

# Village of Romeoville, Illinois

Financial Report  
April 30, 2010

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### Financial Section (Continued)

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## Independent Auditor's Report

To Honorable Village President and  
Members of the Board of Trustees  
Village of Romeoville, 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 Village of Romeoville, Illinois, as of and for the year ended April 30, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Romeoville, Illinois, as of April 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information which includes management's discussion and analysis (pages 3 - 15), schedules of funding progress and employer contributions (pages 60 - 65) and budgetary schedules and related note (pages 66 - 68) is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Romeoville, Illinois. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
March 2, 2011

Required Supplementary Information

## Management Discussion and Analysis (MD&A)

# Village of Romeoville, Illinois

## Management's Discussion and Analysis

April 30, 2010

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The Village of Romeoville's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 16).

### Using the Financial Section of this Comprehensive Annual Report

In the past, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resource basis. This approach has been modified and now the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

### Government-Wide Financial Statements

The government-wide financial statements (see pages 16-17) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The focus of the statement of net assets (the "unrestricted net assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement, for the first time, combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The statement of activities (see page 17) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including general government, public works, public safety and culture and recreation. Shared state sales, local utility and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (water and sewerage), where the fee for service typically covers all or most of the cost of operation, including depreciation.

### Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than (the previous model's) fund types.

The governmental funds (see pages 18-21) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The fund financial statements also allow the government to address its fiduciary funds (Police Pension and Firefighters' Pension, see pages 26-27). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

**Management's Discussion and Analysis (Continued)**

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While the business-type activities column on the business-type fund financial statements (see pages 22-25) is the same as the business-type column on the government-wide financial statements, the governmental funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 19 and 21). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the governmental activities column (in the government-wide financial statements).

**Infrastructure Assets**

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the governmental column of the government-wide financial statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

**Government-Wide Financial Statements**

**Statement of Net Assets**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$364.6 million as of April 30, 2010.

A significant portion of the Village's net assets (90.4%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

For more detailed information see the statement of net assets (page 16).

The Village's combined net assets (which are the Village's equity) decreased to \$364.6 million from \$371.6 million as a result of the decrease in net assets in both the governmental and business-type activities. Net assets of the Village's governmental activities were \$264.4 million. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, were a surplus of \$10.0 million. The net assets of business-type activities decreased to \$100.2 million from \$103.1 million. The Village can use unrestricted net assets to finance the continuing operation of its water and sewer system.

Management's Discussion and Analysis (Continued)

Table 1  
Statement of Net Assets  
As of April 30, 2010  
(In millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current Assets	\$ 48.7	\$ 74.3	\$ 27.3	\$ 31.2	\$ 76.0	\$ 105.5
Non Current Assets	2.2	2.2	0.2	0.3	2.4	2.5
Capital Assets	<u>328.2</u>	<u>300.2</u>	<u>116.9</u>	<u>116.7</u>	<u>445.1</u>	<u>416.9</u>
Total Assets	379.1	376.7	144.4	148.2	523.5	524.9
Current Liabilities	21.2	21.3	5.1	5.0	26.3	26.3
Non Current Liabilities	<u>93.5</u>	<u>86.9</u>	<u>39.1</u>	<u>40.1</u>	<u>132.6</u>	<u>127.0</u>
Total Liabilities	114.7	108.2	44.2	45.1	158.9	153.3
Net Assets:						
Invested in Capital Assets, Net of Related Debt	254.2	249.6	75.3	74.3	329.5	323.9
Restricted	0.2	1.0	-	-	0.2	1.0
Unrestricted (deficit)	<u>10.0</u>	<u>17.9</u>	<u>24.9</u>	<u>28.8</u>	<u>34.9</u>	<u>46.7</u>
Total Net Assets	<u>\$264.4</u>	<u>\$268.5</u>	<u>\$ 100.2</u>	<u>\$ 103.1</u>	<u>\$364.6</u>	<u>\$371.6</u>

**Normal Impacts**

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

**Net Results of Activities** – which will impact (increase/decrease) current assets and unrestricted net assets.

**Borrowing for Capital** – which will increase current assets and long-term debt.

**Spending Borrowed Proceeds on New Capital** – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

**Spending of Non-borrowed Current Assets on New Capital** – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

**Principal Payment on Debt** – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

**Reduction of Capital Assets through Depreciation** – which will reduce capital assets and invested in capital assets, net of debt.

**Current Year Impacts**

The Village's governmental activities net assets decreased \$4.1 million and can be attributed to several factors. Assets increased by \$2.4 million, which can be attributed to increased capital asset balances in the current year and decreased cash balances due to unspent bond proceeds at April 30, 2009 being used to finance current year capital expenditures. Liabilities increased by \$6.5 million which can be attributed to increased long-term debt, which was used to purchase land for the recreation department.

The Village's business-type activities net assets decreased \$2.9 million and can be attributed to several factors. Assets decreased by \$3.8 million, which can be attributed to decreased cash on hand when compared to the prior year. Liabilities decreased by \$0.9 million which can be attributed to decreased long-term debt.

Current year impacts are discussed in more detail after Table 2.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

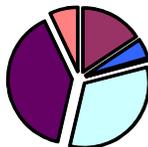
Changes in Net Assets

The following chart compares the revenue and expenses for the current fiscal year.

**Table 2**  
**Changes in Net Assets**  
**For the Fiscal Year Ended April 30, 2010**  
**(In millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 7.1	\$ 7.7	\$12.3	\$13.1	\$ 19.4	\$ 20.8
Operating Grants and Contributions	2.2	2.7	-	-	2.2	2.7
Capital Grants and Contributions	0.2	0.2	-	0.1	0.2	0.3
General Revenues						
Property Taxes	14.8	13.7	-	-	14.8	13.7
Sales Taxes	7.4	7.5	-	-	7.4	7.5
Income Taxes	2.8	3.2	-	-	2.8	3.2
Utility Taxes	5.0	5.4	-	-	5.0	5.4
Other Taxes	2.6	2.7	-	-	2.6	2.7
Transfers	2.6	2.5	(2.6)	(2.5)	-	-
Other	<u>0.6</u>	<u>1.1</u>	<u>0.5</u>	<u>0.8</u>	<u>1.1</u>	<u>1.9</u>
Total Revenues	45.3	46.7	10.2	11.5	55.5	58.2
<b>EXPENSES</b>						
General Government	11.0	11.9	-	-	11.0	11.9
Public Safety	18.6	18.3	-	-	18.6	18.3
Public Works	11.1	11.8	13.1	13.1	24.2	24.9
Culture and Recreation	4.4	4.3	-	-	4.4	4.3
Debt Service	<u>4.3</u>	<u>3.0</u>	-	-	<u>4.3</u>	<u>3.0</u>
Total Expenses	49.4	49.3	13.1	13.1	62.5	62.4
CHANGE IN NET ASSETS	<u>(4.1)</u>	<u>(2.6)</u>	<u>(2.9)</u>	<u>(1.6)</u>	<u>(7.0)</u>	<u>(4.2)</u>
ENDING NET ASSETS	<u>\$264.4</u>	<u>\$268.5</u>	<u>\$100.2</u>	<u>\$103.1</u>	<u>\$364.6</u>	<u>\$371.6</u>

**2010 Governmental Activities Revenue**



- Charges for Services
- Operating Grants
- Capital Grants
- Property Tax
- Other Taxes
- Other

**2010 Governmental Activities Expenses**



- General Government
- Public Safety
- Public Works
- Debt Service
- Culture & Recreation

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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There are eight basic impacts on revenues and expenses as reflected below:

#### Normal Impacts

##### Revenues:

**Economic Condition** – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

**Increase/Decrease in Village Board approved rates** – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.).

**Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)** – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

**Market Impacts on Investment income** – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

##### Expenses:

**Introduction of New Programs** – within the functional expense categories (Public Safety, Public Works, General Government, Parks, etc.) individual programs may be added or deleted to meet changing community needs.

