,870	-	33,870	-
Meter sales	25,779	-	25,779	-
Water and sewer taps	10,500	-	10,500	-
Internal service charges	-	-	-	2,069,115
Other revenue	13,855	-	13,855	577,002
	<u>5,801,624</u>	<u>-</u>	<u>5,801,624</u>	<u>2,646,117</u>
Total Operating Revenues				
OPERATING EXPENSES				
Salaries and benefits	998,237	-	998,237	-
Internal service fund charge	94,535	-	94,535	-
Cost of water	3,272,948	-	3,272,948	-
Contractual services	164,696	-	164,696	613,767
Utilities and cost of water	125,941	2,651	128,592	-
Repairs and maintenance	401,725	-	401,725	-
Postage, printing and publications	47,690	-	47,690	-
Commodities and supplies	61,119	-	61,119	-
Interdepartmental charges	416,050	-	416,050	-
Other general	1,764	-	1,764	-
Bad debt expense	100,000	-	100,000	-
Equipment lease	19,660	-	19,660	-
Claims expense	-	-	-	3,509,424
Depreciation	3,970,958	101,667	4,072,625	-
	<u>9,675,323</u>	<u>104,318</u>	<u>9,779,641</u>	<u>4,123,191</u>
Total Operating Expenses				
Operating income (loss)	<u>(3,873,699)</u>	<u>(104,318)</u>	<u>(3,978,017)</u>	<u>(1,477,074)</u>
NONOPERATING INCOME				
Investment income	23,949	-	23,949	299
Gain on sale of capital assets	4,000	-	4,000	-
Total nonoperating income	<u>27,949</u>	<u>-</u>	<u>27,949</u>	<u>299</u>
Income (loss) before contributions and transfers	(3,845,750)	(104,318)	(3,950,068)	(1,476,775)
CAPITAL CONTRIBUTIONS				
	2,713,262	10,166,732	12,879,994	-
TRANSFERS IN				
	-	-	-	1,250,000
CHANGE IN NET ASSETS	(1,132,488)	10,062,414	8,929,926	(226,775)
NET ASSETS (DEFICIT), JANUARY 1	<u>42,935,196</u>	<u>-</u>	<u>42,935,196</u>	<u>(2,729,858)</u>
NET ASSETS (DEFICIT), DECEMBER 31	<u>\$ 41,802,708</u>	<u>\$ 10,062,414</u>	<u>\$ 51,865,122</u>	<u>\$ (2,956,633)</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended December 31, 2009

	Business-Type			Governmental Activities Internal Service
	Water and Sewer	Parking Garage	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 5,564,820	\$ -	\$ 5,564,820	\$ 2,558,114
Payments to employees	(1,005,003)	(2,651)	(1,007,654)	-
Payments to suppliers	(3,939,251)	-	(3,939,251)	(3,736,701)
Payments for interfund services used	(510,585)	-	(510,585)	-
Net cash from operating activities	<u>109,981</u>	<u>(2,651)</u>	<u>107,330</u>	<u>(1,178,587)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Reduction (increase) of interfund receivable	69,025	-	69,025	(1,042,179)
Increase in interfund payable	-	2,651	2,651	-
Transfer from other funds	-	-	-	1,250,000
Net cash from noncapital financing activities	<u>69,025</u>	<u>2,651</u>	<u>71,676</u>	<u>207,821</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Sale of capital asset	4,000	-	4,000	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	23,949	-	23,949	299
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	206,955	-	206,955	(970,467)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>749,645</u>	<u>-</u>	<u>749,645</u>	<u>970,467</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 956,600</u>	<u>\$ -</u>	<u>\$ 956,600</u>	<u>\$ -</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (3,873,699)	\$ (104,318)	\$ (3,978,017)	\$ (1,477,074)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,970,958	101,667	4,072,625	-
Changes in assets and liabilities				
Accounts receivable	(136,804)	-	(136,804)	(88,003)
Accounts payable	156,292	-	156,292	-
Accrued payroll and compensated absences	(6,766)	-	(6,766)	-
Claims payable	-	-	-	386,490
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 109,981</u>	<u>\$ (2,651)</u>	<u>\$ 107,330</u>	<u>\$ (1,178,587)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributions of capital assets from government	\$ 2,713,262	\$ 10,166,732	\$ 12,879,994	\$ -

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS**

December 31, 2009

ASSETS

Cash and investments	
Cash and cash equivalents	\$ 537,443
Investments	
Certificates of deposit	2,361,375
U.S. Treasury securities	20,085,549
U.S. Agency securities	1,967,212
Money market mutual funds	3,205,532
Equities	4,235,324
Equity mutual funds	17,062,011
Insurance contracts	82,708
State and local obligations	<u>2,037,128</u>

Total Cash and Investments 51,574,282

Receivables	
Accrued interest	265,348
Other receivables	1,314
Due from governmental funds	<u>86,014</u>

Total Receivables 352,676

Prepays 750

Total Assets 51,927,708

LIABILITIES

Accounts payable	<u>18,412</u>
Total Liabilities	<u>18,412</u>

**NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS** \$ 51,909,296

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS**

For the Year Ended December 31, 2009

ADDITIONS

Contributions	
Employer	\$ 3,981,747
Participants	1,296,293
Total Contributions	<u>5,278,040</u>
Investment income	
Net appreciation in fair value of investments	3,328,243
Interest earned	1,456,029
Less investment expenses	<u>(125,178)</u>
Total Investment Income	<u>4,659,094</u>
Total Additions	<u>9,937,134</u>

DEDUCTIONS

Administrative	108,079
Pension benefits and refunds	<u>5,319,678</u>
Total Deductions	<u>5,427,757</u>

NET INCREASE 4,509,377

NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS - January 1 47,399,919

**NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS - December 31** \$ 51,909,296

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Berwyn, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's and Berwyn Development Corporation's (the BDC) accounting policies are described below.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component unit.

The City's financial statements include two pension trust funds.

Police Pension Fund

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected police employees constitute the pension board. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees, and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund.

Firefighters' Pension Fund

The City's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two are appointed by the City's Mayor, two are elected from active participants, and one is elected from retired participants of the Fund. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. The FPERS is reported as a pension trust fund.

The City's financial statements also includes one component unit.

Discretely Presented Component Unit

Berwyn Development Corporation (the BDC)

The BDC provides low-interest lending assistance to local businesses. The City guarantees the lines of credits used to fund these loans and approves all loans to local businesses. Therefore, the BDC is fiscally dependent on the City. In addition, the BDC manages loans provided directly by the City to local businesses and also manages the City's tax increment financing projects. Separately issued audited financial statements can be obtained by mailing a request to the Berwyn Development Corporation, 3322 S. Oak Park Ave, Second Floor, Berwyn, IL 60402.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The City uses funds to report on its financial position, changes in financial position, and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of governmental long-term debt (debt service funds).

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the City (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used between funds has not been eliminated in the process of consolidation. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 and 2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items are not included among program revenues but are reported instead as general revenues.

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

The City reports the following major governmental funds:

General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

Cermak Road Tax Increment Financing (TIF) Fund is used for the revenues and expenditures related to tax increment financing of Cermak Road projects.

Debt Service Fund is used to account for the payment of governmental long-term debt, other than debt service payments made by the proprietary funds.

2007 Bond Fund is used to account for the capital portions of the 2007 Bonds to be used for capital project purposes.

The City reports the following fiduciary funds:

The City reports Pension Trust Funds as fiduciary funds to account for the Firefighters' Pension Fund and the Police Pension Fund.

The City reports the following proprietary funds:

The Water and Sewer Fund, an enterprise fund, is used for water and sewer services to the residents of the City.

The Parking Garage Fund, an enterprise fund, is used to account for the operation of the municipal parking garage in the South Berwyn TIF District.

The Self Insurance Retention Fund, an internal service fund, is used to account for the liability and workers' compensation claims of the City.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, usually 90 days. The City recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the City also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

The City reports unearned/deferred revenue on its financial statements. Unearned/deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" or "earned" criteria for recognition in the current period. Unearned/deferred revenues also arise when resources are received by the government before it 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 government has a legal claim to the resources, the liability for unearned/deferred revenue is removed from the financial statements and revenue is recognized.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

E. Cash and Investments

For purposes of the statement of cash flows, the City's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

F. Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is based on prices listed on national exchanges as of December 31, 2009 for debt and equity securities. Mutual funds, investment funds and insurance separate accounts are valued at contract value as of December 31, 2009.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements. Short-term interfund loans, if any, are classified as “interfund receivables/payables.”

Internal service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except internal services transactions and reimbursements, are reported as transfers.

Advances between funds, if any, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

H. Prepaid Items/Expenses

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

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs, including street overlays, that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Vehicles	5 - 20 years
Equipment	5 - 15 years
Land improvements	18 - 25 years
Buildings	15 - 50 years
Infrastructure	17 - 75 years

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

Under terms of employment and various union contracts, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

Vacation time does not accumulate; any vacation time not taken by current employees is forfeited at year end. Upon termination or resignation during the year, employees are compensated for that year's earned vacation time. As such, no liability is reported for unused vacation time.

Employees earn sick leave at various rates. Any unused sick leave at year end accumulates in that employee's bank. Employees' banks are capped at 30 - 40 days, depending on the applicable contract. After year end, any days in excess of the cap are purchased back by the City. Upon retirement, certain employees are eligible to have their sick leave paid out. Upon termination or resignation, no compensation for unused sick leave is made. However, unused sick leave may be converted to years of service for IMRF purposes. The City has accrued all accumulated sick leave as a liability in the government-wide financial statements. Only the portion of sick leave purchased back in the following year is accrued within the fund statements. At December 31, 2009, the City reported \$590,921 within its General Fund and \$9,470 within its Water and Sewer Fund related to sick leave purchased back in 2010.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs and losses on refundings, are deferred and amortized over the life of the bonds on the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Unamortized bond issuance costs are reported as deferred charges and losses on refunding.

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

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Net assets have not been restricted by enabling legislation adopted by the City. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

M. GASB Pronouncements

The City has elected, under the provisions of GASB Statement 20, titled "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

N. Restricted Cash

Certain proceeds from the City's 2007 general obligation bond issue are classified as restricted cash on the balance sheet because their use is limited by applicable bond covenants. In addition, proceeds from the bonds issued on December 30, 2009 are classified as restricted on the balance sheet because the bonds were issued for the purpose of refunding the 1999 bond issue on their January 1, 2010 call date. The restricted cash is to be used to make future interest payments as follows:

Payment Date	Amount
6/1/2010	\$ 430,711
1/1/2010	<u>7,757,377</u>
Total	<u>\$ 8,188,088</u>

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balances

The City's Internal Service Fund had deficit net assets as of December 31, 2009 of \$2,956,633. This deficit is primarily due to the accrual of claims payable not expected to be paid out in 2010. The City has adopted a funding policy to eliminate this deficit over time.

The Senior Citizen Program Fund also had a deficit fund balance at December 31, 2009 of \$4,269. This was primarily due to additional staffing requirements for the program and will be eliminated through additional General Fund subsidies in the upcoming year.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

City Deposits and Investments

The City's cash and investments (including pension funds) at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 21,906,911	\$ 22,083,011	Custodial credit deposits
Illinois Funds	5,972,129	5,972,129	Credit and interest rate
Certificates of deposit	2,361,375	2,361,375	Custodial credit deposits Custodial credit investments
US Treasuries	8,896,302	8,896,302	and interest rate risk Custodial credit investments, credit, concentration of credit
US Agencies	11,189,248	11,189,248	and interest rate risk
Insurance company contracts	82,708	82,708	Credit
Equities	4,235,324	4,235,324	Credit and interest rate
Equity mutual funds	17,062,011	17,062,011	Credit and interest rate
US Government backed securities	1,967,212	1,967,212	Credit and interest rate
State and local obligations	2,037,127	2,037,127	Credit and interest rate
Money market mutual funds	3,205,532	3,205,532	Credit and interest rate
Total cash and investments	<u>\$ 78,915,879</u>	<u>\$ 79,091,979</u>	
Reconciliation to financial statements			
Per statement of net assets			
Cash and investments	\$ 19,153,510		
Restricted cash	8,188,088		
Per statement of net assets - Fiduciary Funds			
Pension Trust Funds	51,574,281		
Total cash and investments	<u>\$ 78,915,879</u>		

The City's investment policy authorizes the City to invest 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 agreements 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 Illinois Funds. Pension funds may also invest in certain non-U.S. Obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, mutual funds and equity securities.

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

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

City Deposits and Investments (Continued)

Custodial Credit Risk

Deposits - Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it.

The City's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held at an independent third-party institution in the name of the City. As of December 31, 2009, all of the City's bank balances were insured or collateralized.

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

To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party custodian designated by the City, in the City's name.

Credit Risk

Credit Risk – is the risk that an issuer or other counterparty to an investment will not fulfill its obligation.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in external investment pools. Illinois Funds is rated AAA.

Interest Rate Risk

As of December 31, 2009, the City's investments matured as follows:

<u>Investment Type</u>	<u>Maturity Date</u>	<u>Fair Value</u>
Illinois Funds	less than 1 year	<u>\$ 5,972,129</u>

In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Concentration of Credit Risk

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. At December 31, 2009, the City had greater than five percent of its overall portfolio invested in Illinois Funds. The City's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Police Pension Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by the Illinois Pension Code contained in Chapter 40 of Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. Agencies, interest bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. Agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock and the Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, rate of return, public trust and liquidity.

Custodial Credit Risk

The Police Pension Fund's investment policy requires pledging of collateral for all deposits in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds. At December 31, 2009, the deposits were collateralized in accordance with the investment policy.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. Although not specifically required by the investment policy, the Police Pension Fund limits its exposure by requiring the investment broker/custodian to acquire an excess SIPC policy to provide the same coverage for the portfolio as would be provided by the SIPC.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Police Pension Fund's investment policy, the Police Pension Fund is required to maintain sufficient cash on hand to pay the monthly expenditures. The investment policy defines this as approximately 3% of the total assets of the Police Pension Fund, which is \$1,011,723, or a minimum of \$600,000.

As of December 31, 2009, the Police Pension Fund's investments matured as follows:

Investment Type	Fair Value	Maturity in years			
		Less than 1	1 - 5	6 - 10	Over 10
US Treasuries	\$ 5,644,366	\$ 228,981	\$ 2,168,087	\$ 1,851,201	\$ 1,396,097
US Agencies	7,608,681	-	4,873,095	945,167	1,790,419
US Government Backed	1,967,212	-	1,967,212	-	-
State, Local & Corporate	1,988,628	-	347,364	678,131	963,133
Money market mutual funds	1,734,295	1,734,295	-	-	-
Total	\$ 18,943,182	\$ 1,963,276	\$ 9,355,758	\$ 3,474,499	\$ 4,149,649

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Police Pension Deposits and Investments (Continued)

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the U.S. Government and/or its agencies that are implicitly guaranteed by the U.S. Government. The investments in the securities of U.S. Government Agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated. Unrated investments individually are under \$400,000 and total \$935,032.

The Police Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Concentration of Credit Risk

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. At December 31, 2009, the Police Pension Fund had greater than five percent of its overall portfolio invested in the following:

Investment	Amount Invested	Percentage of Total Portfolio
Federal Home Loan Mortgage Corp	\$ 2,503,711	7.48%
Federal National Mortgage Assoc.	2,061,164	6.16%
Federal Home Loan Mortgage Bank	2,391,614	7.15%
Washington Large Cap Value Fund	3,466,225	10.36%
Allianz Small Cap Value Fund	2,400,129	7.17%
Harbor Int'l Fund	1,961,803	5.86%

The Police Pension Fund's investment policy requires diversification of investments to avoid unreasonable risk. The Police Pension Fund's investment policy has a stated target that 54% of its portfolio be in fixed income securities, 41% target in equities with the remaining 5% cash and equivalents. The Police Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

Washington Large Cap Value Fund - \$3,466,225
Allianz Small Cap Value Fund - \$2,400,129
Vanguard Developed Market Index Fund - \$1,833,337
Harbor Int'l Fund - \$1,961,803
Lazard Emerging Markets Equity Fund - \$607,772

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Firefighters' Pension Deposits and Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include 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 agreements 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 (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value). The Firefighters' Pension Fund's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's investment policy requires all investments be limited to the safest types of securities invested with pre-qualified institutions, broker/dealers, intermediaries, and advisors and soundly diversified.

Interest Rate Risk

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

As of December 31, 2009, the Firefighters' Pension Fund's investments matured as follows:

Investment Type	Fair Value	Maturity in years			
		Less than 1	1 - 5	6 - 10	Over 10
US Treasuries	\$ 3,251,936	\$ -	\$ 397,874	\$ 1,463,663	\$ 1,390,399
US Agencies	3,580,566	-	1,485,656	712,533	1,382,377
State and Local Obligations	48,500	-	-	-	48,500
Money market mutual funds	<u>1,471,237</u>	<u>1,471,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,352,239</u>	<u>\$ 1,471,237</u>	<u>\$ 1,883,530</u>	<u>\$ 2,176,196</u>	<u>\$ 2,821,276</u>

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Firefighters' Pension Deposits and Investments (Continued)

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Firefighters' Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Firefighters' Pension Fund limits its exposure to credit risk by primarily investing in U.S. Treasury obligations and other obligations which are rated AA or better by a national rating agency. Unrated investments total less than \$200,000.

The Firefighters' Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Concentration of Credit Risk

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. At December 31, 2009, the Firefighters' Pension Fund had greater than five percent of its overall portfolio invested in various agency securities as indicated in the table above. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "Full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The Firefighters' Pension Fund investment policy has stated the following allocations for its investments:

<u>Investment</u>	<u>Minimum</u>	<u>Maximum</u>
Cash & equivalents	0%	25%
Equities	20%	25%
Fixed Income	55%	75%

B. Receivables

Property Taxes

Property taxes for 2009 attach as an enforceable lien on January 1, 2009 on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about March 1, 2010 and October 1, 2010 and are payable in two installments, on or about April 1, 2010 and November 1, 2010. The County collects such taxes and remits them periodically.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

CDBG Rehabilitation Notes Receivable

The City makes loans to city residents for the rehabilitation of single-family housing. Initial funding for these loans was from Community Development Block Grant (CDBG) funds. These loans are title transfer loans which are due in full when the housing unit is sold. Repayments of principal on these receivables, which are recorded in the CDBG Fund, are used to make additional rehabilitation loans. Loan activity for the current year is summarized as follows:

	Interest Rates	Beginning Balance	Loans Made	Repayments	Loan Write-offs	Ending Balance
CDBG Rehab Loans	0%	\$ 1,354,335	\$ -	\$ 24,217	\$ -	\$ 1,330,118

The entire balance of the CDBG Rehab loans are included in unearned revenue.