**Increase in Authorized Personnel** – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80% of the Village's operating costs.

**Salary Increases (annual adjustments and merit)** – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

**Inflation** – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

#### Current Year Impacts

##### Revenues:

For the fiscal year ended April 30, 2010, revenues from all activities totaled \$55.5 million. The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. These sources include property taxes, sales taxes, utility taxes, shared revenues from the State (Income tax, Motor Fuel tax), building permits, grants, developer contributions, rubbish collection fees, water and sewer sales to customers and tap-on fees.

The Village saw a 1% decrease in the equalized assessed valuation (EAV) from \$1,228 million to \$1,221 million. The increase in its property tax revenue in 2009 compared to previous years was 8%. The tax rate remained the same at \$1.02 per \$100 EAV. The Village, as a Home Rule community is not subject to the property tax cap laws. Due to the new growth and decreased rate the Village was able to collect an additional \$1.1 million in property tax (\$14.8 million vs. \$13.7 million).

Sales Tax decreased by \$0.1 million or 1%. Sales Tax has decreased due to economic downturn which has curtailed retail sales. State sales taxes decreased by \$0.2 million while the Village's Home Rule sales tax increased by \$0.1 million. The Village increased its home rule sales tax rate from 1.00% to 1.5% effective January 1<sup>st</sup>, 2010.

State Income Tax decreased \$0.4 million or 14.3% due to the economic downturn which resulted in lost jobs and lower earnings.

Utility taxes decreased \$0.4 million or 7% due to decreased usage as businesses and residents conserve to save money, decreased overall business activity and an increase in vacant homes within the Village.

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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The Village saw a decrease in other tax revenue over the prior year of \$0.1 million or 4%. This decrease can be attributed to the severe economic downturn in late 2008 which greatly reduced the residential and business growth in the Village and severely impacted several revenue streams. The combined decreases in Real Estate Transfer Tax, Local Motor Fuel Tax, State Motor Fuel Tax, State Use Tax and Hotel Tax totaled \$0.3 million. The decreases were offset by the Village's new Food and Beverage Tax which generated \$0.2 million. The Food and Beverage Tax went into effect January 1<sup>st</sup>, 2010.

License and permit revenue decreased 50% in 2010 from \$1.6 million in 2009 to \$0.8 million in 2010. The decrease came from a decrease in building permits (\$0.6 million) and permit review fees (\$0.2 million). The decrease in building permits and In-house reviews came from a decrease in commercial and industrial growth.

Investment returns, excluding pension funds, decreased by approximately 58% due to decreased interest rates and fewer funds to invest.

Charges for services decreased by \$1.4 million or 7%. The decreases came from both Government activities (\$0.6 million) and Business-Type Activities (\$.8 million).

Government activities saw changes the following areas; General Government saw a decrease of \$0.7 million. The majority of this decrease was in License and Permits (\$0.8 million) and Land Use Fees (\$0.1 million). Public Safety saw increases of \$0.1 million in fines. Fines increased due to the utilization of Court Supervision and DUI Fines (\$0.1 million). These fines must be used for specific Police related purposes. The funds are held in an escrow account until spent and then are released into revenue. The Police Department used the funds to purchase squad cars. Public Works saw an increase of \$0.1 million. Rubbish fees increased \$0.1 million due to contracted rate increases. The Village charges residents the same monthly cost per house paid to the refuse hauler. Culture and Recreation saw a decrease of \$49,000 due to a decline in Recreation Department program revenues.

The Business type activities (water and sewer operations) decrease was from fewer tap-on fees (\$0.7 million) and decreased Water and sewer sales (\$0.1 million). The decrease is due to less watering due to conservation efforts and less commercial and industrial usage due the economic downturn.

Operating Grants and Contributions saw a decrease of \$0.5 million. The Village received \$0.2 million less in shared revenues from the Lockport Fire Protection District Agreement. In the prior years, long held escrowed funds received under the agreement were moved into revenue. The Village also received \$0.3 million less in grant revenues which tends to fluctuate from year to year based upon project timing and grant availability.

The Police Pension fund had an up year in 2010. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund had a return of 18% in 2010. The return was caused by the recovery in the equity markets which was reflected in the increase of the market value in mutual funds and annuities held by the fund. Overall, the fund value increased by 25%; the investment earnings increases were enhanced by Village and employee contributions. The Police Pension fund has a diverse portfolio that includes cash and cash equivalents (2%), treasuries and agencies (53%) and various annuities and equities (45%).

The Fire Pension fund had an above average year in 2010. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Fire Pension fund returned 14% in 2010. Overall, the fund increased by 30% in value from a combination of investment earnings, Village contributions and employee contributions. The Fire Pension fund is very conservative with approximately 70% of the assets invested in cash equivalents (1%), federal treasuries, agencies and municipal bonds (69%). The remaining 30% is invested in mutual funds. The returns are due to interest earnings and moderate changes in market valuations of investment.

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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#### Expenses:

The Village's total expenses for all activities for the year ended April 30, 2010 were \$62.5 million. Expenses increased 0.2% (\$0.1 million) as compared to 2009.

Government activities costs increased by \$0.1 million. The increases came from Public Safety (\$0.3 million), Culture and Recreation (\$0.1 million) and Debt Service (\$1.3 million) which was offset by \$0.9 million decrease in General Government and a \$0.7 million decrease in Public Works.

General government activities decrease of \$0.9 million is attributed to a decrease in legal fees (\$0.2 million), beautification projects (\$0.2 million), Information Technology consulting services and projects (\$0.3 million). The remaining savings came from a variety of Administration, Finance and Community Development accounts. Legal fees decreased as the result of finalizing an eminent domain suit (Bigelow Property), the other areas of savings were budgeted or as part of an effort to contain expense during the year.

Public Safety increased by \$0.3 million primarily due to salary increases of \$0.4 million. The increase is due to step and benefit increases. The Village has an authorized strength of 69 sworn police personnel and 16 full-time fire personnel plus a pool of approximately 37 part-time fire personnel. The patrol officers are members of the Metropolitan Alliance of Police Chapter 342. Fiscal year 2009-10 was the first year of a three-year contract. The new contract was not settled until August of 2010. Fire personnel were unionized during 2007. Negotiations started in fiscal year 2009 but not much progress has been made. It is anticipated that the Fire contracts will be settled during FY 2010-11.

The Culture and Recreation increase is due to \$0.1 million increase in personnel costs due to raises and \$0.4 million increase in park and capital projects. The increases were offset in savings in contractual services and program costs. Although not reflected in the Table 2 numbers, the Village did issue \$6.7 million in bonds to purchase land on Airport Road (commonly referred to as the Bigelow property) that will be used for open space, park space and future recreational amenities.

Business activities (water and sewer) remained consistent in the prior year. Savings from operations were offset by increased depreciation and interest expenses. The Village has greatly enhanced its water and sewer infrastructure over the past few years including the completion of several ion exchange plants and the expansion of its water treatment plant. The Village also provides water to its residents through its system of wells. The water and sewer operations accounted for 54% of the total Public Works activities.

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

##### **Governmental Funds**

At April 30, 2010, the governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$29.5 million. Expenditures/uses exceeded revenues/sources in 2010 by \$26.4 million. The primary reason for this decrease was due to the Facility Construction Fund which reflects a deficit of \$21.1 million due to expending of prior year bond proceeds on new Village Hall.