Berwyn Development Corporation Notes Receivable

The City provides low interest lending assistance to local businesses through its partnership with the BDC. The loans are administered by the BDC. Notes outstanding at December 31, 2009 are as follows:

Original Loan	Beginning Balance	Loans Issued	Principal Paid	Ending Balance	Current Portion
\$ 320,000	\$ 184,091	\$ -	\$ 13,908	\$ 170,183	\$ 20,703
35,000	24,155	-	1,928	22,227	5,000
390,000	336,097	-	9,501	326,596	23,382
54,000	-	54,000	931	53,069	1,367
45,000	31,317	-	9,434	21,883	9,136
<u>\$ 844,000</u>	<u>\$ 575,660</u>	<u>\$ 54,000</u>	<u>\$ 35,702</u>	<u>\$ 593,958</u>	<u>\$ 59,588</u>

\$320,000 note receivable in 180 consecutive principal and interest payments commencing July 20, 2001. Interest is calculated on unpaid balances at 3.5% per annum.

\$35,000 note receivable in 83 consecutive payments of \$417 commencing May 31, 2007 and one final payment of all outstanding liabilities on May 1, 2011. Interest accrues on unpaid balances at a variable rate of prime plus 2% adjusted each December 1.

\$390,000 note receivable in 152 consecutive payments commencing November 1, 2006 through June 1, 2019. Interest accrues on unpaid balances at a variable rate of prime plus 2.5% adjusted each December 1.

\$54,000 note receivable in 240 consecutive payments commencing February 16, 2009 through January 16, 2029. Interest accrues on unpaid balances at a variable rate of prime plus 2% adjusted each December 1.

\$45,000 note receivable in 60 consecutive principal and interest payments of \$829 commencing August 18, 2007 and one final payment of all outstanding liabilities on July 18, 2012. Interest accrues on unpaid balances at a 4% per annum.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

Roosevelt Road TIF Note Receivable

In October, 2005, the City entered into an agreement with a developer to construct a condominium development in the Roosevelt Road TIF district. Funding for the developer's purchase of the property was provided by the TIF in exchange for a non-interest bearing note from the developer in the amount of \$725,000 secured by a mortgage on the property. Upon completion of construction, the City would execute a partial release of mortgage for each condominium unit that was sold and closed. During 2009, a foreclosure sale took place and the City's note receivable was paid in full.

Accounts Receivable

The accounts receivable as disclosed on the government-wide financial statements were comprised of the following:

Description	Governmental Activities	Business-Type Activities
Ambulance	\$ 3,367,887	\$ -
Utility billings	-	1,383,450
Allowance for uncollectible	(2,349,595)	(150,009)
Garbage	502,329	-
Franchise fee	78,421	-
Other	634,767	17,048
Total	<u>\$ 2,233,809</u>	<u>\$ 1,250,489</u>

Deferred/Unearned Revenue

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. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Description	Unavailable	Unearned	Total Deferred
Subsequent year's tax levy	\$ -	\$ 22,649,105	\$ 22,649,105
CDBG loan program	-	1,330,118	1,330,118
Grants	4,335	13,220	17,555
Total	<u>\$ 4,335</u>	<u>\$ 23,992,443</u>	<u>\$ 23,996,778</u>

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows:

Primary Government	Balance January 1	Additions	Retirements	Balance December 31
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 9,721,739	\$ 121,826	\$ -	\$ 9,843,565
CIP	<u>4,651,020</u>	<u>12,681,168</u>	<u>16,053,880</u>	<u>1,278,308</u>
Total Capital Assets Not Being Depreciated	<u>14,372,759</u>	<u>12,802,994</u>	<u>16,053,880</u>	<u>11,121,873</u>
Capital Assets Being Depreciated				
Vehicles	5,380,436	605,596	43,982	5,942,050
Equipment	1,799,651	162,399	-	1,962,050
Land improvements	4,785,236	273,708	-	5,058,944
Buildings	11,516,932	3,161,981	-	14,678,913
Infrastructure	<u>53,138,035</u>	<u>1,101,708</u>	<u>179,918</u>	<u>54,059,825</u>
Total Capital Assets Being Depreciated	<u>76,620,290</u>	<u>5,305,392</u>	<u>223,900</u>	<u>81,701,782</u>
Less Accumulated Depreciation for:				
Vehicles	3,173,051	444,562	34,464	3,583,149
Equipment	799,822	231,901	-	1,031,723
Land improvements	2,515,433	205,883	-	2,721,316
Buildings	2,952,651	303,560	-	3,256,211
Infrastructure	<u>23,022,927</u>	<u>2,287,751</u>	<u>166,975</u>	<u>25,143,703</u>
Total Accumulated Depreciation	<u>32,463,884</u>	<u>3,473,657</u>	<u>201,439</u>	<u>35,736,102</u>
Total Capital Assets Being Depreciated, Net	<u>44,156,406</u>	<u>1,831,735</u>	<u>22,461</u>	<u>45,965,680</u>
Total Governmental Activities	<u>\$ 58,529,165</u>	<u>\$ 14,634,729</u>	<u>\$ 16,076,341</u>	<u>\$ 57,087,553</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Function	Amount
Governmental Activities	
General government	\$ 76,100
Public safety	629,800
Public works	2,495,979
Culture and recreation	<u>271,778</u>
Total Governmental Activities	<u>\$ 3,473,657</u>

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Primary Government	Balance January 1	Additions	Retirements	Balance December 31
Business-Type Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 24,600	\$ -	\$ -	\$ 24,600
Total Capital Assets Not Being Depreciated	<u>24,600</u>	<u>-</u>	<u>-</u>	<u>24,600</u>
Capital Assets Being Depreciated				
Vehicles	147,333	-	-	147,333
Land improvements	251,291	-	-	251,291
Buildings	633,151	10,166,732	-	10,799,883
Infrastructure	<u>108,700,100</u>	<u>2,713,262</u>	<u>-</u>	<u>111,413,362</u>
Total Capital Assets Being Depreciated	<u>109,731,875</u>	<u>12,879,994</u>	<u>-</u>	<u>122,611,869</u>
Less Accumulated Depreciation for:				
Vehicles	78,659	12,515	-	91,174
Land improvements	183,636	15,034	-	198,670
Buildings	320,668	115,725	-	436,393
Infrastructure	<u>71,075,786</u>	<u>3,929,351</u>	<u>-</u>	<u>75,005,137</u>
Total Accumulated Depreciation	<u>71,658,749</u>	<u>4,072,625</u>	<u>-</u>	<u>75,731,374</u>
Total Capital Assets Being Depreciated, Net	<u>38,073,126</u>	<u>8,807,369</u>	<u>-</u>	<u>46,880,495</u>
Total Business-Type Activities	<u>\$ 38,097,726</u>	<u>\$ 8,807,369</u>	<u>\$ -</u>	<u>\$ 46,905,095</u>

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Disclosures

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
<u>Major Governmental Funds</u>			
General Fund	Emergency 911	\$ 9,956	Salary reimbursement
General Fund	CDBG	260,949	Exp. reimbursement
General Fund	Police Seizure	11,071	Exp. reimbursement
General Fund	MFT	500,748	Exp. reimbursement
General Fund	Senior	29,235	Exp. reimbursement
South Berwyn			
General Fund	Corridor TIF	273,988	Exp. reimbursement
General Fund	Cermak TIF	50,155	Exp. reimbursement
General Fund	Roosevelt TIF	56,898	Exp. reimbursement
General Fund	Ogden TIF	460,502	Exp. reimbursement
General Fund	2007 Bond	258,625	Exp. reimbursement
General Fund	Grants Fund	230,472	Exp. reimbursement
General Fund	Parking Garage	2,651	Exp. reimbursement
Debt Service	General Fund	110,592	Tax collections
<u>Nonmajor Governmental Funds</u>			
Library Fund	General Fund	60,698	Tax collections
Infrastructure Bond	General Fund	18,727	Cash subsidy
Total Governmental Funds		2,335,267	
Internal Service Fund	General Fund	1,042,179	Authorized Transfer
Water	General Fund	3,379,698	Cash subsidy
Total		<u>6,757,144</u>	

All interfund balances are expected to be repaid during 2010.

Due To/From Fiduciary Funds

Receivable Fund	Payable Fund	Amount	Purpose
Police Pension	General	\$ 45,476	Tax collections
Fire Pension	General	40,538	Tax collections
Total		<u>\$ 86,014</u>	

These interfunds are related to tax collections made in January or February and remitted to the fiduciary funds in January or February. All of these interfunds were repaid during 2010.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Disclosures (Continued)

Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
Cermak TIF Fund	South Berwyn TIF	\$ 650,000

The advance to South Berwyn TIF was established in order to fund a developer agreement. The repayment schedule calls for principal payments of \$300,000 in November 2009 and \$350,000 in November 2010. Interest is paid bi-annually at 5.179% of the outstanding balance. The \$300,000 payment due in November 2009 was made in January of 2010.

Transfers

Transfers between funds during the year were as follows:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
<u>Major Governmental Funds</u>			
General Fund	Emergency 911	\$ 43,615	Reimbursement of salaries
General Fund	2007 Bond	443,894	Reimbursement for capital items
General Fund	Police Seizure	422,948	Revenues offset against liability
General Fund	Debt Service	2,500,000	Excess revenues from bond refunding
General Fund	Community Outreach	1,247	Close Fund
General Fund	Motor Fuel Tax	<u>450,000</u>	Reimbursement of salaries
Total General Fund		<u>3,861,704</u>	
Debt Service Fund	Roosevelt Road TIF	78,570	Debt service
Debt Service Fund	Odgen Avenue TIF	475,501	Debt service
Debt Service Fund	South Berwyn TIF	<u>401,824</u>	Debt service
Total Debt Service Fund		<u>955,895</u>	
<u>Nonmajor Governmental Funds</u>			
Community Outreach	General Fund	72,634	Operating subsidy
Senior Fund	General Fund	112,006	Operating subsidy
CDBG Fund	General Fund	<u>28,706</u>	Operating subsidy
Total Nonmajor Funds		<u>213,346</u>	
Internal Service Fund	Debt Service	<u>1,250,000</u>	Surplus from bond refunding
Total		<u>\$ 6,280,945</u>	

CITY OF BERWYN, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations

Long-term obligations activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General obligation debt	\$ 86,468,157	\$ 12,980,362	\$ 3,605,000	\$ 95,843,519	\$ 12,755,000
Installment notes payable	2,014,738	-	657,084	1,357,654	155,160
Unamortized premiums (discounts)	2,114,809	117,032	249,602	1,982,239	n/a
Unamortized loss on refunding	(1,534,191)	-	(296,743)	(1,237,448)	n/a
Total Bonds and Notes Payable	<u>89,063,513</u>	<u>13,097,394</u>	<u>4,214,943</u>	<u>97,945,964</u>	<u>12,910,160</u>
Other Liabilities:					
Capital leases	\$ 537,770	\$ 430,594	\$ 209,723	\$ 758,641	\$ 207,787
Claims payable	3,700,324	3,543,664	3,157,173	4,086,815	611,892
Net pension obligation	50,553	1,437,596	-	1,488,149	-
Net OPEB obligation	732,617	26,012	-	758,629	-
IMRF early retirement liability	928,763	69,698	128,546	869,915	-
Grant refunds	883,267	-	422,949	460,318	300,000
Compensated absences	2,357,805	854,039	763,697	2,448,147	590,921
Total Other Liabilities	<u>9,191,099</u>	<u>6,361,603</u>	<u>4,682,088</u>	<u>10,870,614</u>	<u>1,710,600</u>
Total Governmental Long-Term Obligations	<u>\$ 98,254,612</u>	<u>\$ 19,458,997</u>	<u>\$ 8,897,031</u>	<u>\$ 108,816,578</u>	<u>\$ 14,620,760</u>
Business-Type Activities					
Compensated absences	<u>\$ 32,264</u>	<u>\$ 13,734</u>	<u>\$ 13,957</u>	<u>\$ 32,041</u>	<u>\$ 9,470</u>

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds. All general obligation debt is backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

General obligation bonds currently outstanding are as follows:

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations (Continued)

	Date of Issue	Interest Rate	Final Maturity	Original Amount	Balance 12/31/09
Governmental Activities					
General Obligation Debt					
Corporate purpose	2/1/99	3.90-5.25%	12/1/18	\$ 65,000,000	\$ 7,730,000
	6/15/01	3.20-4.60%	12/1/11	3,890,000	215,000
	8/15/07	5.00%	12/1/27	28,165,000	28,165,000
	10/9/08	4.30-5.00%	12/1/28	7,830,000	7,830,000
	10/20/09	4.75%	12/1/29	5,165,000	5,165,000
	12/30/09	3.00-4.00%	12/1/18	7,720,000	7,720,000
	4/3/02	3.00-5.25%	12/1/10	1,940,000	395,000
Capital appreciation bonds	4/3/02	3.00-5.25%	12/1/10	1,335,140	1,978,519
Refunding bonds	3/4/04	2.00-5.00%	12/1/14	19,710,000	14,595,000
Taxable bonds	4/3/02	3.20-5.10%	12/1/20	940,000	655,000
	8/15/07	5.62-5.71%	12/1/22	21,395,000	21,395,000
Total Government Activities General Obligation Debt					<u>\$ 95,843,519</u>

Installment Notes Payable

The City entered into a \$1,939,507 loan on April 10, 2006 for the purchase of certain real property and program costs. The balance of the financed amount is due in quarterly installments, including variable interest at 6.00%. The total amount outstanding under the agreement at December 31, 2009 was \$1,357,655. Principal payments made in 2009 totaled \$155,161. Debt service on the agreement is an expenditure of the South Berwyn Corridor TIF Fund.

The City entered into a \$725,000 loan on February 8, 2006 for the purchase of real property. The balance is due in quarterly installments, including variable interest at 6.00%. The total amount outstanding under the agreement was paid in full as of December 31, 2009. Principal payments made in 2009 totaled \$501,923. Debt service on the agreement is an expenditure of the Roosevelt Road TIF Fund.

Debt Service Requirements

Debt service requirements to maturity for general obligation debt (excluding capital appreciation bonds) and installment notes payable are as follows:

	Governmental Activities General Obligation Debt		Governmental Activities Installment Notes Payable	
	Principal	Interest	Principal	Interest
2010	\$ 12,755,000	\$ 4,239,896	\$ 155,160	\$ 77,968
2011	2,805,000	4,037,757	155,160	68,659
2012	2,870,000	3,924,747	155,160	59,349
2013	3,045,000	3,781,397	155,160	50,039
2014	3,210,000	3,629,313	155,160	40,730
2015 - 2019	18,805,000	15,704,608	581,854	60,998
2020 - 2024	24,915,000	10,208,540	-	-
2025 - 2029	25,460,000	3,331,328	-	-
Totals	<u>\$ 93,865,000</u>	<u>\$ 48,857,586</u>	<u>\$ 1,357,654</u>	<u>\$ 357,743</u>

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations (Continued)

Debt Service Requirements (Continued)

The annual requirements to amortize to maturity capital appreciation bonds outstanding as of December 31, 2009 are as follows:

	Principal	Interest Accretion
2010	\$ -	\$ 100,197
2011	410,000	105,256
2012	410,000	90,889
2013	410,000	75,421
2014	415,000	58,577
2015	410,000	40,203
2016	<u>415,000</u>	<u>20,938</u>
 Totals	 <u>\$ 2,470,000</u>	 <u>\$ 491,481</u>
 Accretion to date	 <u>\$ 623,379</u>	

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

The City reviews federal arbitrage requirements annually and has determined that no liability for rebatable arbitrage exists at December 31, 2009.

Capital Leases - Lessee

The City entered into a lease financing agreement in November 2006 for the purchase of two ambulances which are included in capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 4.73%. The total amount outstanding under the agreement at December 31, 2009 was \$34,789. Principal payments made in 2009 totaled \$33,205. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$106,747 lease financing agreement in June 2006 for the purchase of a wheel loader which is included in capital assets of the governmental activities. The balance of the financed amount is due in monthly installments, including interest at 7.50%. The total amount outstanding under the agreement at December 31, 2009 was \$21,401. Principal payments made in 2009 totaled \$26,728. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$145,827 lease financing agreement in November 2007 for the purchase of a street sweeper which is included in capital assets of the governmental activities. The balance of the financed amount is due in monthly installments, including interest at 4.85%. The total amount outstanding under the agreement at December 31, 2009 was \$89,321. Principal payments made in 2009 totaled \$27,834. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a lease financing agreement in April 2008 for the purchase of two ambulances which are included in capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.8%. The total amount outstanding under the agreement at December 31, 2009 was \$137,897. Principal payments made in 2009 totaled \$36,325. Debt service on the agreement is an expenditure of the General Fund.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations (Continued)

Capital Leases - Lessee (Continued)

The City entered into a \$151,152 lease financing agreement in March 2008 for the purchase of a street sweeper which is included in capital assets of the governmental activities. The balance of the financed amount is due in monthly installments, including interest at 3.81%. The total amount outstanding under the agreement at December 31, 2009 was \$101,486. Principal payments made in 2009 totaled \$28,785. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$430,594 lease financing agreement in August 2008 for the purchase of a fire truck which it took delivery of in 2009 and which is included in capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 5.15%. The total amount outstanding under the agreement at December 31, 2009 was \$373,749. Principal payments made in 2009 totaled \$56,845. Debt service on the agreement is an expenditure of the General Fund.

The assets acquired through capital lease, all of which are for governmental activities, are as follows:

<u>Asset</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$1,193,860	\$243,761	\$950,099

The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2009, are as follows:

	Governmental Activities Capital leases payable	
	Principal	Interest
2010	\$ 207,666	\$ 33,240
2011	158,370	24,028
2012	171,101	16,867
2013	84,536	10,581
2014	66,918	7,070
2015	70,050	3,623
Totals	<u>\$ 758,641</u>	<u>\$ 95,409</u>

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations (Continued)

Legal Debt Margin

The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: . . . indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum . . . shall not be included in the foregoing percentage amounts.”

To date the General Assembly has set no limits for home rule municipalities.

Advance and Current Refundings

Current Year Refunding of Debt

On October 29, 2009, the City issued \$5,165,000 in tax-exempt bonds with an average interest rate of 4.75% to currently refund of a portion of the bonds listed below:

<u>Series</u>	<u>Principal Refunded</u>	<u>Interest Refunded</u>	<u>Total</u>
1998	\$3,005,000	\$ 75,125	\$3,080,125
1999	-	164,263	164,263
2001	100,000	7,041	107,041
2002A	380,000	16,378	396,378
2002B	45,000	16,785	61,785
2004	75,000	330,281	405,281
2007A	-	462,798	462,798
2008	-	180,136	180,136
Total	<u>\$3,605,000</u>	<u>\$1,252,807</u>	<u>\$4,857,807</u>

The cash flow requirements on the refunded bonds prior to the advance refunding was \$4,896,807 from 2009 through 2010. The cash flow requirements on the 2009 tax exempt bonds used to refund the bonds are \$9,950,345 from 2010 through 2029. The City refunded these bonds in order to restructure the annual debt service payments and meet short term cash needs.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-term Obligations (Continued)

Advance and Current Refundings (Continued)

Current Year Defeasance of Debt

On December 30, 2009, \$7,720,000 in bonds were issued for the purpose of paying in full the \$7,730,000 balance of the bonds issued on February 1, 1999 on their call date of January 1, 2010. Subsequent to year end, the proceeds were in fact used for this purpose. However, because the bond proceeds were not placed in an irrevocable escrow account on December 30, the transaction did not qualify as an in-substance defeasance in accordance with GASB Statement No. 7. Therefore, both the December 30, 2009 issue and the balance of the February 1, 1999 issue remain on the City's Statement of Net Assets at December 31, 2009 with the latter balance being removed on the following day. The \$7,730,000 is also reported as a current liability on the Debt Service Fund balance sheet. As a result of the refunding, the City achieved a cash flow savings and an economic gain on the refunding of \$329,771.

Prior-Year Defeasance of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2009, \$4,470,966 of bonds outstanding are considered defeased.

Unamortized Loss on Refunding

Deferred amounts on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deduction from debt payable in the government-wide and proprietary fund statements. Amortization for 2009 was \$296,743 which is reported in the governmental activities.

Noncommitment Debt – Conduit Debt

The City has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2009, there was one series of IDRBs outstanding. The aggregate principal amount payable for the IDRBs outstanding as of December 31, 2009 was \$1,122,654.

Grant Refunds

The liability for Grant Refunds is a result of questioned costs relating to expenditures made in fiscal 2004 and 2005 from the Police Seizure Fund. This liability is being satisfied by offsetting future grant revenues to be earned in the Police Seizure Fund. During 2009, \$422,949 of such grant revenues were awarded to the City and used to reduce the liability. This left a remaining balance due at December 31, 2009 of \$460,318 with the current portion of this liability estimated to be \$300,000. The current portion is reflected in the General Fund's Other Liabilities.

CITY OF BERWYN, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

F. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters for which the City carries commercial insurance. The City has established a limited self-insurance program for workers' compensation and liability claims. The City is self-insured for the first \$1,000,000 for liability claims and \$600,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The City's self-insurance activities are reported in the Self-Insurance Retention Fund which is an internal service fund.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of December 31, 2009 was \$4,086,815.

The City has purchased insurance from private insurance companies for employee health insurance. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

A reconciliation of claims liability for the current year and that of the preceding year follows:

		Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2008	\$	2,856,475	\$ 3,276,875	\$ (2,433,026)	\$ 3,700,324
2009		3,700,324	3,543,664	(3,157,173)	4,086,815

G. Contingent Liabilities

Litigation

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

Grants

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

III. DETAILED NOTES ON ALL FUNDS (Continued)

G. Contingent Liabilities (Continued)

Home Equity Assurance Program

In prior years the City allowed its residents to participate in a Home Equity Assurance Program wherein residents' home market values were guaranteed by the City not to depreciate. Each participating resident, after submitting an appraisal along with the application and appropriate fee, received a Certificate of Participation. There is no expiration date on the Certificates. Given the current real estate market in the City, the City has determined that it has no exposure to liability related to this program as of the date of this report.

Loan Guarantees - Berwyn Development Corporation (BDC)

During 2009, BDC maintained agreements with nine local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance drawn under this credit line as of December 31, 2009 is \$1,978,936. Of this balance, \$1,357,654 is reported as installment notes payable within the City's long-term obligations as these loans were made to the City. The City is the guarantor of amounts drawn under this line of credit.

Loan Guarantees – Automobile Dealership

In 2007, the City agreed to guarantee a portion of a term note and revolving line of credit that a local automobile dealership entered into with a bank. The maturity dates of the notes shall not extend beyond March 15, 2012 and the City's guarantee is limited to \$1,500,000. During 2009, the dealership defaulted on the note. The City is currently in negotiations with the bank and the dealership to purchase the property which would eliminate the loan guarantee.

H. Subsequent Event – Economic Development and Redevelopment Agreements

Subsequent to year end, the City acquired property through the Roosevelt Road TIF at a cost of \$975,000 and through the Cermak Road TIF at a cost of \$1.5 million. The City also entered into a redevelopment agreement whereby the Roosevelt Road property would be given to a developer to bring a national restaurant chain to the City.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. Other Postemployment Benefits (OPEB)

Plan Description

The City offers postemployment health care benefits in accordance with Illinois Compiled Statutes and the personnel policy manual of the City. All employees who are eligible to receive a monthly pension benefit from one of the City's pension plans are eligible to purchase postretirement health care benefits. Qualified dependents of eligible retirees may also continue to be covered by the City's plan. The retiree pays 100% of the cost each month for retiree health insurance premiums. Additionally, public safety officers who qualify for duty disability have their health insurance paid by the City for the remainder of their life. The City funds these postemployment benefits on a pay-as-you-go basis; accordingly, no liability is recognized within the fund financial statements. However, a liability is recorded for the unfunded liability on the government-wide financial statements on a go forward basis beginning in January 1, 2007 as allowed under GASB Statement No. 45. A separate, audited GAAP-basis postemployment benefit plan report is not available.

Eligibility for these benefits as of December 31, 2009 was as follows:

Membership	Participants
Retirees and beneficiaries currently receiving benefits	28
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	359
Nonvested	-
	-
Total	387

Actuarial Assumptions and Methods

Actuarial valuation date	December 31, 2008
Actuarial cost method	Entry-age
Asset valuation method	Market
Amortization method	Level Percentage of Pay, open
Remaining amortization period	30 Years
Rate of return on (includes inflation at 3.0%)	5.0%
Projected healthcare inflation rate	8.0% initial and 6.0% ultimate
Percentage of employees assumed to elect benefit	20.0%

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. Other Postemployment Benefits (OPEB) (Continued)

Net OPEB Obligation

The City's annual OPEB cost and net OPEB obligation (asset) for the year ended December 31, 2009 was as follows:

Annual required contributions	\$ 105,479
Interest on net OPEB obligation	36,631
Adjustment to annual required contribution	<u>(24,421)</u>
Annual OPEB cost	117,689
Contributions made	<u>91,677</u>
Increase in net OPEB obligation	26,012
Net OPEB obligation beginning of year	<u>732,617</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$ 758,629</u>

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Annual OPEB cost	\$ 458,184	\$ 486,719	\$ 117,688
Actual contribution	120,609	91,677	91,677
Percentage of annual OPEB cost contributed	26.32%	18.80%	77.90%
Net OPEB obligation	337,575	732,617	758,628

Funded Status and Funding Progress

The funded status and funding progress of the plan as of December 31, 2008 (the date of the most recent actuarial valuation) was as follows:

Actuarial accrued liability	\$ 1,871,775
Actuarial value of assets	-
Unfunded actuarial accrued liability (UAAL)	1,871,775
Funded ratio	0.0%
Covered payroll	23,124,625
UAAL as a percentage of covered payroll	8.09%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans

Plan Descriptions

The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF) and Sheriff's Law Enforcement Personnel (SLEP) which is affiliated with IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports on the pension plans and are available for inspection at City Hall. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at www.imrf.org.

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2009 was 10.19% of covered payroll.

Sheriff's Law Enforcement Personnel

Sheriff's law enforcement personnel having accumulated at least 20 years of SLEP service may elect to retire at or after age 50 and receive an annual retirement benefit, payable monthly for life. The plan also provides death and disability benefits. Participating members are required to contribute 7.5% of their annual salary to SLEP. The City is required to contribute at an actuarially determined rate. The employer rate for the year ended December 31, 2009 was 6.25% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed through investment earnings. The City accounts for the plan as a pension trust fund.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

At December 31, 2008, the Police Pension Plan membership consisted of:

Membership	Participants
Retirees and beneficiaries currently receiving benefits	55
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	73
Nonvested	34
Total	162

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3.00% of the amount of the pension payable at the time of the increase.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest.

The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the City has until 2033 to fully fund the past service cost for the Police Pension Plan. For the year ended December 31, 2008, the City's contribution was 23.99% of covered payroll.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Plan Descriptions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 - Article 5/4) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. At December 31, 2008, the Firefighters' Pension Plan membership consisted of:

Membership	Participants
Retirees and beneficiaries currently receiving benefits	65
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	43
Nonvested	24
Total	132

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

Surviving spouses receive 100% of the final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children received 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest.

The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the City has until the year 2033 to fully fund the past services costs for the Firefighters' Pension Plan. For the year ended December 31, 2008 the City's contribution was 40.41% of covered payroll.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters

The costs of administering the Police and Firefighters' Pension Plans are financed through employer and employee contributions.

The benefits and refunds of the Police and Firefighters' Pension Plans are recognized when due and payable in accordance with the terms of the Police and Firefighters' Pension Plans.

Annual Pension Cost

	Illinois Municipal Retirement Fund	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2007	December 31, 2007	December 31, 2008	December 31, 2008
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 year Smoothed Market	5 year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Remaining amortization period	23 Years, Closed	27 Years, Closed	25 Years, Closed	25 Years, Closed
Significant actuarial assumptions				
a) Rate of return on present and future assets	7.50% Compounded	7.50% Compounded	7.25% Compounded	7.25% Compounded
b) Projected salary increase - attributable to inflation	Annually 4.00% Compounded	Annually 4.00%	Annually 5.00%* Compounded	Annually 5.00%* Compounded
c) Additional projected salary increases - seniority/merit	Annually 0.40 – 10%	Annually 0.40 – 10.0%	Annually 0.00%	Annually 0.00%
d) Post-retirement benefit increases	3.00%	3.00%	3.00%	3.00%
* Increase includes inflation at			3.00%	3.00%

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Net Pension Obligation

The City's annual pension cost and net pension obligation (asset) for the year ended December 31, 2009 were as follows:

	Police Pension	Firefighters' Pension
Annual required contributions	\$ 2,190,453	\$ 2,425,321
Interest on net pension obligation	37,657	23,120
Adjustment to annual required contribution	440,952	356,438
Annual pension cost	2,669,062	2,804,879
Contributions made	1,956,851	2,024,816
Increase (decrease) in net pension obligation (asset)	712,211	780,063
Net pension obligation (asset) beginning of year	50,553	(54,678)
NET PENSION OBLIGATION (ASSET) END OF YEAR	\$ 762,764	\$ 725,385

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	Fiscal	Illinois Municipal	Sheriff's Law	Police	Firefighters'
	Year	Retirement Fund	Enforcement Personnel	Pension	Pension
Annual pension cost (APC)	2007	\$ 725,616	\$ 14,742	\$ 1,986,041	\$ 2,127,469
	2008	755,995	15,394	2,364,477	2,384,393
	2009	731,777	7,059	2,200,202	2,424,122
Actual contribution	2007	725,616	14,742	1,923,606	2,129,607
	2008	755,995	15,394	2,096,646	2,327,797
	2009	731,777	7,059	1,956,851	2,024,816
Percentage of APC contributed	2007	100.00%	100.00%	96.86%	100.10%
	2008	100.00%	100.00%	88.67%	97.63%
	2009	100.00%	100.00%	88.94%	83.53%
NPO (Asset)	2007	\$ -	\$ -	\$ 161,158	\$ (111,274)
	2008	-	-	50,553	(54,678)
	2009	-	-	762,764	725,385

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. Defined Benefit Pension Plans (Continued)

Funded Status and Funding Progress

	<u>Illinois Municipal Retirement Fund</u>	<u>Sheriff's Law Enforcement Personnel</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Percent Funded	72.93%	127.04%	48.3%	30.3%
Actuarial Accrued Liability	\$16,099,501	\$64,397	\$63,130,886	\$55,853,421
Actuarial Value of Assets	\$11,741,219	\$81,808	\$30,474,443	\$16,925,476
Unfunded Actuarial Accrued Liability	\$4,358,282	(\$17,411)	\$32,656,443	\$38,927,945
Covered Payroll	\$7,181,322	\$112,946	\$7,900,326	\$5,074,057
Ratio of the UAAL to Covered Payroll	61%	None	413%	767%

The schedule of funding progress presented as required supplementary information (RSI) following the notes to 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.

In past years the City has allowed individual employees to retire early through IMRF and has funded the purchase of this option. The payments for these 12 early retirees are being made on an annual basis of 1.79% of the City's payroll to the IMRF system. This liability accrues interest at varying annual rates, 7.50% for 2009. The outstanding balance of \$869,915 is recorded as a noncurrent liability within the government-wide financial statements.

K. Short-term Debt

The City has a \$2 million revolving line of credit with its bank at an interest rate of 1% less than the prime rate of the Wall Street Journal. The line of credit was established to meet the City's working cash needs in the event of unforeseen emergencies or delays in the receipt of tax payments. Changes in the line of credit during 2009 were as follows:

<u>Balance January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31</u>
\$0	\$2,000,000	\$1,000,000	\$1,000,000

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. Component Unit – Berwyn Development Corporation (BDC)

Summary of Significant Accounting Policies

The purpose of the BDC is to serve the residents of the City as a charitable and educational organization by facilitating community development via forums to engage both residents and businesses for long-term economic planning.

The BDC's primary functions are:

- 1) to encourage communication between the local business community, various business organizations, government officials, educational and recreational bodies, civic and ethnic groups, local service providers, and the community residents as a resource planning group for the purpose of identifying community problems and facilitating constructive solutions.
- 2) to produce and publish material designed to educate residents about community resource and development issues and to promote community spirit and cooperation among the various ethnic and cultural parts of the City.
- 3) to encourage local businesses and area residents to renovate and improve private property within the community so as to counteract the natural deterioration of the homes and commercial properties due to age and use.
- 4) to develop plans and resources intended to improve the overall economic conditions of the City and to encourage local business and employment opportunities.

The BDC is exempt from Federal income taxes under the provisions of IRC code section 501(c)(3); however, it remains subject to the payment of income taxes on net earnings from unrelated business income.

Method of Accounting

The financial statements of the BDC have been prepared on the accrual basis of accounting where revenues and expenses are recognized when earned or incurred.

Cash Equivalents

Cash equivalents consist of all highly liquid investments with a maturity of three months or less when purchased.

Leasehold Improvements, Furniture and Equipment

Leasehold improvements, furniture and equipment are stated at their historic costs. Depreciation is computed using a straight-line method over the estimated economic useful asset life of five years for leasehold improvements and five to seven years for furniture and equipment. Depreciation expense for the year ended December 31, 2009 amounted to \$18,563. The BDC expended \$1,661 for asset purchases in 2009.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of asset and liability accounts and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could vary from the estimates that were used.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. Component Unit – Berwyn Development Corporation (BDC) (Continued)

Cash and investments

The BDC's cash and investments at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 826,868	\$ 1,027,544	Custodial credit risk
Total Cash and Investments	<u>\$ 826,868</u>	<u>\$ 1,027,544</u>	

The BDC does not have an investment policy.

Custodial Credit Risk

Deposits - Custodial credit risk for is the risk that in the event of bank failure, the City's deposits may not be returned to it.

As of December 31, 2009, \$736,219 of the BDC's demand deposits were uninsured and uncollateralized.

Notes Receivable

There are currently six notes funded through the line of credit including one from the City payable from the South Berwyn Corridor TIF with a balance at December 31, 2009 of \$1,357,655. Notes receivable have a gross value of \$2,289,441 at December 31, 2009. No provision for loan losses has been established because the fair market value of the various collateral is in excess of the related mortgage note balances with the exception of the amounts due from the City. Payments are applied to interest due and late fees before principal. Payments are past due 10 days after the due date and will result in a late fee of 5% of total monthly payment. Note receivable detail is as follows:

Rate	Maturity	Payment Amount	Payment Frequency	Balance Due
Prime+2%	8/1/2014	\$ 838	Monthly	\$ 115,000
Prime+1%	9/30/2018	38,790+ Int.	Quarterly	1,357,656
Prime-0.5%	8/11/2017	2,745	Monthly	214,620
Prime-0.5%	10/26/2015	3,035	Monthly	186,528
Prime	4/24/2019	3,236	Monthly	289,078
Prime+1%	10/26/2016	1,456	Monthly	126,559
Total				<u>\$ 2,289,441</u>

CITY OF BERWYN, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. Component Unit – Berwyn Development Corporation (BDC) (Continued)

Long-Term Debt - Notes Payable

During 2009, the BDC maintained agreements with nine local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance of this credit line at December 31, 2009 is \$1,978,936. The City is the guarantor of this line of credit and has final approval of all loans funded under this program.