##### **General Fund Budgetary Highlights**

Prior to or at the last Village Board meeting in April, the Mayor submits to the Village Board a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2010. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Management's Discussion and Analysis (Continued)

Table 3  
General Fund Budgetary Highlights  
(In millions)

General Fund	Original Budget	Actual
Revenues and Other Financing Sources		
Taxes	\$9.3	\$9.5
Other taxes	15.9	13.8
Interest	0.5	-
Fines	0.8	0.8
Licenses and permits	1.1	0.8
Charges for services	4.2	3.9
Intergovernmental	5.4	2.9
Other	0.6	0.8
Other financing sources	<u>2.6</u>	<u>2.8</u>
<b>Total</b>	<b>40.4</b>	<b>35.3</b>
Expenditures and Other Financing Uses		
General government	9.2	8.6
Public safety	16.9	15.6
Public works	7.6	7.2
Capital outlay	3.3	2.1
Debt service	0.2	0.2
Other financing uses	<u>3.2</u>	<u>3.2</u>
<b>Total</b>	<b>40.4</b>	<b>36.9</b>
Change in Fund Balance	<u>\$ -</u>	<u>\$ (1.6)</u>

As shown above the General Fund was budgeted to break-even, while actual results were a deficit of \$1.6 million. Revenues were under budget by approximately \$5.1 million and expenditures were under budget by \$3.5 million.

The Village received \$2.1 million less in other taxes than anticipated. The Village received \$1.5 million less in sales tax due to slower than anticipated retail development at the Airport and Weber Road corridor and the economic downturn. The Village also received \$0.4 million less in utility taxes and \$0.1 in local gas tax due to slower than anticipated growth and decreasing demand. The downturn in the real estate market resulted in a decrease of \$0.2 million in Real Estate Transfer taxes. The Village also received \$0.1 million less in use tax. The decreases were offset by the newly implemented Food and Beverage Tax (\$0.2 million).

Interest was under budget due to lower interest rates and less funds on hand than anticipated in the budget.

Building Permits were budgeted at a conservative level based on projects in process during fiscal year 2010. However, because of the economic slowdown, lower than anticipated projects resulted in \$0.3 million less in permit fees and \$0.1 million in inspection fees. Developers have cancelled or put on hold numerous projects. However business permits and liquor licenses including liquor licenses were \$0.1 million greater than anticipated.

Intergovernmental Revenues were under budget by \$2.5 million. The Village received \$1.9 million less than anticipated in income tax. \$1.3 million is due to timing delays in payments from the State of Illinois. The remaining portion was due to lower than anticipated income tax generated state wide. The Village did not receive \$0.4 million in a Federal grant for Federal Urban Route road work that was ultimately performed and paid for by the county. The Village also received \$0.1 million less in state grants due to project and grant timing.

Charges for services were under budget by \$0.3 million due to less than anticipated Engineering Fees (\$0.1 million) due to the economic downturn. Also under budget were Ambulance Fees (\$0.1 million) and rubbish collection fees (\$0.1 million). Ambulance activity and the amount anticipated to be collected per run was lower than anticipated. The increase in vacant homes in the Village resulted in lower rubbish collection fees which are billed directly to the homeowners.

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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Other revenues were over budget by \$0.2 million. The Village had \$0.2 million in greater than anticipated Worker Comp wage claim wage reimbursements due to a change in procedure on how the claims are paid, greater than anticipated claims and reimbursement from prior year claims.

Other financing sources, which consist of interfund transfers and lease proceeds, were received as budgeted regarding transfers from the water and sewer funds (\$2.6 million) and the Motor Fuel Tax Fund (\$30,000) but included \$0.2 million in lease proceeds for a Fire Burn Training Prop, which was not budgeted.

General government expenditures were under budget by \$0.6 million. The majority of the savings came from liability and worker comp insurance pool payments (\$0.2 million), Community Development Salaries (\$0.2 million), unspent reserves (\$0.2 million), Village Board expenses (\$0.1 million) and Information Technology contractual services (\$0.1 million). The budgeted reserves were for Sales Tax incentives (\$0.7 million) and Contingencies (\$0.4 million), of which \$0.9 million were spent on sales tax incentives. The savings were offset by additional legal fees of \$0.2 million.

Public safety expenditures were under budget by \$1.3 million. The majority came through salary savings of \$0.9 million due to the timing of hiring new fire and police personnel including 3 Battalion Chief Positions and vacant Police Officer, code enforcement, E911 Dispatcher and Part-time Firefighter positions. Many of these positions will be left vacant until the economy improves. Total Police Department salary savings were \$0.5 million while Fire Department salary savings were \$0.4 million. Public Safety contractual savings of \$0.4 million are spread over several accounts.

Public works expenditures were under budget by \$0.4 million. Public works realized \$0.4 million in savings from a variety of salary (\$0.1 million), contractual services (\$0.1 million) and commodity line items (\$0.1 million) including \$0.1 million in refuse collection costs.

Capital outlay expenditures were under budget by \$1.2 million due to savings and timing of road work projects (\$1 million) and \$0.4 million in beautification and potential grant projects (grant was not received) which was offset by \$0.3 million in Public Safety expenditures for the unbudgeted Fire Academy burn prop (\$0.2 million – financed through lease proceeds) and Police Radios and Radio Equipment (\$0.1 million).

Other financing uses, which are transfers to other funds, were within budget. The transfers were to the Debt Service Fund (\$1.8 million) and the Recreation Department Fund (\$1.5 million).

The Village made a concerted effort to keep General Fund expenditures within or under revenues for fiscal year 2010. The Village, at the start of fiscal year 2005 had a negative fund balance of \$0.6 million. The fiscal year 2010 fund balance is now at \$9.4 million. The Village's long-term goal is to have and maintain a positive fund balance equal to 25% of the General Fund budget. The Village decreased the fund balance by \$1.6 million in FY 2009-10. The Village's targeted fund balance, based on actual expenditures, as of April 30, 2010 was \$8.8 million. The fiscal year 2010-11 budget is \$39.0 million, with a targeted fund balance of \$9.8 million. The Village's estimated 2011-12 budget of \$39 million also has a targeted fund balance of \$9.8 million.

### Capital Assets

At the end of the fiscal year 2010, the Village had a combined total of capital assets of \$445.1 million (after accumulated depreciation of \$122.3 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net increase (including additions and deletions) of just over \$28.2 million. Detailed information related to capital assets is included in Notes 1 and 4 to the basic financial statements.

The Net Capital Assets of the Village increased by \$28.2 million over 2009. The main reasons for the increase can be attributed to the building of a new Village Hall and Fire Station by the Village and land purchases.

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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Table 4

	Total Capital Assets at Year End Net of Depreciation (In millions)		
	Balance 4/30/09	Net Additions/Deletions	Balance 4/30/10
Land	\$170.3	\$ 7.2	\$177.5
Buildings	19.7	(0.8)	18.9
Machinery and Equipment	2.5	(0.5)	2.0
Furniture and Fixtures	0.7	0.1	0.8
Vehicles	2.8	0.2	3.1
Infrastructure	202.2	(5.0)	197.2
Other Equipment	0.3	-	0.3
Construction in Progress	<u>18.4</u>	<u>26.9</u>	<u>45.3</u>
Total Capital Assets	<u>\$416.9</u>	<u>\$28.2</u>	<u>\$445.1</u>

#### Debt Outstanding

As of April 30, 2010 the Village had outstanding bonded debt of \$107.1 million. Of this amount \$17.0 million represented general obligation bonds associated with business-type activities. Alternate revenue bonds associated with governmental activities totaled \$2.0 million at April 30, 2010, while general obligation bonds associated with governmental activities totaled \$88.1 million.

As of April 30, 2010, the Village has a \$24.5 million Illinois Environmental Protection Agency Clean Water State Revolving Funds loan.

In May of 2009 the Village issued \$6.7 million G.O. Bonds, Series 2009 to purchase public open space land.

The Village is no longer subject to the debt limit due to its Home Rule community status. A brief discussion of Home Rule is found below in the Economic Factors section of the Management Discussion and Analysis.

However, the Village's legal debt limitation would be \$105,280,048 if it were a non-Home Rule community. The limit is based on 8.625% of the 2008 equalized assessed valuation of \$1,228,638,234.

#### Economic Factors

The Village became a Home Rule community in February of 2004. Home Rule communities are not subject to the state imposed property tax cap which limits property tax increases, excluding new development and newly annexed property, to the lesser of 5% or the CPI. Home Rule communities have no legal debt limit, can implement additional revenue sources not available to non Home Rule communities and can implement regulations not available to non Home Rule communities. Under Illinois State Statutes a Village or City automatically qualifies as a Home Rule community when the population exceeds 25,000.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Romeoville during fiscal year 2010 and is expected to continue through fiscal year 2011. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax), which had been trending upward, will be reduced on a per capita basis going forward due to the economic downturn. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

The Village implemented a 1% Food and Beverage tax and increased the Home Rule sales tax of 1% to 1.5% in the fall of 2009. The new rates went into effect January 1<sup>st</sup>, 2010. The sales tax increase will generate \$1.4 million on an annual basis while the Food and Beverage Tax will generate \$450,000 on an annual basis. The taxes were implemented to ensure the Village does not have as large General Corporate Fund shortfall for FY 2009-10 and help to balance the 2010-11 General Corporate Fund budget. Even with the additional funds from these sources the Village's 2010-11 budget was \$1 million less than FY 2009-10 (\$39 million versus \$40 million). The FY 2011-12 budget is anticipated to remain at the \$39 million level.

It was discovered over the course of fiscal year 2006 that the State of Illinois had improperly allocated \$824,000 in sales tax collected by CITGO to the Village over a period of several years. Half of the CITGO refinery resides in the Village and the other

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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half is in unincorporated Will County but the address is a Romeoville address. The sales did occur in unincorporated Will County. The State determined in June of 2006 that the Village, through monthly deductions from sales tax distributions will repay the misallocated sales tax \$11,447 per month for 72 months. The Village will be impacted by this until July of 2011.

The Village pursued the implementation of a Real Estate Transfer Tax. The tax, by state statute, can only be implemented by Home Rule communities but still must be approved by the voters through the referendum process. The Village was able to successfully pass the referendum during the April 5, 2005 elections. The Real Estate Transfer Tax was implemented in June of 2005 and generated \$1.25 million which exceeded the estimated referendum amount of \$1,073,000. In fiscal year 2007 the tax generated \$1.7 million. However that decreased to \$1.5 million for fiscal year 2008, \$0.6 million for 2009 and \$0.5 million for 2010. The slowing housing market will have a large impact on fiscal year 2011 and 2012 revenues as both years will be similar to 2010. The Village pledged, through the referendum process, to use half the proceeds for recreational projects and open space acquisition and the other half for growth related capital projects and public safety equipment.

Fiscal year 2004 saw the start of a slowdown in residential growth in the Village. The trend continued during the 2010 fiscal year. The Village's housing starts have decreased from the 700 to 1,200 range to the 5 to 15 range.

The Village continues to receive fewer funds from growth related revenues including building permits and tap-on fees and is starting to experience smaller annual increases in areas such as water and sewer revenues, utility tax and recreation department revenues. The Village was seeing an increase in commercial and industrial development. The increase in commercial and industrial development did have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues. However the downturn in the economy is having a large impact on these growth related revenue streams. There are some small signs that development activities are starting to increase. Recent activity has included the opening of a Firestone, a proposed NTB and Deals stores and a couple of large industrial businesses moving into vacant sites. It is anticipated that FY 2012-13 will see a return to a more typical level of development.

The Village, in hope of revitalizing what is now designated as the downtown area, has formed a new Tax Increment Finance District (Downtown TIF) to provide a funding mechanism for the needed activities and projects. The revitalization will provide an economic engine on the Village's aging North side. The revitalization is expected to have a long-term positive impact on property taxes, sales taxes, building permits and other revenue sources.

More importantly, the Downtown TIF is expected to improve the quality of life for the residents. The Downtown TIF is anticipated to attract new quality businesses to the area and some new housing (100 to 200 units) in the form of upscale town homes and/or mid-rise condominiums. Businesses may include a food store to replace the departed Sterk's store, a hardware store, restaurants, coffee shops, bakeries, a movie theater, boutique shops, and a renovated library facility. The plans are still in preliminary stages. The library district has started the renovation project which will be completed in late 2011. The Village still hopes to build a community center and a park with a band shell but the funds may not be available.

The Village continues to meet with developers after the formation of the TIF to refine the Village's downtown vision. It is anticipated that a master developer will be selected during the 2011-12 fiscal year. Two new restaurants will open in or near the Downtown Area in FY 2010-11 (Mongo McMichael's Texas Barbeque and the Stone City Saloon). TIF incentives will be provided to both restaurants.

The downtown area is generally bounded by Normantown Road on the north, Illinois Route 53 on the east, Alexander Circle on the south and Dalhart Avenue on the west. The area includes what currently are the Spartan Square Shopping Center and the surrounding vacant land and various out lots. The entire Downtown TIF area is approximately 421 acres including the Downtown Area. The Downtown TIF will extend east of the Downtown area to include nearby industrial parks and open space up to and along the Des Plaines River and south along the Route 53 frontage properties to Romeo Road. The Downtown TIF is contiguous to the existing Marquette TIF.

The Village may spend \$60.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Projects include Route 53 landscaping islands, infrastructure improvements to storm water systems, improve and realign roadways and property acquisition, assembly, preparation and maintenance. TIF dollars will be used to assist property owners with property rehab, façade improvements, relocation expenses and other incentives.

The Village has implemented extensive design standards for properties located within the TIF area and wants to improve the existing structures to meet the new standards. It is anticipated that the Village will have to issue General Obligation TIF bonds to provide the immediate funding needed for a portion of the projects.

## Village of Romeoville, Illinois

### Management's Discussion and Analysis (Continued)

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The Village would expect, based upon a \$15 million bond issue, to pay \$6 million in financing costs. The bonds would be paid with TIF funds. Final numbers and projects will be revised after a master developer has been selected.

The Downtown TIF will allow the Village to capture property tax dollars based upon additional equalized assessed value (EAV) realized above 2003 values and the combined tax rate for all taxing bodies. Property owners in the Downtown TIF will pay the property taxes they would normally pay. The taxing bodies receive property taxes based upon the 2002 EAV of the TIF area and the Village would receive the remaining portion of property taxes for the incremental EAV above the 2003 level. The Village has received approval and support from the taxing bodies affected by the Downtown TIF, including the Valley View 365U School District. The Village began to receive TIF funds in the 2006-07 fiscal year.

The Village plans, funds permitting, to construct a community center in the Downtown TIF District. The community center will give the Village a presence in the downtown and will serve as an attraction to bring both a daytime and nighttime population to the downtown. The community center would cost an estimated \$12 million. The community center may contain space for a performing arts center/stage, gymnastics, martial arts, dance, a gymnasium and community rooms. It is anticipated that if the community center is built, it would open late 2014 or early 2015. However, the Village is also pursuing a Public/Private partnership to build a community facility as well.

Downtown TIF may generate an estimated \$12 million in Downtown TIF property taxes and interest.

An additional \$35 million is anticipated to be imported from the existing Marquette TIF. State Statutes allow the villages to import/export TIF Funds between TIF Districts if they are contiguous with each other.