Maturities of long-term debt are as follows:

	Principal
2010	\$ 977,070
2011	-
2012	341,866
2013	-
2014	660,000
Totals	\$ 1,978,936

Lease Commitments

The BDC rents office space under a lease, which expires September, 2013. Total rent paid during 2009 was \$9,000. Terms of the lease are effective September 1, 2008. In addition, the BDC leases a copier and telephone equipment under a non-cancelable operating lease with expiration dates in 2010 and 2013, respectively. Total lease expense in 2009 was \$24,462. Future minimum annual rental and lease payments are:

2010	\$40,085
2011	31,200
2012	31,200
2013	27,200

Restricted Cash

The BDC controls three separate cash escrow accounts for various entities with the purpose of being a control factor of necessary payments to third parties. In these cases, the BDC collects money from a community organization or business, holds the funds until a payment is due, then remits the payment to the third party on behalf of the community member. Although the BDC has signor privileges on the cash accounts, they do not take ownership of the money and, therefore, carry a liability equal to the escrow accounts to offset the carrying value.

Retirement Plan

The BDC has established a SIMPLE IRA retirement plan for all eligible employees who are not members of a collective bargaining unit, have attained age 21, and have at least one year of service. The plan provides that each participant may elect to defer up to the legal limits established by the Internal Revenue Service. The BDC will match an amount equal to the first 3%. Matching contributions were \$11,141 in 2009.

CITY OF BERWYN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. Component Unit – Berwyn Development Corporation (BDC) (Continued)

Activities with the City of Berwyn Funding Authorizations

BDC continues its cooperation with the City to bring low-interest lending assistance to local businesses. The BDC provides the required documentation and administers the loan program, as noted above. The BDC manages the City loan program and such loans are reported as part of the City's annual audit. The BDC also manages the tax incremental finance projects (TIF) within the City's four TIF Redevelopment Districts on behalf and for the benefit of the City.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes	\$ 12,380,790	\$ 12,380,790	\$ 12,294,809	\$ (85,981)
Other taxes	16,550,000	16,550,000	14,663,442	(1,886,558)
Licenses and permits	2,564,800	2,564,800	2,368,969	(195,831)
Charges for services	6,154,200	6,154,200	5,937,316	(216,884)
Fines and forfeitures	4,160,000	4,160,000	3,766,895	(393,105)
Intergovernmental	88,000	88,000	94,382	6,382
Investment income	40,000	40,000	50,360	10,360
Miscellaneous	1,126,795	1,126,795	1,414,154	287,359
Total Revenues	<u>43,064,585</u>	<u>43,064,585</u>	<u>40,590,327</u>	<u>(2,474,258)</u>
EXPENDITURES				
Current				
General government	3,725,803	3,846,553	3,787,572	58,981
Public safety	31,015,894	31,225,894	30,830,279	395,615
Public works	3,844,675	4,154,675	4,226,807	(72,132)
Economic development	413,514	321,514	318,900	2,614
Culture and recreation	1,379,042	1,319,042	1,263,767	55,275
Health and sanitation	4,160,000	4,160,000	4,004,624	155,376
Debt service				
Interest and fiscal charges	-	11,250	9,750	1,500
Total Expenditures	<u>44,538,928</u>	<u>45,038,928</u>	<u>44,441,699</u>	<u>597,229</u>
Excess (deficiency) of revenues over expenditures	<u>(1,474,343)</u>	<u>(1,974,343)</u>	<u>(3,851,372)</u>	<u>(1,877,029)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds on capital lease	430,594	430,594	430,594	-
Sale of capital assets	-	-	1	1
Transfers in	1,390,000	3,890,000	3,861,704	(28,296)
Transfers (out)	<u>(312,006)</u>	<u>(312,006)</u>	<u>(213,345)</u>	<u>98,661</u>
Total Other Financing Sources (Uses)	<u>1,508,588</u>	<u>4,008,588</u>	<u>4,078,954</u>	<u>70,366</u>
NET CHANGE IN FUND BALANCE	<u>\$ 34,245</u>	<u>\$ 2,034,245</u>	227,582	<u>\$ (1,806,663)</u>
FUND BALANCE, JANUARY 1			148,243	
FUND BALANCE, DECEMBER 31			<u>\$ 375,825</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CERMAK ROAD TIF FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - increment	\$ 1,700,000	\$ 2,192,337	\$ 492,337
Miscellaneous	-	15,000	15,000
Investment income	<u>153,660</u>	<u>112,104</u>	<u>(41,556)</u>
 Total Revenues	 <u>1,853,660</u>	 <u>2,319,441</u>	 <u>465,781</u>
EXPENDITURES			
Economic Development			
TIF expenditures	4,279,856	1,553,963	2,725,893
Main Street	123,550	123,550	-
TIF management services - BDC	<u>477,000</u>	<u>416,103</u>	<u>60,897</u>
Total Expenditures	<u>4,880,406</u>	<u>2,093,616</u>	<u>2,786,790</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (3,026,746)</u>	 225,825	 <u>\$ 3,252,571</u>
 FUND BALANCE, JANUARY 1		 <u>9,340,457</u>	
 FUND BALANCE, DECEMBER 31		 <u>\$ 9,566,282</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2004	\$ 13,496,651	\$ 14,348,663	94.06%	\$ 852,012	\$ 5,814,144	14.65%
2005	11,613,334	13,100,333	88.65%	1,486,999	6,290,662	23.64%
2006	12,505,083	13,774,676	90.78%	1,269,593	6,291,500	20.18%
2007	13,065,195	14,057,973	92.94%	992,778	6,775,125	14.65%
2008	10,771,058	14,892,557	72.33%	4,121,499	7,105,221	58.01%
2009	11,741,219	16,099,501	72.93%	4,358,282	7,181,322	60.69%

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
IMRF- SHERIFF'S LAW ENFORCEMENT PERSONNEL

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2007	\$ 40,033	\$ 14,531	275.50%	\$ (25,502)	\$ 108,160	0.00%
2008	66,709	38,039	175.37%	(28,670)	112,946	0.00%
2009	81,808	64,397	127.04%	(17,411)	112,946	0.00%

Note: The City began participating in the IMRF - Sheriff's Law Enforcement Personnel in 2007.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND**

December 31, 2009

Actuarial Valuation Date January 1	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2004	\$ 20,479,785	\$ 44,406,190	46.12%	\$ 23,926,405	\$ 5,434,929	440.23%
2005	24,288,337	51,067,214	47.56%	26,778,877	5,933,624	451.31%
2006	24,288,337	51,067,214	47.56%	26,778,877	5,933,624	451.31%
2007	29,622,334	59,560,560	49.73%	29,938,226	6,758,728	442.96%
2008	33,394,593	59,763,379	55.88%	26,368,786	7,264,574	362.98%
2009	30,474,443	63,130,886	48.27%	32,656,443	7,900,326	413.36%

* - Actuarial evaluations were conducted for the years beginning 2003, 2005, 2007, 2008 and 2009. The actuarial amounts for interim years were based on the previous valuation year.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND**

December 31, 2009

Actuarial Valuation Date January 1	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2004	\$ 13,362,267	\$ 36,710,984	36.40%	\$ 23,348,717	\$ 3,909,087	597.29%
2005	15,394,935	46,074,445	33.41%	30,679,510	4,375,082	701.23%
2006	15,394,935	46,074,445	33.41%	30,679,510	4,375,082	701.23%
2007	17,721,979	51,221,802	34.60%	33,499,823	4,730,881	708.11%
2008	19,155,476	52,322,912	36.61%	33,167,436	4,861,734	682.21%
2009	16,925,476	55,853,421	30.30%	38,927,945	5,074,057	767.20%

* - Actuarial evaluations were conducted for the years beginning 2003, 2005, 2007, 2008 and 2009
The actuarial amounts for interim years were based on the previous valuation year.

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS**

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2007	\$ -	\$ 6,597,566	0.00%	\$ 6,597,566	NA	NA
2008	-	1,871,775	0.00%	1,871,775	NA	NA

Note: Information for prior years is not available as the City's first actuarial valuation was performed December 31, 2007.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

December 31, 2009

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2004	\$ 435,479	\$ 435,479	100.00%
2005	558,285	558,285	100.00%
2006	592,030	592,030	100.00%
2007	725,616	725,616	100.00%
2008	755,955	755,955	100.00%
2009	731,777	731,777	100.00%

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
IMRF- SHERIFF'S LAW ENFORCEMENT PERSONNEL**

December 31, 2009

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2007	\$ 14,742	\$ 14,742	100.00%
2008	15,394	15,394	100.00%
2009	7,059	7,059	100.00%

Note: The City began participation in the IMRF - Sheriff's Law Enforcement Personnel in 2007.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

December 31, 2009

<u>Fiscal Year*</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2004	\$ 1,768,163	\$ 1,749,061	101.09%	\$ 100,126
2005	1,859,590	1,749,061	106.32%	100,126
2006	1,923,606	1,984,638	96.92%	161,158
2007	2,096,646	1,981,989	105.78%	50,553
2008	1,895,617	2,363,368	80.21%	519,413
2009	1,956,851	2,190,453	89.34%	762,764

* - Actuarial evaluations were conducted for the years beginning 2003, 2005, 2007, 2008 and 2009
The ARC and NPO for interim years were based on the previous valuation year.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

December 31, 2009

<u>Fiscal Year*</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2004	\$ 1,729,719	\$ 1,351,936	127.94%	\$ (53,441)
2005	1,859,590	1,674,024	111.09%	(109,136)
2006	2,034,480	1,674,024	121.53%	(109,136)
2007	2,024,829	2,130,357	95.05%	(111,274)
2008	2,327,797	2,387,190	97.51%	(54,678)
2009	2,024,816	2,425,321	83.49%	725,385

* - Actuarial evaluations were conducted for the years beginning 2003, 2005, 2007, 2008 and 2009
The ARC and NPO for interim years were based on the previous valuation year.

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS**

December 31, 2009

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
2007	\$ 120,609	\$ 458,184	26.32%	\$ 337,575
2008	91,677	486,719	18.84%	732,617
2009	91,677	105,479	86.91%	758,629

Note: Information for prior years is not available as the City's first actuarial valuation was performed December 31, 2007.

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2009

I. BUDGETS

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting. Annual appropriated budgets are adopted for the General, Special Revenue Funds (except the Grant, Police Seizure, and Emergency 911 Telephone System Funds), Enterprise, Capital Projects (except the Infrastructure Bond Fund) and Pension Trust Funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Mayor submits to the City Council Members a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted by the City to obtain taxpayer comments.
- c. Subsequently, the budget is legally enacted through passage of an ordinance.
- d. Formal budgetary integration is employed as a management control device during the year.
- e. Budgets, as described above, are adopted on a basis consistent with generally accepted accounting principles.
- f. Legal level of budgetary control is at the department level in the general fund or fund level for all other funds.
- g. Budgetary authority lapses at year end.
- h. State law requires that "expenditures be made in conformity with the budget." Transfers between line items in cost centers may be made by administrative action. Any amount to be transferred between cost centers and/or funds would require Council approval.
- i. Budgeted amounts are as originally adopted, with the exceptions of Council approved budget amendments which are reflected in the financial statements.

II. EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following departments/funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Amount
General Fund Department	
City Clerk's Office	\$ 4,217
Treasurer's Office	699
Legal Department	37,555
Statutory	12,563
Fire and Police Commission	28,185
Street Department	40,792
Fleet Department	149,668
Motor Fuel Tax Fund	340,858
South Berwyn Corridor TIF	914,873
Senior Citizens Program	19,087

CITY OF BERWYN, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)
December 31, 2009

III. SUPPLEMENTAL BUDGET APPROPRIATIONS

Supplemental budget appropriations during the year were as follows:

Fund	Amount
General	\$ 500,000
CDBG	365,000
Debt Service	400,000
Total	<u>\$ 1,265,000</u>

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes - debt service	\$ 4,816,772	\$ 4,816,772	\$ 4,865,487	\$ 48,715
Investment income	10,000	10,000	6,249	(3,751)
Total Revenues	<u>4,826,772</u>	<u>4,826,772</u>	<u>4,871,736</u>	<u>44,964</u>
EXPENDITURES				
Debt Service				
Principal	2,045,000	2,045,000	2,045,000	-
Interest and fiscal charges	4,275,296	4,275,296	4,275,461	(165)
Bond issuance costs	-	400,000	381,331	18,669
Total Expenditures	<u>6,320,296</u>	<u>6,720,296</u>	<u>6,701,792</u>	<u>18,504</u>
Excess (deficiency) of revenues over expenditures	<u>(1,493,524)</u>	<u>(1,893,524)</u>	<u>(1,830,056)</u>	<u>(336,532)</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued, at par	-	-	12,885,000	12,885,000
Discount on issuance of long term debt	-	-	(93,857)	(93,857)
Premium on issuance of long term debt	-	-	210,889	210,889
Payment to escrow agent	-	-	(9,317,377)	(9,317,377)
Transfers in - Roosevelt Road TIF	78,570	78,570	78,570	-
Transfers in - Ogden Avenue TIF	475,501	475,501	475,501	-
Transfers in - South Berwyn TIF	-	-	401,824	401,824
Transfer (out)	-	(3,750,000)	(3,750,000)	-
Total Other Financing Sources (Uses)	<u>554,071</u>	<u>(3,195,929)</u>	<u>890,550</u>	<u>4,086,479</u>
NET CHANGE IN FUND BALANCE	<u>\$ (939,453)</u>	<u>\$ (5,089,453)</u>	<u>(939,506)</u>	<u>\$ 3,749,947</u>
FUND BALANCE, JANUARY 1			<u>1,586,220</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 646,714</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2007 BOND FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenues - grant revenue	\$ 2,450,000	\$ 2,450,000	\$ 3,190,850	\$ 740,850
Investment income	<u>300,000</u>	<u>300,000</u>	<u>41,904</u>	<u>(258,096)</u>
 Total Revenues	 <u>2,750,000</u>	 <u>2,750,000</u>	 <u>3,232,754</u>	 <u>482,754</u>
EXPENDITURES				
Capital outlay				
Parking garage	11,755,000	11,755,000	8,983,293	2,771,707
Roosevelt Road sewer lining	3,125,000	3,125,000	3,065,713	59,287
Oak Park Avenue lighting	650,000	650,000	777,037	(127,037)
Alleys	760,000	760,000	494,882	265,118
Salt dome	-	-	104,197	(104,197)
Quiet zone	-	-	44,593	(44,593)
General ledger system	110,000	110,000	165,888	(55,888)
16th Street fire station	300,000	300,000	430,513	(130,513)
Pool renovations	-	-	151,835	(151,835)
Public works vehicles	-	-	155,854	(155,854)
Building department vehicle	-	-	19,149	(19,149)
East Avenue sewers	-	-	181,031	(181,031)
City wide wireless	275,000	275,000	-	275,000
Purchase of property	<u>-</u>	<u>-</u>	<u>121,826</u>	<u>(121,826)</u>
 Total Expenditures	 <u>16,975,000</u>	 <u>16,975,000</u>	 <u>14,695,811</u>	 <u>2,279,189</u>
 Excess (deficiency) of revenues over expenditures	 <u>(14,225,000)</u>	 <u>(14,225,000)</u>	 <u>(11,463,057)</u>	 <u>2,761,943</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>(515,000)</u>	<u>(515,000)</u>	<u>(443,894)</u>	<u>71,106</u>
 NET CHANGE IN FUND BALANCE	 <u>\$(14,740,000)</u>	 <u>\$(14,740,000)</u>	 <u>(11,906,951)</u>	 <u>\$ 2,833,049</u>
 FUND BALANCE, JANUARY 1			 <u>17,147,179</u>	
 FUND BALANCE, DECEMBER 31			 <u>\$ 5,240,228</u>	

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
PROPERTY TAXES				
Property taxes - general	\$ 12,380,790	\$ 12,380,790	\$ 12,294,809	\$ (85,981)
OTHER TAXES				
Personal property replacement	270,000	270,000	214,288	(55,712)
State income	5,900,000	5,900,000	5,036,828	(863,172)
State sales	2,625,000	2,625,000	2,295,513	(329,487)
Home rule sales	1,925,000	1,925,000	1,688,743	(236,257)
Municipal utility	4,400,000	4,400,000	4,050,262	(349,738)
Liquor	155,000	155,000	165,310	10,310
Real estate transfer	975,000	975,000	1,028,125	53,125
Gas	160,000	160,000	146,188	(13,812)
Parking lot	8,000	8,000	7,497	(503)
Video	52,000	52,000	26,189	(25,811)
Litter	75,000	75,000	-	(75,000)
Pull tabs and jar games	5,000	5,000	4,499	(501)
Total Other Taxes	16,550,000	16,550,000	14,663,442	(1,886,558)
LICENSES AND PERMITS				
Vehicle				
Recreation vehicle	4,000	4,000	2,222	(1,778)
Motorcycle	7,000	7,000	7,071	71
Trucks	145,000	145,000	131,878	(13,122)
Passenger vehicles	960,000	960,000	942,939	(17,061)
Licenses				
Business	320,000	320,000	314,418	(5,582)
Liquor	200,000	200,000	178,626	(21,374)
Pet	6,800	6,800	7,374	574
Rental operations	85,000	85,000	530	(84,470)
Permits				
Commuter parking	125,000	125,000	146,488	21,488
Electrical	46,000	46,000	34,902	(11,098)
Municipal parking	50,000	50,000	42,288	(7,712)
Building	66,000	66,000	40,898	(25,102)
Certificate of compliance	50,000	50,000	54,352	4,352
Local improvement	350,000	350,000	347,269	(2,731)
Service charge and escrow default	85,000	85,000	55,347	(29,653)
Electrical sign inspection	65,000	65,000	62,367	(2,633)
Total Licenses and Permits	2,564,800	2,564,800	2,368,969	(195,831)

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
CHARGES FOR SERVICES				
Public safety				
Police reports	\$ 25,000	\$ 25,000	\$ 22,418	\$ (2,582)
Paramedic service collections	950,000	950,000	747,924	(202,076)
Paramedic MRI transport	160,000	160,000	283,500	123,500
False alarms	4,000	4,000	15,645	11,645
Range rental	9,000	9,000	-	(9,000)
Miscellaneous charges for services	-	-	28,441	28,441
CPR training revenue	-	-	1,865	1,865
Sanitation				
Garbage fees	4,313,200	4,313,200	4,238,909	(74,291)
Recycling rebate	90,000	90,000	84,222	(5,778)
Recreation				
Athletics	115,000	115,000	91,422	(23,578)
Adult programs	30,000	30,000	51,630	21,630
Children's programs	150,000	150,000	144,399	(5,601)
Pool	75,000	75,000	83,423	8,423
Concession stand	21,000	21,000	18,709	(2,291)
Rental	-	-	1,035	1,035
Other				
Commuter parking meters	62,000	62,000	51,428	(10,572)
Sale of gas	80,000	80,000	58,658	(21,342)
Sidewalk construction	20,000	20,000	-	(20,000)
100th anniversary celebration	-	-	1,330	1,330
Miscellaneous charges for services	50,000	50,000	12,358	(37,642)
<u>Total Charges For Services</u>	<u>6,154,200</u>	<u>6,154,200</u>	<u>5,937,316</u>	<u>(216,884)</u>
FINES AND FORFEITURES				
Late penalties	120,000	120,000	73,153	(46,847)
Towing fees	30,000	30,000	27,760	(2,240)
Impound vehicles	620,000	620,000	476,000	(144,000)
Booting	-	-	31,921	31,921
Cannabis tickets	-	-	25,030	25,030
Court fines	240,000	240,000	233,407	(6,593)
Violation fines	2,365,000	2,365,000	1,860,011	(504,989)
After the fact fines	55,000	55,000	27,575	(27,425)
Compliance tickets	75,000	75,000	51,177	(23,823)
Local ordinance fines	170,000	170,000	593,084	423,084
Red Speed photo enforcement	325,000	325,000	305,510	(19,490)
Adjudication court fines	160,000	160,000	62,267	(97,733)
<u>Total Fines and Forfeitures</u>	<u>4,160,000</u>	<u>4,160,000</u>	<u>3,766,895</u>	<u>(393,105)</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(concluded)

	Original Budget	Final Budget	Actual	Variance with Final Budget
INTERGOVERNMENTAL				
Highway maintenance	\$ 88,000	\$ 88,000	\$ 94,382	\$ 6,382
Total Intergovernmental	<u>88,000</u>	<u>88,000</u>	<u>94,382</u>	<u>6,382</u>
INVESTMENT INCOME				
	<u>40,000</u>	<u>40,000</u>	<u>50,360</u>	<u>10,360</u>
OTHER REVENUES				
Franchises	395,000	395,000	403,922	8,922
Cell tower rental	55,000	55,000	89,368	34,368
Interdepartmental charges - water	483,795	483,795	416,050	(67,745)
Reimbursements	143,000	143,000	156,768	13,768
Grants	-	-	281,133	281,133
Other	<u>50,000</u>	<u>50,000</u>	<u>66,913</u>	<u>16,913</u>
Total Other Revenues	<u>1,126,795</u>	<u>1,126,795</u>	<u>1,414,154</u>	<u>287,359</u>
TOTAL REVENUES	<u>\$ 43,064,585</u>	<u>\$ 43,064,585</u>	<u>\$ 40,590,327</u>	<u>\$ (2,474,258)</u>

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT				
Mayor's Office				
Salaries and benefits	\$ 128,614	\$ 213,125	\$ 215,038	\$ (1,913)
Internal service fund charges	4,271	4,271	1,585	2,686
Administrative expenditures	7,500	7,500	5,988	1,512
Supplies	-	2,300	2,295	5
Postage and printing	-	510	686	(176)
Repairs and maintenance	-	290	287	3
Other general	2,100	8,889	9,423	(534)
Copier maintenance	11,200	12,800	11,940	860
Total Mayor's Office	<u>153,685</u>	<u>249,685</u>	<u>247,242</u>	<u>2,443</u>
City Clerk's Office				
Salaries and benefits	144,062	144,062	150,881	(6,819)
Internal service fund charges	4,118	4,118	4,803	(685)
Codification	16,000	16,000	11,636	4,364
Record retention	4,000	4,000	1,331	2,669
Other general	8,800	3,800	7,342	(3,542)
Copier maintenance	9,400	9,400	9,604	(204)
Total City Clerk's Office	<u>186,380</u>	<u>181,380</u>	<u>185,597</u>	<u>(4,217)</u>
Treasurer's Office				
Salaries and benefits	10,765	12,400	13,465	(1,065)
Internal service fund charges	410	410	153	257
Postage, printing and publications	2,800	4,165	4,056	109
Total Treasurer's Office	<u>13,975</u>	<u>16,975</u>	<u>17,674</u>	<u>(699)</u>
City Council				
Salaries and benefits	197,384	197,384	174,484	22,900
Internal service fund charges	4,616	4,616	2,035	2,581
Ward expenditures	36,000	36,000	25,372	10,628
Other general	-	-	1,407	(1,407)
Total City Council	<u>238,000</u>	<u>238,000</u>	<u>203,298</u>	<u>34,702</u>
Legal Department				
Salaries and benefits	156,596	194,596	225,183	(30,587)
Internal service fund charges	12,976	12,976	18,257	(5,281)
Adjudication program	24,000	24,000	12,950	11,050
Other general	1,200	1,200	1,005	195
Professional services	425,000	425,000	437,932	(12,932)
Total Legal Department	<u>619,772</u>	<u>657,772</u>	<u>695,327</u>	<u>(37,555)</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT (CONT.)				
Finance Department				
Salaries and benefits	\$ 1,007,108	\$ 907,108	\$ 896,671	\$ 10,437
Internal service fund charges	42,784	42,784	16,178	26,606
Vehicle registration service	27,000	27,000	33,919	(6,919)
Municipal revenue based fee	275,000	270,000	221,226	48,774
Other general	44,000	44,000	36,017	7,983
Postage, printing and publications	21,000	21,000	33,478	(12,478)
Telephone	30,000	30,000	35,500	(5,500)
Supplies	-	-	5,472	(5,472)
Training, dues and publications	-	-	3,266	(3,266)
Professional services	-	-	4,642	(4,642)
Payroll fees	20,000	20,000	25,198	(5,198)
Copier maintenance	11,000	11,000	13,572	(2,572)
Total Finance Department	<u>1,477,892</u>	<u>1,372,892</u>	<u>1,325,139</u>	<u>47,753</u>
Human Resources Department				
Salaries and benefits	112,910	105,488	98,552	6,936
Internal service fund charges	3,908	1,973	1,414	559
Job advertising	3,000	950	950	-
Other general	4,000	5,407	7,983	(2,576)
Total Human Resources Department	<u>123,818</u>	<u>113,818</u>	<u>108,899</u>	<u>4,919</u>
Information Technology Department				
Salaries and benefits	309,460	309,460	302,021	7,439
Internal service fund charges	17,356	17,356	6,155	11,201
Network infrastructure	180,000	180,000	196,122	(16,122)
Hardware purchases	100,000	92,500	75,331	17,169
Hardware maintenance	25,000	25,000	29,941	(4,941)
Software purchases	25,000	25,000	28,537	(3,537)
Software maintenance	30,000	30,000	25,465	4,535
Other general	40,000	40,000	36,985	3,015
Professional services	17,500	15,000	10,168	4,832
Total Information Technology Department	<u>744,316</u>	<u>734,316</u>	<u>710,725</u>	<u>23,591</u>
Statutory				
Auditing expenditures	85,000	85,000	79,700	5,300
Other	7,500	21,250	40,133	(18,883)
City wide software applications	75,465	75,465	74,445	1,020
Total Statutory	<u>167,965</u>	<u>181,715</u>	<u>194,278</u>	<u>(12,563)</u>
Contingency	-	100,000	99,393	607
Total General Government	<u>3,725,803</u>	<u>3,846,553</u>	<u>3,787,572</u>	<u>58,981</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
PUBLIC SAFETY				
Fire Department				
Salaries and benefits	\$ 7,161,995	\$ 7,161,995	\$ 7,301,924	\$ (139,929)
Pension expenditures	2,034,586	2,034,586	2,024,829	9,757
Internal service fund charges	765,292	555,292	302,467	252,825
Collection service fees	65,000	65,000	61,616	3,384
Other general	80,000	80,000	36,468	43,532
Supplies	-	-	12,126	(12,126)
Telephone	8,800	8,800	7,488	1,312
Utilities	110,000	110,000	37,878	72,122
Training, dues, and education	30,000	30,000	44,882	(14,882)
Professional services	1,225,000	1,225,000	1,177,866	47,134
Repairs and maintenance	180,000	180,000	107,171	72,829
Copier maintenance	11,400	11,400	12,536	(1,136)
Equipment purchases/capital outlay	575,594	575,594	569,867	5,727
Equipment lease	152,694	152,694	152,766	(72)
Turnout gear	17,500	17,500	6,855	10,645
Total Fire Department	<u>12,417,861</u>	<u>12,207,861</u>	<u>11,856,739</u>	<u>351,122</u>
Police Department				
Salaries and benefits	13,886,840	13,886,840	14,530,938	(644,098)
Pension expenditures	1,928,758	1,928,758	1,956,863	(28,105)
Internal service fund charges	1,676,711	1,676,711	1,057,448	619,263
Other general	99,500	99,500	55,384	44,116
Postage, printing, and publications	16,000	16,000	19,314	(3,314)
Telephone	73,400	73,400	90,799	(17,399)
Utilities	302,000	302,000	167,739	134,261
Training, dues, and education	40,000	40,000	43,598	(3,598)
Supplies	53,000	53,000	54,557	(1,557)
Repairs and maintenance	195,000	195,000	234,718	(39,718)
Red Speed photo enforcement	276,000	276,000	177,205	98,795
Prior year unallowable seizure expenditures	-	400,000	488,948	(88,948)
Copier maintenance	27,100	27,100	24,120	2,980
Total Police Department	<u>18,574,309</u>	<u>18,974,309</u>	<u>18,901,631</u>	<u>72,678</u>
Fire and Police Commission				
Salaries and benefits	17,224	17,224	20,447	(3,223)
Other general	6,500	26,500	51,462	(24,962)
Total Fire and Police Commission	<u>23,724</u>	<u>43,724</u>	<u>71,909</u>	<u>(28,185)</u>
Total Public Safety	<u>31,015,894</u>	<u>31,225,894</u>	<u>30,830,279</u>	<u>395,615</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
PUBLIC WORKS				
Building Department				
Salaries and benefits	\$ 563,091	\$ 563,091	\$ 557,709	\$ 5,382
Internal service fund charges	418,709	418,709	299,241	119,468
Other general	40,000	40,000	5,919	34,081
Postage, printing and publications	8,000	8,000	7,006	994
Utilities	28,000	28,000	25,498	2,502
Telephone	-	5,000	4,550	450
Training, dues and publications	-	3,500	3,168	332
Supplies	-	4,500	4,446	54
Professional services	200,000	244,000	244,158	(158)
Repairs and maintenance	65,000	78,000	123,072	(45,072)
Copier maintenance	9,400	9,400	9,105	295
Total Building Department	<u>1,332,200</u>	<u>1,402,200</u>	<u>1,283,872</u>	<u>118,328</u>
Street Department				
Salaries and benefits	1,468,991	1,706,991	1,907,365	(200,374)
Internal service fund charges	151,601	151,601	199,827	(48,226)
Other general	53,500	53,500	24,857	28,643
Telephone	9,000	9,000	8,832	168
Utilities	4,000	4,000	19,105	(15,105)
External gas and oil	230,000	230,000	94,905	135,095
Supplies	-	-	29,589	(29,589)
Equipment lease	95,583	95,583	95,778	(195)
Equipment	-	2,000	1,085	915
Repairs and maintenance	189,000	189,000	103,340	85,660
Copier maintenance	3,000	3,000	1,224	1,776
Professional services	35,000	35,000	34,560	440
Total Street Department	<u>2,239,675</u>	<u>2,479,675</u>	<u>2,520,467</u>	<u>(40,792)</u>
Fleet Department				
Salaries and benefits	272,800	272,800	284,316	(11,516)
Other general	-	-	12,000	(12,000)
Professional services	-	-	4,408	(4,408)
Repairs and maintenance	-	-	121,744	(121,744)
Total Fleet Department	<u>272,800</u>	<u>272,800</u>	<u>422,468</u>	<u>(149,668)</u>
Total Public Works	<u>3,844,675</u>	<u>4,154,675</u>	<u>4,226,807</u>	<u>(72,132)</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
ECONOMIC DEVELOPMENT				
Zoning Boards of Appeals				
Salaries and benefits	\$ 13,564	\$ 13,564	\$ 11,566	\$ 1,998
Other general	2,500	2,500	3,473	(973)
Total Zoning Boards of Appeals	<u>16,064</u>	<u>16,064</u>	<u>15,039</u>	<u>1,025</u>
 Committees and Planning Department				
Main Street	52,950	52,950	28,075	24,875
Regional Housing Authority	225,000	133,000	104,233	28,767
West Central Municipal Conference	16,500	16,500	19,438	(2,938)
Historical Society	5,000	5,000	5,000	-
Utility tax rebate	75,000	75,000	128,831	(53,831)
North Berwyn Park District	10,000	10,000	10,000	-
100th Anniversary celebration	-	-	884	(884)
Other general	13,000	13,000	7,400	5,600
Total Committees and Planning Department	<u>397,450</u>	<u>305,450</u>	<u>303,861</u>	<u>1,589</u>
 Total Economic Development	<u>413,514</u>	<u>321,514</u>	<u>318,900</u>	<u>2,614</u>
 CULTURE AND RECREATION				
Recreation Department				
Salaries and benefits	882,970	822,970	787,309	35,661
Internal service fund charges	33,689	33,689	17,674	16,015
Special events	35,000	35,000	30,892	4,108
Community programs	-	-	3,299	(3,299)
Concession stand	22,000	22,000	14,010	7,990
Other general	90,000	90,000	105,140	(15,140)
Postage, printing, and publications	4,000	4,000	5,860	(1,860)
Telephone	6,000	6,000	6,412	(412)
Utilities	65,000	65,000	47,224	17,776
Supplies	75,000	75,000	100,290	(25,290)
Repairs and maintenance	90,000	90,000	101,782	(11,782)
Equipment purchases/capital outlay	55,000	55,000	24,817	30,183
Copier maintenance	12,000	12,000	13,097	(1,097)
Total Recreation Department	<u>1,370,659</u>	<u>1,310,659</u>	<u>1,257,806</u>	<u>52,853</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2009

(concluded)

	Original Budget	Final Budget	Actual	Variance with Final Budget
CULTURE AND RECREATION (CONT.)				
Community Relations Department				
Salaries and benefits	\$ 5,383	\$ 5,383	\$ 5,868	\$ (485)
Other general	3,000	3,000	93	2,907
Total Community Relations Department	<u>8,383</u>	<u>8,383</u>	<u>5,961</u>	<u>2,422</u>
 Total Culture and Recreation	 <u>1,379,042</u>	 <u>1,319,042</u>	 <u>1,263,767</u>	 <u>55,275</u>
HEALTH AND SANITATION				
Garbage - professional services	<u>4,160,000</u>	<u>4,160,000</u>	<u>4,004,624</u>	<u>155,376</u>
DEBT SERVICE				
Line of Credit				
Interest and fiscal charges	-	11,250	9,750	1,500
Total Debt Service	<u>-</u>	<u>11,250</u>	<u>9,750</u>	<u>1,500</u>
 TOTAL GENERAL FUND EXPENDITURES	 <u>\$ 44,538,928</u>	 <u>\$ 45,038,928</u>	 <u>\$ 44,441,699</u>	 <u>\$ 597,229</u>

See independent auditor's report.

NONMAJOR GOVERNMENTAL FUNDS

The Community Outreach Fund is used to account for the spending of funds on various community events and other outreach activities. Revenues include donations and fees received towards specific events.

The Library Fund is used to account for the revenues of and the spending of funds for the operations of the Berwyn Public Library.

The Motor Fuel Tax Fund is used to account for the proceeds received from the State for the City's share of motor fuel taxes. Spending within this fund is restricted by state regulations to the maintenance and improvement of City streets.

South Berwyn Corridor TIF is used to accumulate tax increment generated by the South Berwyn TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Roosevelt Road TIF is used to accumulate tax increment generated by the Roosevelt Road TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Ogden Avenue TIF is used to accumulate tax increment generated by the Ogden Avenue TIF district which was created on May 25, 1993. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

The Grants Fund is used to account for various grant revenues and the related expenditure of those grant funds.

The Police Seizure Fund is used to account for revenues obtained from drug seizures and expenditures related to police activity in accordance with state and federal requirements.

The Emergency 911 Telephone System Fund is used to account for the operations and maintenance of an emergency telephone system with revenues provided by a specific annual tax levy.

The Foreign Fire Insurance Fund is used to account for the proceeds and spending of the foreign fire insurance tax. The fund is administered by the City's Foreign Fire Insurance Board and must be used for the benefit of the fire department.

The Senior Citizen Program Fund is used to account for the spending of funds on senior citizen programs, services and activities. Revenues include charges for services and grant revenues received for the City's senior advocate.

The Community Development Block Grant (CDBG) Fund is used to account for the revenues and expenditures of the Community Development Block Grant program with funding provided by the Federal Department of Housing and Urban Development.

The Infrastructure Bond Fund is used to account for bond proceeds which are to be used to finance capital projects.