The Village has received approval from the state legislature, which required the approval of all the taxing bodies within the TIF to grant approval, to extend the life of the Marquette TIF for 12 years to further support what the Village hopes to accomplish in the Downtown area and forming three new TIF Districts. One of the new TIF's would be located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF and a TIF along Route 53 heading south and a TIF District on extending to the south and east.

The Village created a third TIF in fiscal year 2008. The Romeo Road TIF is located on the North East corner of Route 53 and Romeo Road and is 2.5 acres in size. The TIF was created to provide \$350,000 in incentives for Developers to bring a Walgreens to the site. The Walgreens opened in October of 2008. The site was home to a long-time closed Amoco station. The site has a number of environmental and infrastructure challenges and would not be developed without the incentives. The Romeo Road TIF is contiguous to the Downtown TIF. The Village will be performing additional turn lane improvements at the Walgreens, which will be funded out of the Romeo Road TIF.

The Village acquired the Spartan Square Shopping Plaza, located within the Downtown TIF, during fiscal year 2008. The Village was in the process of looking at condemnation. Having control of the property provides the Village better flexibility and flow of information in working with potential developers with regards to the property. The Village acquired vacant land from Harris Bank during fiscal year 2009, next to the facility located in the downtown area for \$2.2 million. The land may be used for the community center.

Ace Hardware, the major tenant has moved out of the Spartan Square Plaza prior to the expiration of the lease but they do want to return when the envisioned future retail center is constructed. The Village is working with the remaining tenants to leave so that the current structure can be razed and prepared for redevelopment.

The Village needed new facilities to house current and future Village Employees. The Village's Police Department was most in need of additional space. The Village conducted a space needs analysis during the 2006 fiscal year. The Village, spread out over several locations and buildings, currently operates out of a space of slightly over 32,000 square feet, including the Police Department's 11,400 square feet of space. The space served 180 employees.

The Village built a combined Village Hall and Police Station, which opened in June of 2010. Residents had to go to several locations to access Village services. The new 118,000 square foot facility combines the services at one location. The Village Hall/Police Station is located on a site immediately west of the Recreation Center on 135<sup>th</sup> St. The Village broke ground on the new Village Hall/Police Station in June of 2008.

The Village had planned on constructing two new fire stations. Fire Station #3, located at Normantown and Birch roads, was completed in October of 2008. The other Fire Station, known as Fire Station #1, will be located on the Joliet Archdiocese

**Management's Discussion and Analysis (Continued)**

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property located on Route 53 between the cemetery and 135<sup>th</sup> Street. The Village purchased the land in 2009 for \$0.3 million. The Village may not construct the new Fire Station #1 but will instead use the funds to fund \$2 million in improvements to Veterans Parkway. Also the Radio System required by the Police, Fire and REMA exceeded the budget allotment by \$1 million and funds were used for improvements to Fire Station (\$0.3 million). The original Fire Station #1 will be razed if the new Fire Station is constructed. If the Station is not constructed, then improvements will be made to the current Fire Station #1.

The Village originally issued bonds to pay for the new Village Hall/Police Station (\$47.1 Million), Deer Crossing Park (\$3.3 Million), the two fire stations (\$9.5 million) and a building renovation/road alignment (\$1.9 million) on property acquired from the Valley View School district next to the recreation center (commonly known as the Bus Barn Site). The projects, including the revisions discussed above, will cost \$61.8 million. The debt service is not anticipated to be included as part of the property tax levy. The Village plans to use funds generated from Home Rule sales tax and Lockport Fire Protection District agreement to make the debt service payments. The projects will be funded with bond proceeds (\$57.8 million), sale of land (\$2.0 million), interest (\$0.8 million), transfer from the General Fund (\$0.8 million) and grants and donations for the park (\$0.4 million). The sale of land to the Will County Forest preserve was completed in fiscal year 2008. The land is part of the O'Hara woods and is located directly behind the Village Hall site and Deer Crossing Park. The Village is still waiting for a \$400,000 grant from the state for Deer Crossing Park.

The Village, in order to increase sewage treatment capacity and meet EPA requirements has started to perform a wastewater consolidation and expansion project. The total project will cost \$36 million and will take several years to complete. The Village should complete the project in fiscal year 2010-11. The Village has secured an Illinois EPA Revolving Loan (\$26 million) for a low interest loan to fund the project. The current IEPA loan rate is 2.5%. The loan is for 20 years. Annual payments are \$1.7 million. The loan is being repaid from water and sewer revenues.

The economic downturn continues to have a tremendous impact on the Village. The Village's fiscal year 2010-11 General Fund budget was \$39.5 million dollars, a decrease of \$.9 million from the prior year. The fiscal year 2011-12 budget is estimated to be \$39 million. Sales tax remains virtually stagnant, the tax levy, due to decreasing assessed value in both 2009 and 2010 and the Village's desire not to increase the tax rate will decrease by \$.5 from the 2008. Real Estate Transfer Tax over the last two years has decreased from \$1.5 million per year to \$0.5 million. Building permits have decreased from \$1.7 million in fiscal year 2009 to \$0.5 million for fiscal year 2010-11 and 2011-12.

The Village took several steps to balance the FY 10-11 budget including increasing the Home Rule Sales Tax rate by .5%, implementing the 1% Food and Beverage Tax, increasing the gas use tax by 1 cent per therm, increasing the local motor fuel tax by 1 cent, increasing business and liquor license fees, increasing water and sewer rates by 5%, leaving ten positions vacant through several departments, no raises for non-union staff, offered an early retirement incentive package (which is reflected in the required GASB 45 reporting) and staff reductions of 3 full time and 15 part-time positions.

The Village's contracts with the Police Union (MAP) and Public Works/Clerical/Inspectors/Code Enforcement/E-911 Dispatch (AFSCME) expired at the end of fiscal year 2009. Negotiations started during the spring of 2009. The Village settled with AFSCME in September of 2009 and with Police in August of 2010. There were no major changes to the contract, which did include a 2% annual Cost-of-Living Adjustment (COLA) for both unions. Non-Union Employees received a 2% COLA for FY 09-10 but no COLA or step increase for FY 10-11. The Police Union contract did go to arbitration after an agreement was not reached through standard negotiations and Federal mediation. The Village is also in negotiations with the recently formed Fire Union for their very first contract. The contract is anticipated to be settled in FY 10-11.

**Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Kirk Openchowski, Finance Director, Village of Romeoville, 1050 West Romeo Road, Romeoville, Illinois 60446.