CITY OF BERWYN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2009

	Special Revenue						Grants
	Community Outreach	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	
ASSETS							
Cash and investments	\$ -	\$ 160,817	\$ 572,417	\$ 1,732,469	\$ 2,072,468	\$ 2,137,088	\$ -
Receivables							
Property taxes	-	2,551,547	-	52,655	39,781	160,622	-
Notes	-	-	-	-	-	-	-
Interest	-	131	54	1,203	1,406	1,465	-
Accounts	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other funds	-	60,698	-	-	-	-	-
Due from other governments	-	-	111,115	-	-	-	253,791
TOTAL ASSETS	\$ -	\$ 2,773,193	\$ 683,586	\$ 1,786,327	\$ 2,113,655	\$ 2,299,175	\$ 253,791
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ -	\$ 36,746	\$ 181,894	\$ 3,538	\$ 116,857	\$ 53,439	\$ 464
Accrued payroll	-	61,673	-	-	-	-	-
Deferred revenue	-	2,497,312	-	-	-	-	17,555
Due to other funds	-	-	500,748	273,988	56,898	460,502	230,472
Advance from other funds	-	-	-	650,000	-	-	-
TOTAL LIABILITIES	-	2,595,731	682,642	927,526	173,755	513,941	248,491
FUND BALANCES							
Reserved							
Public safety	-	-	-	-	-	-	-
Public works	-	-	944	-	-	-	-
Economic development	-	-	-	858,801	1,939,900	1,785,234	-
Unreserved (deficit)							
Special Revenue Funds	-	177,462	-	-	-	-	5,300
Capital Projects Funds	-	-	-	-	-	-	-
TOTAL FUND BALANCES	-	177,462	944	858,801	1,939,900	1,785,234	5,300
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 2,773,193	\$ 683,586	\$ 1,786,327	\$ 2,113,655	\$ 2,299,175	\$ 253,791

CITY OF BERWYN, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2009

(concluded)

	Special Revenue					Capital Projects		Totals
	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	Senior Citizen Program	CDBG	Infrastructure Bond		
ASSETS								
Cash and investments	\$ 257,020	\$ 555,693	\$ 32,168	\$ -	\$ 2	\$ -	\$ -	\$ 7,520,142
Receivables								
Property taxes	-	-	-	-	-	-	-	2,804,605
Notes	-	-	-	-	1,330,118	-	-	1,330,118
Interest	106	376	16	-	-	-	-	4,757
Accounts	-	-	-	36,286	-	-	-	36,286
Prepaid items	-	-	-	-	-	9,849	-	9,849
Due from other funds	-	-	-	-	-	18,727	-	79,425
Due from other governments	402	105,113	-	-	314,075	-	-	784,496
TOTAL ASSETS	\$ 257,528	\$ 661,182	\$ 32,184	\$ 36,286	\$ 1,644,195	\$ 28,576	\$ -	\$ 12,569,678
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 3,057	\$ -	\$ -	\$ 6,266	\$ 44,028	\$ -	\$ -	\$ 446,289
Accrued payroll	-	-	-	5,054	9,100	-	-	75,827
Deferred revenue	-	-	-	-	1,330,118	-	-	3,844,985
Due to other funds	11,071	9,956	-	29,235	260,949	-	-	1,833,819
Advance from other funds	-	-	-	-	-	-	-	650,000
TOTAL LIABILITIES	14,128	9,956	-	40,555	1,644,195	-	-	6,850,920
FUND BALANCES								
Reserved								
Public safety	243,400	651,226	32,184	-	-	-	-	926,810
Public works	-	-	-	-	-	-	-	944
Economic development	-	-	-	-	-	-	-	4,583,935
Unreserved								
Special Revenue Funds	-	-	-	(4,269)	-	-	-	178,493
Capital Projects Funds	-	-	-	-	-	28,576	-	28,576
TOTAL FUND BALANCES	243,400	651,226	32,184	(4,269)	-	28,576	-	5,718,758
TOTAL LIABILITIES AND FUND BALANCES	\$ 257,528	\$ 661,182	\$ 32,184	\$ 36,286	\$ 1,644,195	\$ 28,576	\$ -	\$ 12,569,678

CITY OF BERWYN, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2009

	Special Revenue						Grants
	Community Outreach	Library	Motor Fuel Tax	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	
REVENUES							
Property taxes	\$ -	\$ 2,506,118	\$ -	\$ 972,559	\$ 726,108	\$ 1,606,650	\$ -
Other taxes	-	-	-	-	-	-	-
Charges for services	-	4,049	20,685	-	-	-	-
Fines and forfeitures	-	43,817	-	-	-	-	-
Intergovernmental	-	65,349	1,416,084	-	-	-	261,038
Investment income	-	1,898	3,578	33,304	31,383	39,268	-
Miscellaneous	16,250	10,725	-	-	-	-	-
Total Revenues	<u>16,250</u>	<u>2,631,956</u>	<u>1,440,347</u>	<u>1,005,863</u>	<u>757,491</u>	<u>1,645,918</u>	<u>261,038</u>
EXPENDITURES							
Current							
Public safety	-	-	-	-	-	-	11,946
Public works	-	-	1,709,029	-	-	-	-
Economic development	-	-	-	2,268,889	839,348	1,278,562	-
Culture and recreation	88,884	2,502,821	-	-	-	-	4,377
Capital outlay	-	-	34,829	-	-	-	-
Debt service							
Principal	-	-	-	155,161	501,923	-	-
Interest and fiscal charges	-	-	-	106,392	22,490	-	-
Total Expenditures	<u>88,884</u>	<u>2,502,821</u>	<u>1,743,858</u>	<u>2,530,442</u>	<u>1,363,761</u>	<u>1,278,562</u>	<u>16,323</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(72,634)</u>	<u>129,135</u>	<u>(303,511)</u>	<u>(1,524,579)</u>	<u>(606,270)</u>	<u>367,356</u>	<u>244,715</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	-	-	-	-	139,297	-	-
Transfers in	72,634	-	-	-	-	-	-
Transfers (out)	(1,247)	-	(450,000)	(401,824)	(78,570)	(475,501)	-
Total Other Financing Sources (Uses)	<u>71,387</u>	<u>-</u>	<u>(450,000)</u>	<u>(401,824)</u>	<u>60,727</u>	<u>(475,501)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(1,247)</u>	<u>129,135</u>	<u>(753,511)</u>	<u>(1,926,403)</u>	<u>(545,543)</u>	<u>(108,145)</u>	<u>244,715</u>
FUND BALANCES (DEFICIT), JANUARY 1	<u>1,247</u>	<u>48,327</u>	<u>754,455</u>	<u>2,785,204</u>	<u>2,485,443</u>	<u>1,893,379</u>	<u>(239,415)</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u>\$ -</u>	<u>\$ 177,462</u>	<u>\$ 944</u>	<u>\$ 858,801</u>	<u>\$ 1,939,900</u>	<u>\$ 1,785,234</u>	<u>\$ 5,300</u>

CITY OF BERWYN, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2009

(concluded)

	Special Revenue					Capital Projects		Totals
	Police Seizure	Emergency 911 Telephone System	Foreign Fire Insurance	Senior Citizen Program	CDBG	Infrastructure Bond		
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,811,435
Other taxes	-	-	28,562	-	-	-	-	28,562
Charges for services	-	-	-	21,209	-	-	-	45,943
Fines and forfeitures	-	-	-	-	-	-	-	43,817
Intergovernmental	548,537	497,637	-	97,759	1,764,798	-	-	4,651,202
Investment income	2,567	7,228	17	-	-	22	-	119,265
Miscellaneous	-	-	-	-	224	-	-	27,199
Total Revenues	<u>551,104</u>	<u>504,865</u>	<u>28,579</u>	<u>118,968</u>	<u>1,765,022</u>	<u>22</u>	<u>22</u>	<u>10,727,423</u>
EXPENDITURES								
Current								
Public safety	99,507	369,456	25,934	-	-	-	-	506,843
Public works	-	-	-	-	-	-	-	1,709,029
Economic development	-	-	-	-	1,793,728	-	-	6,180,527
Culture and recreation	-	-	-	235,243	-	-	-	2,831,325
Capital outlay	-	-	-	-	-	-	-	34,829
Debt service								
Principal	-	-	-	-	-	-	-	657,084
Interest and fiscal charges	-	-	-	-	-	-	-	128,882
Total Expenditures	<u>99,507</u>	<u>369,456</u>	<u>25,934</u>	<u>235,243</u>	<u>1,793,728</u>	<u>-</u>	<u>-</u>	<u>12,048,519</u>
Excess (deficiency) of revenues over (under) expenditures	<u>451,597</u>	<u>135,409</u>	<u>2,645</u>	<u>(116,275)</u>	<u>(28,706)</u>	<u>22</u>	<u>22</u>	<u>(1,321,096)</u>
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of capital assets	-	-	-	-	-	-	-	139,297
Transfers in	-	-	-	112,006	28,706	-	-	213,346
Transfers (out)	(422,948)	(43,615)	-	-	-	-	-	(1,873,705)
Total Other Financing Sources (Uses)	<u>(422,948)</u>	<u>(43,615)</u>	<u>-</u>	<u>112,006</u>	<u>28,706</u>	<u>-</u>	<u>-</u>	<u>(1,521,062)</u>
NET CHANGE IN FUND BALANCES	28,649	91,794	2,645	(4,269)	-	22	22	(2,842,158)
FUND BALANCES (DEFICIT), JANUARY 1	<u>214,751</u>	<u>559,432</u>	<u>29,539</u>	<u>-</u>	<u>-</u>	<u>28,554</u>	<u>28,554</u>	<u>8,560,916</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u>\$ 243,400</u>	<u>\$ 651,226</u>	<u>\$ 32,184</u>	<u>\$ (4,269)</u>	<u>\$ -</u>	<u>\$ 28,576</u>	<u>\$ 28,576</u>	<u>\$ 5,718,758</u>

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY OUTREACH FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Miscellaneous revenues			
White Sox game	\$ 5,000	\$ -	\$ (5,000)
National Night Out	7,500	16,250	8,750
Sponsorships	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
Total Revenues	<u>16,500</u>	<u>16,250</u>	<u>(250)</u>
EXPENDITURES			
Culture and Recreation			
Salaries and benefits	122,290	65,260	57,030
Internal service fund charges	8,296	-	8,296
White Sox game	4,000	-	4,000
National Night Out	15,000	20,098	(5,098)
Other events	2,500	-	2,500
Other general	6,000	2,332	3,668
Repairs and maintenance	16,000	328	15,672
Copier maintenance	<u>2,600</u>	<u>866</u>	<u>1,734</u>
Total Expenditures	<u>176,686</u>	<u>88,884</u>	<u>87,802</u>
Excess (deficiency) of revenues over expenditures	<u>(160,186)</u>	<u>(72,634)</u>	<u>87,552</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	160,000	72,634	(87,366)
Transfer (out)	<u>-</u>	<u>(1,247)</u>	<u>(1,247)</u>
Total Other Financing Sources (Uses)	<u>160,000</u>	<u>71,387</u>	<u>(88,613)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (186)</u>	<u>(1,247)</u>	<u>\$ (1,061)</u>
FUND BALANCE, JANUARY 1		<u>1,247</u>	
FUND BALANCE, DECEMBER 31		<u>\$ -</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - library	\$ 2,497,312	\$ 2,506,118	\$ 8,806
Charges for services - rental revenue	25,000	4,049	(20,951)
Fines and forfeitures			
Book fines	20,000	30,379	10,379
Copier fees - maintenance fund	14,000	13,438	(562)
Intergovernmental revenue - Per Capita Grant	60,000	65,349	5,349
Investment income	2,000	1,898	(102)
Miscellaneous revenues			
Donations - building fund	16,000	10,756	(5,244)
Other miscellaneous revenue	1,000	(31)	(1,031)
	<u>2,635,312</u>	<u>2,631,956</u>	<u>(3,356)</u>
Total Revenues			
EXPENDITURES			
Culture and Recreation			
Salaries and benefits	1,996,367	1,866,528	129,839
Internal service fund charges	61,528	29,443	32,085
Books	140,610	187,773	(47,163)
Periodicals	22,600	21,690	910
Audio visual	44,600	57,494	(12,894)
Computer system	47,500	40,343	7,157
Dues and subscriptions	11,400	4,791	6,609
Computer support databases	14,700	4,388	10,312
Programs adult/children	12,200	27,478	(15,278)
Reciprocal borrowing	4,500	5,806	(1,306)
Promotions	15,000	12,102	2,898
Director expense	250	250	-
Board expense	250	633	(383)
Other general	107	1,222	(1,115)
Postage, printing, and publications	6,000	6,696	(696)
Telephone	14,000	10,456	3,544
Utilities	19,500	8,858	10,642
Supplies	89,700	91,476	(1,776)
Repairs and maintenance	129,500	120,811	8,689
Capital improvement	5,000	4,583	417
	<u>2,635,312</u>	<u>2,502,821</u>	<u>132,491</u>
Total Expenditures			
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	129,135	<u>\$ 129,135</u>
FUND BALANCE, JANUARY 1		<u>48,327</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 177,462</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues - state allotment	\$ 1,550,000	\$ 1,416,084	\$ (133,916)
Sidewalk construction	-	20,685	20,685
Investment income	<u>50,000</u>	<u>3,578</u>	<u>(46,422)</u>
 Total Revenues	 <u>1,600,000</u>	 <u>1,440,347</u>	 <u>(159,653)</u>
EXPENDITURES			
Current			
Public Works			
Rock salt	350,000	475,802	(125,802)
Utilities	220,000	671,342	(451,342)
Professional services	197,000	135,827	61,173
Other general expenditures	-	12,706	(12,706)
Repairs and maintenance			
Street/sidewalk	390,000	229,885	160,115
Sewer system	21,000	9,686	11,314
Traffic control	185,000	173,781	11,219
Capital outlay			
Engineering	<u>40,000</u>	<u>34,829</u>	<u>5,171</u>
 Total Expenditures	 <u>1,403,000</u>	 <u>1,743,858</u>	 <u>(340,858)</u>
 Excess (deficiency) of revenues over expenditures	 <u>197,000</u>	 <u>(303,511)</u>	 <u>(500,511)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(780,000)</u>	<u>(450,000)</u>	<u>330,000</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (583,000)</u>	 <u>(753,511)</u>	 <u>\$ (170,511)</u>
 FUND BALANCE, JANUARY 1		 <u>754,455</u>	
 FUND BALANCE, DECEMBER 31		 <u>\$ 944</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SOUTH BERWYN CORRIDOR TIF FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - increment	\$ 1,230,000	\$ 972,559	\$ (257,441)
Investment income	<u>43,000</u>	<u>33,304</u>	<u>(9,696)</u>
 Total Revenues	 <u>1,273,000</u>	 <u>1,005,863</u>	 <u>(267,137)</u>
EXPENDITURES			
Economic Development			
TIF expenditures	1,208,201	2,187,594	(979,393)
TIF management services - BDC	94,903	81,295	13,608
Debt Service			
Principal	155,161	155,161	-
Interest - notes payable	123,644	72,732	50,912
Interest - on advance	<u>33,660</u>	<u>33,660</u>	<u>-</u>
 Total Expenditures	 <u>1,615,569</u>	 <u>2,530,442</u>	 <u>(914,873)</u>
 Excess (deficiency) of revenues over expenditures	 <u>(342,569)</u>	 <u>(1,524,579)</u>	 <u>(1,182,010)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(401,824)</u>	<u>(401,824)</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (744,393)</u>	 <u>(1,926,403)</u>	 <u>\$ (1,182,010)</u>
 FUND BALANCE, JANUARY 1		<u>2,785,204</u>	
 FUND BALANCE, DECEMBER 31		 <u>\$ 858,801</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROOSEVELT ROAD TIF FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - increment	\$ 575,000	\$ 726,108	\$ 151,108
Investment income	35,000	31,383	(3,617)
 Total Revenues	<u>610,000</u>	<u>757,491</u>	<u>147,491</u>
EXPENDITURES			
Economic Development			
TIF expenditures	1,261,790	805,940	455,850
TIF management services - BDC	39,000	33,408	5,592
Debt Service			
Principal	74,359	501,923	(427,564)
Interest and fiscal charges	33,973	22,490	11,483
 Total Expenditures	<u>1,409,122</u>	<u>1,363,761</u>	<u>45,361</u>
Excess (deficiency) of revenues over expenditures	<u>(799,122)</u>	<u>(606,270)</u>	<u>192,852</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	139,297	139,297
Transfers (out)	(78,570)	(78,570)	-
 Total Other Financing Sources (Uses)	<u>(78,570)</u>	60,727	<u>139,297</u>
 NET CHANGE IN FUND BALANCE	<u>\$ (877,692)</u>	(545,543)	<u>\$ 332,149</u>
 FUND BALANCE, JANUARY 1		<u>2,485,443</u>	
 FUND BALANCE, DECEMBER 31		<u>\$ 1,939,900</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OGDEN AVENUE TIF FUND

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes - increment	\$ 1,027,930	\$ 1,606,650	\$ 578,720
Investment income	60,000	39,268	(20,732)
 Total Revenues	<u>1,087,930</u>	<u>1,645,918</u>	<u>557,988</u>
EXPENDITURES			
Economic Development			
TIF expenditures	1,464,700	869,959	594,741
TIF management services - BDC	477,000	408,603	68,397
 Total Expenditures	<u>1,941,700</u>	<u>1,278,562</u>	<u>663,138</u>
 Excess (deficiency) of revenues over expenditures	<u>(853,770)</u>	<u>367,356</u>	<u>1,221,126</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(475,501)</u>	<u>(475,501)</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	<u>\$ (1,329,271)</u>	<u>(108,145)</u>	<u>\$ 1,221,126</u>
 FUND BALANCE, JANUARY 1		<u>1,893,379</u>	
 FUND BALANCE, DECEMBER 31		<u>\$ 1,785,234</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Other taxes	\$ 21,000	\$ 28,562	\$ 7,562
Investment income	<u>75</u>	<u>17</u>	<u>58</u>
Total Revenues	<u>21,075</u>	<u>28,579</u>	<u>7,620</u>
EXPENDITURES			
Public Safety			
Supplies	4,000	4,627	(627)
Tools and equipment	3,000	20,197	(17,197)
Other general	22,637	216	22,421
Training, dues and publications	<u>2,000</u>	<u>894</u>	<u>1,106</u>
Total Expenditures	<u>31,637</u>	<u>25,934</u>	<u>5,703</u>
Excess (deficiency) of revenues over expenditures	<u>(10,562)</u>	<u>2,645</u>	<u>13,207</u>
NET CHANGE IN FUND BALANCE	<u>\$ (10,562)</u>	2,645	<u>\$ 13,207</u>
FUND BALANCE, JANUARY 1		<u>29,539</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 32,184</u>	

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SENIOR CITIZENS PROGRAM FUND**

For the Year Ended December 31, 2009

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues	\$ 100,000	\$ 97,759	\$ (2,241)
Charges for services	4,150	21,209	21,209
 Total Revenues	<u>104,150</u>	<u>118,968</u>	<u>18,968</u>
EXPENDITURES			
Culture and Recreation			
Salaries and benefits	134,156	178,168	(44,012)
Utilities	16,000	110	15,890
Copier maintenance	3,000	-	3,000
Telephone	-	984	(984)
Special events	5,000	5,951	(951)
Postage and printing	-	974	(974)
Other general	5,600	3,693	1,907
Professional services	12,000	16,892	(4,892)
Equipment lease	2,400	4,663	(2,263)
Repairs and maintenance	38,000	23,808	14,192
Total Expenditures	<u>216,156</u>	<u>235,243</u>	<u>(19,087)</u>
 Excess (deficiency) of revenues over (under) expenditures	<u>(112,006)</u>	<u>(116,275)</u>	<u>(4,269)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	112,006	112,006	-
Total Other Financing Sources (Uses)	<u>112,006</u>	<u>112,006</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(4,269)</u>	<u>\$ (4,269)</u>
 FUND BALANCE, JANUARY 1		<u>-</u>	
 FUND BALANCE (DEFICIT), DECEMBER 31		<u>\$ (4,269)</u>	

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CDBG FUND**

For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenues	\$ 1,654,039	\$ 2,019,039	\$ 1,764,798	\$ (254,241)
Miscellaneous	-	-	224	224
Total Revenues	<u>1,654,039</u>	<u>2,019,039</u>	<u>1,765,022</u>	<u>(254,017)</u>
EXPENDITURES				
Economic Development				
Salaries and benefits	357,182	357,182	333,177	24,005
Internal service fund charges	40,634	40,634	17,900	22,734
Utilities	2,000	2,000	3,515	(1,515)
Copier maintenance	9,400	9,400	10,511	(1,111)
Telephone	3,000	3,000	4,738	(1,738)
Supplies	-	-	4,570	(4,570)
Postage and printing	-	-	2,021	(2,021)
Other general	35,000	35,000	80,841	(45,841)
Program	<u>1,246,823</u>	<u>1,611,823</u>	<u>1,336,455</u>	<u>275,368</u>
Total Expenditures	<u>1,694,039</u>	<u>2,059,039</u>	<u>1,793,728</u>	<u>265,311</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,000)</u>	<u>(40,000)</u>	<u>(28,706)</u>	<u>11,294</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>28,706</u>	<u>(11,294)</u>
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>28,706</u>	<u>(11,294)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, JANUARY 1			-	
FUND BALANCE, DECEMBER 31			<u>\$ -</u>	

FIDUCIARY FUNDS

CITY OF BERWYN, ILLINOIS

**COMBINING STATEMENT OF NET ASSETS
PENSION TRUST FUNDS**

December 31, 2009

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ASSETS			
Cash and investments			
Cash and cash equivalents	\$ 51,160	\$ 486,283	\$ 537,443
Investments			
Certificates of deposit	-	2,361,375	2,361,375
U.S. Government and agency securities	13,253,047	6,832,502	20,085,549
U.S. Government backed securities	1,967,212	-	1,967,212
Money market mutual funds	1,734,295	1,471,237	3,205,532
Equities	4,235,324	-	4,235,324
Equity mutual fund	10,269,266	6,792,745	17,062,011
Insurance contracts	7,882	74,826	82,708
State and local obligations	<u>1,988,628</u>	<u>48,500</u>	<u>2,037,128</u>
Total Cash and Investments	<u>33,506,814</u>	<u>18,067,468</u>	<u>51,574,282</u>
Receivables			
Accrued interest	171,107	94,241	265,348
Other receivables	-	1,314	1,314
Due from governmental funds	<u>45,476</u>	<u>40,538</u>	<u>86,014</u>
Total Receivables	<u>216,583</u>	<u>136,093</u>	<u>352,676</u>
Prepays	<u>750</u>	<u>-</u>	<u>750</u>
Total Assets	<u>33,724,147</u>	<u>18,203,561</u>	<u>51,927,708</u>
LIABILITIES			
Accounts payable	<u>14,737</u>	<u>3,675</u>	<u>18,412</u>
Total Liabilities	<u>14,737</u>	<u>3,675</u>	<u>18,412</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 33,709,410</u>	<u>\$ 18,199,886</u>	<u>\$ 51,909,296</u>

See independent auditor's report.

CITY OF BERWYN, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN NET ASSETS
PENSION TRUST FUNDS**

For the Year Ended December 31, 2009

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ADDITIONS			
Contributions			
Employer	\$ 1,956,891	\$ 2,024,856	\$ 3,981,747
Participants	<u>803,909</u>	<u>492,384</u>	<u>1,296,293</u>
Total Contributions	<u>2,760,800</u>	<u>2,517,240</u>	<u>5,278,040</u>
Investment Income			
Net appreciation in fair value of investments	2,098,985	1,229,258	3,328,243
Interest earned	870,994	585,035	1,456,029
Less investment expenses	<u>(87,376)</u>	<u>(37,802)</u>	<u>(125,178)</u>
Total Investment Income	<u>2,882,603</u>	<u>1,776,491</u>	<u>4,659,094</u>
Total Additions	<u>5,643,403</u>	<u>4,293,731</u>	<u>9,937,134</u>
DEDUCTIONS			
Administrative	59,375	48,704	108,079
Pension benefits and refunds	<u>2,349,061</u>	<u>2,970,617</u>	<u>5,319,678</u>
Total Deductions	<u>2,408,436</u>	<u>3,019,321</u>	<u>5,427,757</u>
NET INCREASE	3,234,967	1,274,410	4,509,377
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - January 1	<u>30,474,443</u>	<u>16,925,476</u>	<u>47,399,919</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - December 31	<u>\$ 33,709,410</u>	<u>\$ 18,199,886</u>	<u>\$ 51,909,296</u>

See independent auditor's report.

STATISTICAL SECTION

STATISTICAL SECTION

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

Contents	Page
Financial Trends.....	115
These schedules contain trend information to help the reader understand how the City’s financial performance and well being have changed over time.	
Revenue Capacity.....	121
These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	
Debt Capacity.....	125
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	129
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information.....	131
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

CITY OF BERWYN, ILLINOIS
NET ASSETS BY COMPONENT
Last Six Fiscal Years

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Governmental Activities						
Invested in capital assets net of related debt	\$ (54,100,413)	\$ (42,547,755)	\$ (33,773,365)	\$ 7,399,270	\$ 3,546,131	\$ (17,667,300)
Restricted	13,427,436	10,591,506	14,154,458	13,268,265	13,191,114	15,724,685
Unrestricted	(1,384,267)	(5,951,732)	(15,561,601)	(21,533,594)	(16,013,844)	(17,323,029)
Total Governmental Activities	\$ (42,057,244)	\$ (37,907,981)	\$ (35,180,508)	\$ (866,059)	\$ 723,401	\$ (19,265,644)
Business-type Activities						
Invested in capital assets net of related debt	\$ 53,803,712	\$ 49,918,319	\$ 45,996,581	\$ 42,046,853	\$ 38,097,726	\$ 46,905,095
Restricted	-	-	-	-	-	-
Unrestricted	3,373,650	4,320,618	5,126,822	4,771,633	4,837,469	4,960,027
Total Business-type Activities	\$ 57,177,362	\$ 54,238,937	\$ 51,123,403	\$ 46,818,486	\$ 42,935,195	\$ 51,865,122
Primary Government						
Invested in capital assets net of related debt	\$ (296,701)	\$ 7,370,564	\$ 12,223,216	\$ 49,446,123	\$ 41,643,857	\$ 29,237,795
Restricted	13,427,436	10,591,506	14,154,458	13,268,265	13,191,114	15,724,685
Unrestricted	1,989,383	(1,631,114)	(10,434,779)	(16,761,961)	(11,176,375)	(12,363,002)
Total Primary Government	\$ 15,120,118	\$ 16,330,956	\$ 15,942,895	\$ 45,952,427	\$ 43,658,596	\$ 32,599,478

Note: The City delayed recording of their infrastructure assets until fiscal 2007.

The City implemented GASB 34 in 2004 and therefore a full ten years of data is not available for this schedule

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS
CHANGE IN NET ASSETS
Last Six Fiscal Years

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Expenses						
Governmental Activities						
General government	\$ 2,522,183	\$ 3,950,982	\$ 4,102,604	\$ 3,784,866	\$ 3,704,316	\$ 3,985,591
Public safety	25,674,122	27,713,240	31,898,438	30,386,975	32,691,594	33,908,989
Public works	3,566,665	4,308,511	4,070,337	7,911,236	8,834,260	9,491,724
Economic development	2,381,472	4,113,882	5,553,608	4,822,636	4,422,771	7,524,769
Culture and recreation	3,596,705	3,939,759	3,821,004	4,378,740	4,482,379	4,422,112
Health and sanitation	3,375,652	3,639,509	2,532,495	3,793,645	3,979,436	4,004,624
Interest	3,287,663	3,491,041	3,230,567	3,810,963	4,605,725	4,644,552
Total Governmental Activities Expenses	44,404,462	51,156,924	55,209,053	58,889,061	62,720,481	67,982,361
Business-type Activities						
Water	8,306,455	7,933,640	8,390,828	9,406,507	9,219,236	9,675,323
Parking garage	-	-	-	-	-	104,318
Total Business-type Activities Expenses	8,306,455	7,933,640	8,390,828	9,406,507	9,219,236	9,779,641
Total Primary Government Expenses	\$ 52,710,917	\$ 59,090,564	\$ 63,599,881	\$ 68,295,568	\$ 71,939,717	\$ 77,762,002
Program Revenues						
Governmental Activities						
Charges for Services						
General government	2,905,720	3,025,435	3,575,623	2,532,861	2,338,313	2,281,261
Public safety	3,160,021	3,179,570	3,695,343	4,699,882	5,285,205	4,288,119
Public works	116,274	99,669	61,022	1,076,749	1,273,465	1,492,820
Culture and recreation	362,426	394,658	400,349	510,459	785,325	487,998
Health and sanitation	2,861,161	2,871,575	2,968,711	3,940,827	4,284,901	4,396,284
Economic development	-	38,326	26,765	-	-	-
Operating Grants and Contributions	4,333,823	5,471,424	2,859,123	4,108,493	4,141,684	4,254,621
Capital Grants and Contributions	-	-	2,277,698	1,275,193	1,185,936	2,906,195
Total Governmental Activities Program Revenues	13,739,425	15,080,657	15,864,634	18,144,464	19,294,829	20,107,298
Business-type Activities						
Charges for Services						
Water	\$ 5,455,034	\$ 4,907,882	\$ 5,075,488	\$ 4,958,994	\$ 5,285,856	\$ 5,801,624
Operating Grants and Contributions	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-
Total Business-type Activities Program Revenues	5,455,034	4,907,882	5,075,488	4,958,994	5,285,856	5,801,624
Total Primary Government Program Revenues	\$ 19,194,459	\$ 19,988,539	\$ 20,940,122	\$ 23,103,458	\$ 24,580,685	\$ 25,908,922
Net (Expense) Revenue						
Governmental Activities	\$ (30,665,037)	\$ (36,076,267)	\$ (39,344,419)	\$ (40,744,597)	\$ (43,425,652)	\$ (47,875,063)
Business-type Activities	(2,851,421)	(3,025,758)	(3,315,340)	(4,447,513)	(3,933,380)	(3,978,017)
Total Primary Government Net (Expense) Revenue	\$ (33,516,458)	\$ (39,102,025)	\$ (42,659,759)	\$ (45,192,110)	\$ (47,359,032)	\$ (51,853,080)

CITY OF BERWYN, ILLINOIS
CHANGE IN NET ASSETS
Last Six Fiscal Years

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Taxes						
Property	\$ 20,320,107	\$ 22,380,786	\$ 21,932,353	\$ 21,029,820	\$ 24,009,284	\$ 25,164,068
Sales	3,449,214	2,596,951	2,886,605	2,886,108	2,723,620	2,295,513
Home rule sales	1,854,171	1,894,374	1,957,207	2,011,687	2,000,041	1,688,743
Utility	3,487,508	4,234,714	3,979,120	4,178,301	4,548,527	4,050,262
Income	3,457,348	4,802,668	5,132,141	5,518,357	5,924,698	5,036,828
Real estate transfer	2,978,685	3,250,800	2,915,139	1,565,735	989,133	1,028,125
Other	552,848	776,270	757,008	1,066,871	1,064,663	967,893
Investment Earnings	138,414	170,347	442,830	1,019,673	863,193	330,184
Miscellaneous	120,810	133,582	182,793	63,518	227,446	198,975
Transfers	-	(87,333)	-	-	-	(12,879,994)
Total Governmental Activities	36,359,105	40,153,159	40,185,196	39,340,070	42,350,605	27,880,597
Business-type Activities						
Investment Earnings	-	-	-	57,429	50,089	23,949
Miscellaneous	-	-	-	-	-	4,000
Transfers	-	87,333	-	-	-	12,879,994
Total Business-type Activities	-	87,333	-	57,429	50,089	12,907,943
Total Primary Government	\$ 36,359,105	\$ 40,240,492	\$ 40,185,196	\$ 39,397,499	\$ 42,400,694	\$ 40,788,540
Change in Net Assets						
Governmental Activities	\$ 5,694,068	\$ 4,076,892	\$ 840,777	\$ (1,404,527)	\$ (1,075,047)	\$ (19,994,466)
Business-type Activities	(2,851,421)	(2,938,425)	(3,315,340)	(4,390,084)	(3,883,291)	8,929,926
Total Primary Government Change in Net Assets	\$ 2,842,647	\$ 1,138,467	\$ (2,474,563)	\$ (5,794,611)	\$ (4,958,338)	\$ (11,064,540)

Note: For 2007, the building department expenditures of approximately \$1.7 million were recorded within the public works function but had previously been recorded as part of the public safety function.

The City implemented GASB 34 in 2004 and, therefore, a full ten years of data is not available for this schedule

[Data Source](#)

Audited Financial Statements

CITY OF BERWYN, ILLINOIS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ 318,222	\$ 419,443	\$ 5,237,810	\$ 684,885	\$ 642,046	\$ 792,496	\$ 610,349
Unreserved	2,097,992	3,129,183	5,169,605	2,652,658	8,171,865	1,268,110	3,404,867	69,626	(434,196)	(234,524)
Total General Fund	\$ 2,097,992	\$ 3,129,183	\$ 5,169,605	\$ 2,970,880	\$ 8,591,308	\$ 6,505,920	\$ 4,089,752	\$ 711,672	\$ 358,300	\$ 375,825
All Other Governmental Funds										
Reserved	\$ 5,384,600	\$ 2,000,220	\$ 2,146,042	\$ 2,057,893	\$ 13,427,436	\$ 14,587,806	\$ 17,101,126	\$ 17,062,795	\$ 19,433,404	\$ 15,724,685
Unreserved, reported in										
Special Revenue Funds	6,529,627	5,401,224	7,197,360	7,222,818	24,128	18,312	-	(248,969)	(189,840)	178,493
Debt Service Funds	-	-	-	-	-	(1,072,188)	(3,028,916)	(1,319,907)	-	-
Capital Project Funds	32,429,336	5,601,955	3,806,475	2,504,657	627,504	631,279	357,607	21,969,161	17,175,732	5,268,804
Total All Other Governmental Funds	\$ 44,343,563	\$ 13,003,399	\$ 13,149,877	\$ 11,785,368	\$ 14,079,068	\$ 14,165,209	\$ 14,429,817	\$ 37,463,080	\$ 36,419,296	\$ 21,171,982

Note: The unreserved general fund balance increased in 2004 due to the recording of proceeds from a short term borrowing. This borrowing was repaid in subsequent years from the debt service fund. Since the debt service fund did not levy for the repayment of this short-term debt, the unreserved fund balance in the debt service fund became negative. This deficit was corrected during 2008.

[Data Source](#)

Audited Financial Statements

CITY OF BERWYN, ILLINOIS
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Property taxes	\$ 22,120,427	\$ 19,003,833	\$ 18,528,949	\$ 20,851,633	\$ 20,320,107	\$ 22,380,786	\$ 21,932,353	\$ 21,029,820	\$ 24,009,284	\$ 25,164,068
Other taxes	12,910,495	13,405,441	13,501,187	14,774,881	15,927,542	17,555,778	17,627,219	16,851,908	16,860,593	14,692,004
Licenses and permits	1,700,353	1,707,328	1,860,223	1,880,941	4,605,640	4,628,463	2,474,544	2,444,530	2,476,742	2,368,969
Intergovernmental	1,409,696	1,091,324	2,090,240	3,279,135	4,726,906	5,872,817	5,567,284	5,218,266	4,604,635	5,983,259
Fines and forfeitures	4,203,540	4,629,450	5,102,861	5,719,911	2,354,896	2,340,519	2,113,542	3,462,077	4,179,977	3,810,712
Charges for services	3,744,245	3,842,050	3,863,691	3,268,459	1,861,510	1,884,002	5,171,263	5,966,322	6,368,630	7,936,434
Investment income	3,698,687	3,910,897	353,868	246,112	138,414	170,346	442,376	1,001,246	870,564	329,883
Miscellaneous	581,170	357,851	2,176,670	635,185	311,283	488,438	721,249	1,266,938	1,352,027	1,456,353
Total Revenues	50,368,613	47,948,174	47,477,689	50,656,257	50,246,298	55,321,149	56,049,830	57,241,107	60,722,452	61,741,682
Expenditures										
General government	9,333,037	10,086,369	11,207,581	11,304,603	4,330,211	3,881,802	3,769,646	3,628,208	3,582,290	3,787,572
Public safety	13,716,157	14,130,192	15,638,726	17,191,512	26,433,181	27,028,841	30,158,970	30,171,443	30,205,766	31,337,122
Highways and streets	6,740,543	8,213,581	7,159,385	4,946,880	3,383,133	4,072,069	3,831,925	5,522,486	5,887,924	5,935,836
Health & welfare	4,297,197	3,891,421	4,543,164	3,986,219	3,375,652	3,639,509	2,516,150	3,793,645	3,979,436	4,004,624
Culture and recreation	2,309,520	2,545,222	2,480,813	2,636,804	3,557,923	3,527,966	3,620,208	4,089,133	4,060,655	4,095,092
Economic development	216,328	289,168	105,233	511,725	2,359,178	4,099,439	3,580,521	4,821,508	6,374,928	8,593,043
Capital outlay	30,625,564	30,653,643	5,635,034	4,384,405	519,996	430,201	2,785,959	2,090,822	5,914,145	14,730,640
Debt service										
Principal	5,795,250	5,606,490	5,769,647	6,295,000	7,163,850	17,666,069	16,088,740	16,700,209	935,958	2,702,084
Interest	3,859,103	3,961,641	3,944,307	3,775,965	3,022,621	3,217,344	3,323,375	3,558,413	4,346,090	4,414,093
Other charges	-	-	-	-	427,932	69,800	53,835	767,099	379,643	381,331
Total Expenditures	76,892,699	79,377,727	56,483,890	55,033,113	54,573,677	67,633,040	69,729,329	75,142,966	65,666,835	79,981,437
Excess (deficiency) of revenues over (under) expenditures	(26,524,086)	(31,429,553)	(9,006,201)	(4,376,856)	(4,327,379)	(12,311,891)	(13,679,499)	(17,901,859)	(4,944,383)	(18,239,755)
Other Financing Sources (Uses)										
Transfers in	8,430,775	7,776,749	1,346,237	-	-	2,809,300	2,312,014	11,921,682	2,752,592	5,030,945
Transfers (out)	(6,651,391)	(758,344)	(346,237)	-	-	(2,896,633)	(2,312,014)	(11,921,682)	(2,752,592)	(6,280,945)
Debt issued	194,913	3,890,000	4,235,140	-	28,946,250	10,346,509	11,514,507	49,705,827	8,175,930	13,315,594
Premium (discount) on bonds issued	-	-	-	-	2,015,998	-	-	1,146,682	(64,086)	117,032
Transfer to bond escrow agent	(5,478,976)	(2,969,377)	-	-	(21,379,191)	-	-	(12,802,600)	(7,379,125)	(9,317,377)
Sale of capital assets	-	-	-	-	-	-	-	-	150,000	139,298
Total Other Financing Sources (Uses)	(3,504,679)	7,939,028	5,235,140	-	9,583,057	10,259,176	11,514,507	38,049,909	882,719	3,004,547
Net Change in Fund Balances	\$ (30,028,765)	\$ (23,490,525)	\$ (3,771,061)	\$ (4,376,856)	\$ 5,255,678	\$ (2,052,715)	\$ (2,164,992)	\$ 20,148,050	\$ (4,061,664)	\$ (15,235,208)
Debt Service as a Percentage of Noncapital Expenditures	20.87%	19.64%	19.10%	18.39%	19.80%	31.19%	28.31%	28.68%	9.75%	9.62%

Note: Debt refundings that occurred during 2007 through 2009 had the effect of spreading debt service requirements of a longer period of time thereby reducing required principal payments in 2008 and 2009.