**Government-Wide Financial Statements**

Village of Romeoville, Illinois

Statement of Net Assets  
April 30, 2010

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 25,669,318	\$ 12,034,602	\$ 37,703,920
Investments	10,293,539	10,054,299	20,347,838
Receivables:			
Property taxes	11,305,930	-	11,305,930
Accounts	881,176	1,480,949	2,362,125
Other	865,045	-	865,045
Internal balances	(3,719,829)	3,719,829	-
Due from other governmental units	3,409,225	-	3,409,225
<b>Total current assets</b>	<b>48,704,404</b>	<b>27,289,679</b>	<b>75,994,083</b>
<b>Non-Current Assets</b>			
Net OPEB asset	18,715	-	18,715
Unamortized bond costs and discounts	2,129,179	273,685	2,402,864
Capital assets not being depreciated	220,269,696	2,569,167	222,838,863
Capital assets being depreciated, net	107,966,048	114,281,381	222,247,429
<b>Total non-current assets</b>	<b>330,383,638</b>	<b>117,124,233</b>	<b>447,507,871</b>
<b>Total assets</b>	<b>\$ 379,088,042</b>	<b>\$ 144,413,912</b>	<b>\$ 523,501,954</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
General obligation bonds	\$ 2,094,318	\$ 1,670,682	\$ 3,765,000
Alternate revenue bonds	170,000	-	170,000
Note payable	-	1,058,534	1,058,534
Capital leases	219,732	-	219,732
Accounts payable	3,337,805	1,580,850	4,918,655
Accrued liabilities	979,958	74,878	1,054,836
Accrued interest	704,752	497,200	1,201,952
Deposits	2,228,826	133,227	2,362,053
Compensated absences	95,110	105,123	200,233
Unearned revenue	11,351,562	-	11,351,562
<b>Total current liabilities</b>	<b>21,182,063</b>	<b>5,120,494</b>	<b>26,302,557</b>
<b>Long-Term Liabilities, net of current maturities</b>			
Unamortized bond premium	438,735	264,916	703,651
Deferred amounts on refunding	-	39,312	39,312
General obligation bonds	86,026,895	15,345,373	101,372,268
Alternate revenue bonds	1,785,000	-	1,785,000
Note payable	-	23,438,419	23,438,419
Capital leases	628,480	-	628,480
Pension obligation	1,762,003	-	1,762,003
Compensated absences	2,834,059	-	2,834,059
<b>Total long-term liabilities</b>	<b>93,475,172</b>	<b>39,088,020</b>	<b>132,563,192</b>
<b>Total liabilities</b>	<b>114,657,235</b>	<b>44,208,514</b>	<b>158,865,749</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	254,221,831	75,306,997	329,528,828
Restricted for MFT Allotments	164,830	-	164,830
Unrestricted	10,044,146	24,898,401	34,942,547
<b>Total net assets</b>	<b>264,430,807</b>	<b>100,205,398</b>	<b>364,636,205</b>
<b>Total liabilities and net assets</b>	<b>\$ 379,088,042</b>	<b>\$ 144,413,912</b>	<b>\$ 523,501,954</b>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Activities  
Year Ended April 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense), Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 11,028,906	\$ 1,998,582	\$ -	\$ 185,000	\$ (8,845,324)	\$ -	\$ (8,845,324)
Public safety	18,573,007	1,463,849	1,271,765	-	(15,837,393)	-	(15,837,393)
Public works	11,092,991	2,782,267	972,441	-	(7,338,283)	-	(7,338,283)
Culture and recreation	4,345,424	860,826	-	35,000	(3,449,598)	-	(3,449,598)
Interest and fees	4,320,124	-	-	-	(4,320,124)	-	(4,320,124)
Total governmental activities	<u>49,360,452</u>	<u>7,105,524</u>	<u>2,244,206</u>	<u>220,000</u>	<u>(39,790,722)</u>	<u>-</u>	<u>(39,790,722)</u>
Business-type activities:							
Water and sewer	13,072,465	12,298,995	-	1,235	-	(772,235)	(772,235)
Total	<u>\$ 62,432,917</u>	<u>\$ 19,404,519</u>	<u>\$ 2,244,206</u>	<u>\$ 221,235</u>	<u>(39,790,722)</u>	<u>(772,235)</u>	<u>(40,562,957)</u>
General revenues							
Taxes:							
Property					14,820,536	-	14,820,536
Sales					7,356,280	-	7,356,280
Income					2,785,961	-	2,785,961
Utility					5,014,852	-	5,014,852
Other					2,611,733	-	2,611,733
Interest					367,726	459,824	827,550
Miscellaneous					191,106	-	191,106
Transfers					2,600,000	(2,600,000)	-
Total general revenues and transfers					<u>35,748,194</u>	<u>(2,140,176)</u>	<u>33,608,018</u>
Change in net assets					(4,042,528)	(2,912,411)	(6,954,939)
Net assets:							
May 1, 2009					<u>268,473,335</u>	<u>103,117,809</u>	<u>371,591,144</u>
April 30, 2010					<u>\$ 264,430,807</u>	<u>\$ 100,205,398</u>	<u>\$ 364,636,205</u>

See Notes to Basic Financial Statements.

## Fund Financial Statements

Village of Romeoville, Illinois

Balance Sheet  
Governmental Funds  
April 30, 2010

	General Fund	Recreation Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 12,736,719	\$ 2,783,866	\$ 3,325,256	\$ 6,823,477	\$ 25,669,318
Investments	-	-	10,293,539	-	10,293,539
Receivables:					
Property taxes	8,631,928	1,599,524	-	1,074,478	11,305,930
Accounts	466,115	148,232	-	266,829	881,176
Other	771,944	32,695	1,540	58,866	865,045
Due from other funds	1,171,310	-	-	1,285,325	2,456,635
Advances to other funds	472,853	-	-	-	472,853
Due from other governmental units	3,329,597	-	-	79,628	3,409,225
<b>Total assets</b>	<b>\$ 27,580,466</b>	<b>\$ 4,564,317</b>	<b>\$ 13,620,335</b>	<b>\$ 9,588,603</b>	<b>\$ 55,353,721</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 1,171,167	\$ 234,894	\$ 1,491,651	\$ 440,093	\$ 3,337,805
Accrued liabilities	855,157	57,542	-	67,259	979,958
Deposits	1,910,365	318,461	-	-	2,228,826
Due to other funds	4,302,762	1,862,599	-	11,103	6,176,464
Advances from other funds	-	-	-	472,853	472,853
Deferred revenue	9,964,751	1,605,684	-	1,079,602	12,650,037
<b>Total liabilities</b>	<b>18,204,202</b>	<b>4,079,180</b>	<b>1,491,651</b>	<b>2,070,910</b>	<b>25,845,943</b>
<b>Fund balances (deficits):</b>					
Reserved for advances	472,853	-	-	-	472,853
<b>Unreserved:</b>					
General fund	8,903,411	-	-	-	8,903,411
Special revenue funds	-	485,137	-	(254,281)	230,856
Debt service funds	-	-	-	(2,392)	(2,392)
Capital projects funds	-	-	12,128,684	7,774,366	19,903,050
<b>Total fund balances</b>	<b>9,376,264</b>	<b>485,137</b>	<b>12,128,684</b>	<b>7,517,693</b>	<b>29,507,778</b>
<b>Total liabilities and fund balances</b>	<b>\$ 27,580,466</b>	<b>\$ 4,564,317</b>	<b>\$ 13,620,335</b>	<b>\$ 9,588,603</b>	<b>\$ 55,353,721</b>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
April 30, 2010

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Total fund balances-governmental funds	\$ 29,507,778
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	328,235,744
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Revenue that is deferred in the fund financial statements because it is not available but is recognized as revenue in the government-wide financial statements.	1,298,475
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Bond issuance costs that are an expenditure in the fund financial statements are an asset that is amortized over the life of the bonds in the government-wide financial statements.	2,129,179
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Premium on bonds that is other financing use in the fund financial statements is a liability that is amortized over the life of the bonds in the government-wide financial statements.	(438,735)
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Some assets and liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported as assets and liabilities in governmental funds:

These activities consist of:

OPEB asset	18,715
Accrued interest	(704,752)
General obligation bonds	(88,121,213)
Alternate revenue bonds	(1,955,000)
Pension obligations	(1,762,003)
Compensated absences	(2,929,169)
Capital leases	(848,212)

Net assets of governmental activities	<u>\$ 264,430,807</u>
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See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 Year Ended April 30, 2010