[Data Source](#)

Audited Financial Statements

CITY OF BERWYN, ILLINOIS
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years

Fiscal Year	Property Tax	Income Tax	Sales Tax	Home Rule Sales Tax	Personal Prop. Replacement	Municipal Utility Tax	Liquor Tax	Real Estate Transfer Tax	Gas Tax	Motor Fuel Tax	Other Taxes
2000	\$ 22,120,427	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1,349,108	\$ 11,561,387
2001	19,003,833	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,402,010	12,003,431
2002	18,528,949	\$ 3,556,759	\$ 3,672,948	\$ 1,554,329	\$ 130,707	\$ 2,569,819	\$ 134,785	\$ -	\$ 237,482	1,536,716	107,642
2003	20,851,633	3,318,963	3,386,984	1,812,536	100,784	3,892,201	142,919	-	255,532	1,576,404	288,558
2004	20,320,107	3,457,348	3,449,214	1,854,171	147,768	3,469,342	164,638	2,978,685	225,854	1,581,245	180,522
2005	22,380,786	4,802,668	2,596,951	1,894,374	203,122	4,234,714	166,306	3,250,800	217,682	1,611,115	189,161
2006	21,932,353	5,132,141	2,886,605	1,957,207	218,026	3,979,120	169,765	2,915,139	208,602	1,602,221	160,614
2007	21,029,820	5,518,357	2,886,108	2,011,687	257,851	4,178,301	162,672	1,565,735	146,093	1,542,999	125,104
2008	24,009,284	5,924,698	2,723,620	2,000,041	254,006	4,548,527	154,261	989,133	174,869	1,587,463	91,438
2009	25,164,068	5,036,828	2,295,513	1,688,743	214,288	4,050,262	165,310	1,028,125	146,188	1,416,084	66,747

Note: The breakdown of other taxes is not available ("N/A") for 2000-2001.
Motor Fuel Tax is presented as Intergovernmental Revenue on page 28.

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
1999	\$ 325,419,146	\$ 108,485,011	\$ 19,114,395	N/A	\$ 453,018,552	\$ 3.57	\$ 1,359,055,656	33.333%
2000	331,880,104	109,753,294	33,277,777	N/A	474,911,175	3.45	1,424,733,525	33.333%
2001	407,223,782	127,921,223	34,044,070	\$ 73,499,201	495,689,874	3.29	1,487,069,622	33.333%
2002	552,441,950	147,765,493	41,748,473	103,763,963	638,191,953	2.67	1,914,575,859	33.333%
2003	549,947,802	143,105,633	42,369,503	104,519,909	630,903,029	2.74	1,892,709,087	33.333%
2004	575,936,497	144,154,771	44,162,422	117,952,634	646,301,056	2.69	1,938,903,168	33.333%
2005	853,293,634	171,983,602	54,227,847	278,528,880	800,976,203	2.05	2,402,928,609	33.333%
2006	847,136,756	166,320,099	53,871,866	267,186,564	800,142,157	2.04	2,400,426,471	33.333%
2007	889,222,360	167,643,270	55,748,222	277,382,974	835,230,878	2.14	2,505,692,634	33.333%
2008	1,051,667,154	194,366,973	61,988,558	389,516,640	918,506,045	1.94	2,755,518,135	33.333%

Data Source

Office of the County Clerk

Information for the 2009 levy year is not yet available

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Total Direct Tax Rate excludes the City of Berwyn Library

CITY OF BERWYN, ILLINOIS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Levy Years

Tax Levy Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
City Direct Rates										
General	0.85	0.75	0.53	0.46	0.49	0.47	0.41	0.31	0.84	0.94
Bond & Interest	2.06	2.01	2.05	1.65	1.67	1.64	1.14	1.15	0.81	0.55
City of Berwyn Library	0.00	0.00	0.25	0.20	0.21	0.21	0.17	0.18	0.31	0.28
Police Pension	0.33	0.35	0.36	0.28	0.29	0.29	0.24	0.28	0.24	0.22
Fire Pension	0.33	0.35	0.36	0.28	0.29	0.29	0.26	0.30	0.25	0.23
Total Direct Rate	3.57	3.45	3.54	2.87	2.95	2.90	2.22	2.22	2.45	2.22
Overlapping Rates										
Cook County	0.85	0.82	0.75	0.69	0.69	0.65	0.59	0.56	0.50	0.47
Metropolitan Water Rec.	0.42	0.42	0.40	0.37	0.36	0.35	0.32	0.28	0.26	0.25
School District #100	3.58	3.65	3.58	2.79	2.97	2.97	2.55	2.62	2.57	2.44
High School District #201	2.41	2.60	2.62	2.16	2.31	2.30	1.93	2.00	1.96	1.84
Berwyn Park District	0.33	0.32	0.39	0.27	0.31	0.32	0.27	0.32	0.32	0.30
Community College #527	0.55	0.57	0.55	0.45	0.47	0.47	0.40	0.42	0.41	0.39
Other	0.34	0.31	0.34	0.34	0.23	0.19	0.18	0.17	0.18	0.16

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2008			2000		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
MacNeal Memorial Hospital	\$ 13,729,197	1	1.49%	\$ 10,865,427	1	2.29%
Cermak Plaza Associates	5,406,214	2	0.59%	4,268,530	2	0.90%
Shurgard	1,460,072	3	0.16%	N/A	N/A	0.00%
SKS	1,108,790	4	0.12%	N/A	N/A	0.00%
Fairfax	1,093,752	5	0.12%	763,532	3	0.16%
Citizens Bank of Illinois	906,013	6	0.10%	668,143	5	0.14%
McDonald's Co.	860,110	7	0.09%	N/A	N/A	0.00%
Turano Bakery	702,856	8	0.08%	N/A	N/A	0.00%
Vranas & Assoc.	646,348	9	0.07%	N/A	N/A	0.00%
Harris NA CRE	640,129	10	0.07%	708,583	4	0.15%
Cadillac Property Inc	N/A	N/A	0.00%	532,557	6	0.11%
Mid America	N/A	N/A	0.00%	516,821	7	0.11%
Anthony Cattlebuono	N/A	N/A	0.00%	493,643	8	0.10%
Cicero State Bank Trust #2005	N/A	N/A	0.00%	446,910	9	0.09%
CNC	N/A	N/A	0.00%	421,562	10	0.09%
	<u>\$ 26,553,481</u>		<u>2.89%</u>	<u>\$ 19,685,708</u>		<u>4.15%</u>

NOTE:

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

2009 data is not yet available

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$ 16,174,659	\$ 16,174,612	100.00%	\$ 90,845	\$ 16,265,457	100.56%
2000	16,393,768	16,629,699	101.44%	(426,441)	16,203,258	98.84%
2001	17,590,472	16,967,283	96.46%	383,175	17,350,458	98.64%
2002	18,326,630	18,033,487	98.40%	(111,116)	17,922,371	97.79%
2003	18,667,126	17,773,476	95.21%	511,886	18,285,362	97.95%
2004	18,759,051	18,834,722	100.40%	(548,939)	18,285,783	97.48%
2005	17,806,429	17,531,870	98.46%	(573,276)	16,958,594	95.24%
2006	17,756,831	17,312,068	97.50%	(236,356)	17,075,712	96.16%
2007	20,425,153	19,453,602	95.24%	733,251	20,186,853	98.83%
2008	20,382,055	19,773,142	97.01%	-	19,773,142	97.01%

Data Source

Office of the County Clerk

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value. 2009 data is not yet available

CITY OF BERWYN, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds **	Installment Notes Payable	Capital Leases	General Obligation Bonds	Installment Notes Payable	Capital Leases			
2000	\$ 88,700,000	\$ -	\$ 195,232	\$ -	\$ -	\$ -	\$ 88,895,232	8.61%	\$ 1,646
2001	84,235,000	-	18,742	-	-	-	84,253,742	8.16%	1,560
2002	82,730,140	-	-	-	-	-	82,730,140	8.01%	1,532
2003	76,435,140	-	-	-	-	-	76,435,140	7.40%	1,415
2004	78,725,566	248,587	355,814	-	-	-	79,329,967	7.68%	1,469
2005	72,273,803	135,720	551,029	-	-	-	72,960,552	6.18%	1,351
2006	65,506,016	2,494,313	468,203	-	-	-	68,468,532	5.80%	1,268
2007	86,297,397	2,244,257	318,877	-	-	-	88,860,531	7.53%	1,645
2008	86,468,157	2,014,738	537,770	-	-	-	89,020,665	7.54%	1,648
2009	88,113,519	1,357,654	758,641	-	-	-	90,229,814	7.64%	1,670

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

* See the Schedule of Demographic and Economic Information on page 129 for personal income and population data.

** \$7,730,000 of general obligation bonds outstanding at 12/31/09 were paid off on 1/1/10. Therefore, this amount has been excluded from these figures so as not to distort the comparison. See the Notes on page 59 for further details.

CITY OF BERYWN, ILLINOIS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available		Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
		In Debt	Service Fund			
2000	\$ 88,700,000	\$ 5,384,600	\$ 83,315,400	5.85%	\$ 1,542.42	
2001	84,235,000	461,847	83,773,153	5.63%	1,550.90	
2002	82,730,140	607,669	82,122,471	4.29%	1,520.34	
2003	76,435,140	928,417	75,506,723	3.99%	1,397.86	
2004	78,725,566	235,033	78,490,533	4.05%	1,453.10	
2005	72,273,803	(1,072,188)	73,345,991	3.05%	1,305.55	
2006	65,506,016	(3,028,916)	68,534,932	2.86%	1,219.92	
2007	86,297,397	(1,319,907)	87,617,304	3.50%	1,559.58	
2008	86,468,157	1,586,221	84,881,936	N/A	1,510.89	
2009	88,113,519	646,714	87,466,805	N/A	1,556.90	

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

* See the Schedule of Assessed Value and Actual Value of Taxable Property on page 121 for property value data.

CITY OF BERWYN, ILLINOIS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2009

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Berwyn(1)	City of Berwyn Share of Debt
City of Berwyn	\$ 88,113,519	100.00%	\$ 88,113,519
Cook County	3,144,605,000	0.52%	16,351,946
Cook County Forest Preserve District	115,005,000	0.52%	598,026
Metropolitan Water Reclamation District	2,115,927,756	0.54%	11,426,010
Berwyn Park District	2,278,152	100.00%	2,278,152
North Berwyn Park District	1,200,000	100.00%	1,200,000
Schools			
Elementary			
District No. 98	6,030,000	100.00%	6,030,000
District No. 100	29,435,000	100.00%	29,435,000
High School District No. 201	62,862,294	40.48%	25,446,657
Community College District No. 527	3,375,000	40.48%	1,366,200
	5,480,718,202		94,131,990
	\$ 5,568,831,721		\$ 182,245,509

Data Source

Cook County Clerk

- (1) Determined by ratio of assessed valuation of property subject to taxation in the City of Berwyn to valuation of property subject to taxation in overlapping unit.

CITY OF BERWYN, ILLINOIS
SCHEDULE OF LEGAL DEBT MARGIN
December 31, 2009

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

CITY OF BERWYN, ILLINOIS
 DEMOGRAPHIC AND ECONOMIC INFORMATION
 Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2009	56,180	\$ 1,180,397,980	\$ 21,011	11.5%
2008	56,180	1,180,397,980	21,011	7.0
2007	56,180	1,180,397,980	21,011	5.3
2006	56,180	1,180,397,980	21,011	4.7
2005	56,180	1,180,397,980	21,011	6.6
2004	54,016	1,032,407,808	19,113	6.8
2003	54,016	1,032,407,808	19,113	7.6
2002	54,016	1,032,407,808	19,113	7.3
2001	54,016	1,032,407,808	19,113	5.6
2000	54,016	1,032,407,808	19,113	4.5

Data Source

U.S. Department of Commerce, Bureau of the Census and State of Illinois Department of Employment Security

CITY OF BERWYN, ILLINOIS
 PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

2009			2000		
Employer	Number of Employees	% of Total City Employment	Employer	Number of Employees	% of Total City Employment
MacNeal Memorial Hospital	2,200	16.52%	MacNeal Memorial Hospital	1,800	13.51%
Morton West High School *	1,000	7.51%	Morton West High School	400	3.00%
Berwyn South School	506	3.80%	Berwyn South School	370	2.78%
Berwyn North School	370	2.78%	City of Berwyn	335	2.51%
City of Berwyn	344	2.58%	Turano Baking Co.	300	2.25%
Campagna-Turano Baking Co.	300	2.25%	Berwyn North School	218	1.64%
Pillars-The Fillmore Center	140	1.05%	Commercial National Bank	149	1.12%
BP Amoco	90	0.68%	Life Printing & Publishing	135	1.01%
Rosin Eyecare	85	0.64%	Rosin Optical Co.	125	0.94%
Anderson Bros. Ford, Inc.	45	0.34%	Amoco Oil Co.	90	0.68%

Data Source

Phone canvas of employers, 2009 Illinois Service Directory and 2009 Illinois Manufacturer Directory
 2001 Illinois Services and Manufacturing Directories and a phone canvas of employers

* Includes part-time employees

CITY OF BERWYN, ILLINOIS
 FULL-TIME EQUIVALENT EMPLOYEES
 Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Administration	8	8	8	8	8	9	16	16	17	16
Finance	26	27	17	17	16	17	19	19	12	12
Community Development	8	12	11	10	11	17	16	16	16	16
Public Safety										
Police										
Officers	91	90	91	89	92	92	98	101	101	104
Civilians	45	50	49	52	57	44	53	56	25	56
Fire										
Firefighters and officers	62	66	65	65	66	66	66	66	66	68
Civilians	2	2	2	2	2	2	2	2	2	1
Public Works	56	52	52	52	53	55	48	48	48	44
Culture & Recreation	59	51	58	56	59	52	58	59	59	58

Data Source

City payroll office

CITY OF BERWYN, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Physical arrests	N/A	N/A	1,347	2,158	1,670	2,276	2,795	2,002	2,054	2,815
Parking violations	62,551	49,543	59,387	74,390	100,228	78,231	65,277	66,442	67,941	67,941
Traffic tickets issued	N/A	N/A	N/A	2,359	3,045	2,118	9,043	1,101	1,193	11,020
Fire										
Emergency responses	2,020	5,131	5,816	5,984	6,726	8,956	8,566	9,539	9,308	8,413
Fires extinguished	N/A	206	195	207	220	211	190	333	114	139
Public Works										
Streeting resurfacing (miles)	34.9	30.5	0.0	0.0	1.1	0.4	1.3	0.0	0.0	2.0
Pothole repairs	1,157	1,078	1,164	1,108	1,235	1,329	1,465	1,515	1,576	1,692
Water										
New connections	6	7	2	-	8	-	3	2	3	1
Water main breaks	233	245	248	311	142	154	251	322	317	233
Average daily consumption	5.76 MGD	5.92 MGD	5.87 MGD	5.97 MGD	5.88 MGD	5.98 MGD	6.01 MGD	6.02 MGD	6.08 MGD	5.88 MGD
Peak daily consumption	8.12 MGD	8.35 MGD	7.93 MGD	9.04 MGD	7.99 MGD	8.03 MGD	9.12 MGD	7.89 MGD	8.21 MGD	9.03 MGD

Data Source

Various city departments

MGD = million gallons per day

CITY OF BERWYN, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	N/A	N/A	N/A	N/A	N/A	N/A	37	52	47	58
Fire										
Fire stations	3	3	3	3	3	3	3	3	2	3
Fire engines	4	4	4	4	4	4	4	4	4	4
Public Works										
Arterial streets (miles)	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Residential streets (miles)	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
Streetlights	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050
Traffic signals (intersections)	9	9	9	9	9	9	9	9	9	9
Water										
Water mains (miles)	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Fire hydrants	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053
Storage capacity (gallons)	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Wastewater										
Sanitary sewers (miles)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Storm sewers (miles)	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0

Data Source

Various city departments