	General Fund	Recreation Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property taxes	\$ 9,492,513	\$ 1,548,613	\$ -	\$ 3,779,410	\$ 14,820,536
Other taxes	13,774,085	505,127	-	545,555	14,824,767
Interest	41,675	4,275	310,973	10,803	367,726
Fines	752,175	-	-	-	752,175
Licenses and permits	797,229	-	-	-	797,229
Charges for services	3,895,490	788,462	-	193,317	4,877,269
Intergovernmental	2,917,349	-	-	972,441	3,889,790
Developer contributions	75,000	35,000	-	110,000	220,000
Other	764,077	72,364	17,545	15,971	869,957
<b>Total revenues</b>	<b>32,509,593</b>	<b>2,953,841</b>	<b>328,518</b>	<b>5,627,497</b>	<b>41,419,449</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	8,553,814	-	-	783,927	9,337,741
Public safety	15,574,310	-	-	-	15,574,310
Public works	7,240,756	-	-	1,024,109	8,264,865
Culture and recreation	-	3,650,743	-	-	3,650,743
<b>Debt service:</b>					
Principal	198,177	-	-	1,684,103	1,882,280
Interest and fees	34,057	-	-	2,276,923	2,310,980
Bond issuance costs	-	82,506	-	-	82,506
Capital outlay	2,130,211	7,631,384	21,433,850	4,976,740	36,172,185
<b>Total expenditures</b>	<b>33,731,325</b>	<b>11,364,633</b>	<b>21,433,850</b>	<b>10,745,802</b>	<b>77,275,610</b>
Excess (deficiency) of revenues over (under) expenditures	(1,221,732)	(8,410,792)	(21,105,332)	(5,118,305)	(35,856,161)
<b>Other financing sources (uses):</b>					
Bond proceeds	-	6,700,000	-	-	6,700,000
Lease issuance	185,000	-	-	-	185,000
Transfers in	2,630,000	1,478,900	-	3,216,239	7,325,139
Transfers (out)	(3,234,934)	(190,194)	-	(1,300,011)	(4,725,139)
<b>Total other financing sources (uses)</b>	<b>(419,934)</b>	<b>7,988,706</b>	<b>-</b>	<b>1,916,228</b>	<b>9,485,000</b>
<b>Net change in fund balances</b>	<b>(1,641,666)</b>	<b>(422,086)</b>	<b>(21,105,332)</b>	<b>(3,202,077)</b>	<b>(26,371,161)</b>
<b>Fund balances:</b>					
May 1, 2009	11,017,930	907,223	33,234,016	10,719,770	55,878,939
April 30, 2010	\$ 9,376,264	\$ 485,137	\$ 12,128,684	\$ 7,517,693	\$ 29,507,778

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
Year Ended April 30, 2010

Net change in fund balances—total governmental funds		\$ (26,371,161)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital assets exceeded depreciation expense in the current period.		
Capital outlays	\$ 34,613,941	
Depreciation expense	<u>(6,569,599)</u>	28,044,342
Revenues that are deferred in the fund financial statements because they are not available but are recognized as revenue in the government-wide financial statements.		1,298,475
In governmental funds, long-term debt is considered other financing sources, but in the statement of net assets, debt is reported as a liability.		
In the current period, proceeds were received from:		
General obligation bonds		(6,700,000)
Capital leases		(185,000)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
General obligation bonds	\$ 1,549,103	
Alternate revenue bonds	135,000	
Capital leases	<u>198,177</u>	1,882,280
Premium on bonds is recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net assets which is amortized over the life of the bonds. This is the amount in the current period.		
Amortization premium on bonds		30,324
Bond issuance costs are recorded as an expenditure in the fund financial statements, but the cost is recorded as an asset in the statement of net assets which is amortized over the life of the bonds. These are the amounts in the current period.		
Bond issuance costs	\$ 82,506	
Amortization bond issuance costs	<u>(98,016)</u>	(15,510)
Accreted interest on capital appreciation bonds is not reported in the governmental funds, however, it results in an increase in long-term liabilities on the statement of net assets.		
		(2,088,859)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:		
Decrease in accrued interest	147,407	
Increase in OPEB asset	68,961	
Increase in pension obligation	(170,634)	
Decrease in compensated absences	<u>16,847</u>	62,581
Change in net assets of governmental activities		<u>\$ (4,042,528)</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Net Assets  
Enterprise Fund  
April 30, 2010

	Business-Type Activities
<b>Assets</b>	
Current Assets	
Cash and cash equivalents	\$ 12,034,602
Investments	10,054,299
Accounts receivable	1,480,949
Due from other funds	3,719,829
<b>Total current assets</b>	<u>27,289,679</u>
Non-Current Assets	
Unamortized bond costs	273,685
Capital assets not being depreciated	2,569,167
Capital assets being depreciated, net	114,281,381
<b>Total non-current assets</b>	<u>117,124,233</u>
<b>Total assets</b>	<u>\$ 144,413,912</u>
<b>Liabilities and Net Assets</b>	
Current Liabilities	
General obligation bonds	\$ 1,670,682
Note payable	1,058,534
Accounts payable	1,580,850
Accrued liabilities	74,878
Accrued interest	497,200
Deposits	133,227
Compensated absences	105,123
<b>Total current liabilities</b>	<u>5,120,494</u>
Long-term Liabilities, net of current maturities	
Unamortized bond premiums	264,916
Deferred amounts on refunding	39,312
General obligation bonds	15,345,373
Note payable	23,438,419
<b>Total long-term liabilities</b>	<u>39,088,020</u>
<b>Total liabilities</b>	<u>44,208,514</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	75,306,997
Unrestricted	24,898,401
<b>Total net assets</b>	<u>100,205,398</u>
<b>Total liabilities and net assets</b>	<u>\$ 144,413,912</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Revenues, Expenses, and Changes in Net Assets  
 Enterprise Fund  
 Year Ended April 30, 2010

	Business-Type Activities
<hr/>	
Operating revenues:	
Charges for services	\$ 11,823,599
Fines and fees	434,131
Developer contributions	1,235
Reimbursements	41,265
<b>Total operating revenues</b>	<u>12,300,230</u>
Operating expenses:	
Water and sewer	7,525,109
Depreciation	4,189,946
Amortization	(48)
<b>Total operating expenses</b>	<u>11,715,007</u>
<b>Operating income</b>	<u>585,223</u>
Non-operating income (expense):	
Interest income	459,824
Interest expense	(1,357,458)
<b>Total non-operating income (expense)</b>	<u>(897,634)</u>
<b>Loss before transfers</b>	(312,411)
Transfers out	<u>(2,600,000)</u>
<b>Change in net assets</b>	(2,912,411)
Net assets:	
May 1, 2009	<u>103,117,809</u>
April 30, 2010	<u>\$ 100,205,398</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Cash Flows - Enterprise Fund  
Year Ended April 30, 2010

	Business-Type Activities
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 12,193,268
Cash received from developers	(1,037)
Payments to employees	(3,380,637)
Payments to suppliers	(4,049,949)
<b>Net cash provided by operating activities</b>	<u>4,761,645</u>
<b>Cash flows from non-capital financing activities</b>	
Transfers out	(2,600,000)
<b>Net cash used in non-capital financing activities</b>	<u>(2,600,000)</u>
<b>Cash flows from capital and related financing activities</b>	
Additions to capital assets	(4,298,932)
Proceeds from note payable	1,745,824
Principal payments, general obligation bonds	(1,620,897)
Principal payments, note payable	(997,007)
Interest paid	(1,402,558)
<b>Net cash used in capital and related financing activities</b>	<u>(6,573,570)</u>
<b>Cash flows from investing activities</b>	
Proceeds from the sale and maturities of investments	9,374,280
Purchase of investments	(9,300,868)
Interest and dividends received	441,750
<b>Net cash provided by investing activities</b>	<u>515,162</u>
<b>Net decrease in cash and cash equivalents</b>	(3,896,763)
<b>Cash and equivalents:</b>	
May 1, 2009	<u>15,931,365</u>
April 30, 2010	<u>\$ 12,034,602</u>

(continued)

Village of Romeoville, Illinois

Statement of Cash Flows - Enterprise Fund - (Continued)  
Year Ended April 30, 2010

	Business-Type Activities
Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 585,223</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	4,189,946
Amortization	(48)
Changes in assets and liabilities	
Accounts receivable	(105,727)
Accounts payable	190,936
Accrued liabilities	(96,413)
Deposits	<u>(2,272)</u>
Total adjustments	<u>4,176,422</u>
Net cash provided by operating activities	<u><u>\$ 4,761,645</u></u>
Noncash Investing Activities	
Increase in fair value of investments	\$ 18,074

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Fiduciary Net Assets  
Pension Trust Funds  
April 30, 2010

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**Assets**

Cash and cash equivalents	\$	290,505
Investments:		
U.S. government and agency obligations		12,822,536
Local government bonds		264,069
Money market funds		209,156
Mutual funds		7,795,161
Annuity contracts		2,412,774
Accrued interest receivable		<u>107,134</u>

<b>Total assets</b>		<u>23,901,335</u>
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**Liabilities**

Accounts payable		<u>(254)</u>
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**Net Assets**

Held in trust for pension benefits	\$	<u><u>23,901,589</u></u>
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See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Changes in Fiduciary Net Assets  
Pension Trust Funds  
Year Ended April 30, 2010

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Additions:	
Contributions:	
Employer	\$ 1,561,940
Employee	651,044
<b>Total contributions</b>	<u>2,212,984</u>
Investment income:	
Net appreciation in fair value of investments	2,904,988
Interest	576,129
<b>Total investment income</b>	<u>3,481,117</u>
<b>Total additions</b>	<u>5,694,101</u>
Deductions:	
Benefits	791,547
Administrative expense	30,293
<b>Total deductions</b>	<u>821,840</u>
<b>Change in net assets</b>	4,872,261
Net assets held in trust for employees' pension benefits:	
May 1, 2009	<u>19,029,328</u>
April 30, 2010	<u>\$ 23,901,589</u>

See Notes to Basic Financial Statements.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies

The Village of Romeoville, Illinois, is located in Will County, Illinois and was first incorporated in 1895 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board administrator form of government. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense and emergency medical), highways and streets, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Romeoville conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

#### *Financial Reporting Entity*

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

Fiscal dependency on the primary government.

Based upon the application criteria, no component units have been included within the reporting entity.

#### *Government-Wide and Fund Financial Statements*

**Government-Wide Financial Statements:** The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

**Invested in capital assets, net of related debt** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net assets** result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Notes to Basic Financial Statements

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Note 1. Summary of Significant Accounting Policies (Continued)

*Government-wide and Fund Financial Statements (Continued)*

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general services, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

**Fund Financial Statements:** Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental funds - General Fund, Recreation Fund and Facility Construction Fund. All remaining governmental funds are aggregated and reported as non-major governmental funds. The Village has the following major enterprise fund – Water and Sewer Fund.

The Village administers the following major governmental funds:

**General Fund** – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general services, public works and public safety.

**Recreation Fund** – Accounts for revenue resources that are legally restricted for recreation purposes.

**Facility Construction Fund** – This fund is used to account for the construction of new facilities in the Village including the new Village Hall.

The Village administers the following major proprietary fund:

**Water and Sewer Fund** – accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees.

**Note 1. Summary of Significant Accounting Policies (Continued)**

***Measurement Focus and 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 financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the enterprise fund are accrued and reported in the financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

***Assets, Liabilities, and Net Assets or Equity***

**Cash and Cash Equivalents**

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

**Investments**

Investments are reported at fair value. Fair value is based on quoted market prices for same or similar investments, except for insurance contracts which are carried at contract value, which approximates fair value.

**Note 1. Summary of Significant Accounting Policies (Continued)**

*Assets, Liabilities, and Net Assets or Equity (Continued)*

**Interfund Receivables, Payables and Activity**

The Village has the following types of transactions between funds:

**Loans** – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net assets.

**Services provided and used** – sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund balance sheets or fund statements of net assets.

**Reimbursements** – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

**Transfers** – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

**Capital Assets**

Capital assets which include land and improvements, streets, sidewalks, buildings, storm sewers, sanitary sewers, water distribution system and machinery and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$25,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

Notes to Basic Financial Statements

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**Note 1. Summary of Significant Accounting Policies (Continued)**

*Assets, Liabilities, and Net Assets or Equity (Continued)*

**Capital Assets (continued)**

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

	<u>Estimated Useful Lives</u>
Buildings and property	40 years
Machinery and equipment	5 – 20 years
Furniture and fixtures	5 – 20 years
Vehicles	5 – 10 years
Infrastructure	15 – 50 years
Other equipment	5 – 20 years

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

**Unearned Revenue**

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

**Compensated Absences**

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However an expenditure/expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement. The General Fund is typically used to liquidate those liabilities.

**Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

Notes to Basic Financial Statements

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**Note 1. Summary of Significant Accounting Policies (Continued)**

*Assets, Liabilities, and Net Assets or Equity (Continued)*

**Long-Term Obligations (Continued)**

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits these funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

**Restricted Net Assets**

For the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

**Fund Balance Reserves**

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.

**Elimination and Reclassification**

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

**Use of Estimates**

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

**Note 2. Cash and Investments**

*Deposits*

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of April 30, 2010, none of the deposits were exposed to custodial credit risk due to being uninsured and uncollateralized.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

*Investments*

As of April 30, 2010, the Village had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 1,485,802	\$ 364,390	\$ 434,296	\$ 687,116	\$ -
U.S. Treasury Strips	1,465,973	969,438	496,535	-	-
U.S. Agencies - FFCB	2,842,246	46,112	2,604,189	191,945	-
U.S. Agencies - FHLB	4,070,255	999,690	2,672,593	306,732	91,240
U.S. Agencies - FHLMC	2,361,817	151,126	1,732,166	75,849	402,676
U.S. Agencies - FNMA	9,310,702	18,226	1,545,548	-	7,746,928
U.S. Agencies - GNMA	3,595,399	-	-	6,868	3,588,531
Local Government Bonds	264,069	30,796	116,155	93,294	23,824
Illinois Funds *	14,338,943	14,338,943	-	-	-
Illinois Metropolitan Investment Fund *	9,616,015	9,616,015	-	-	-
Money Market Funds *	4,625,279	4,625,279	-	-	-
<b>Total</b>	<b>\$ 53,976,500</b>	<b>\$ 31,160,015</b>	<b>\$ 9,601,482</b>	<b>\$ 1,361,804</b>	<b>\$ 11,853,199</b>

\* Weighted average maturity is less than one year.

*Interest Rate Risk* – The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Illinois Funds Investment Pool is not registered with the SEC. The pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Illinois Metropolitan Investment Fund (I.M.E.T.) is a not-for-profit investment fund formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. I.M.E.T. is not registered with the SEC as an investment company. Investments in I.M.E.T. are valued at I.M.E.T.'s share price, which is the price the investment could be sold for.

*Credit Risk* – State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes. The Village's, Police Pension and Firefighters' Pension investment policies do not address credit risk.

As of April 30, 2010, investments in Illinois Funds and Illinois Metropolitan Investment Fund were rated AAA by Standard and Poor's. The FFCB, FHLB, FHLMC, and FNMA were rated Aaa by Moody's Investors Services and AAA by Standard and Poor's. The Local government bonds were rated Aa1 – Aa3 by Moody's Investors Services or AAA – A by Standard and Poor's. The Money Market Funds are not rated.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 2. Cash and Investments (Continued)

*Concentration of Credit Risk* – The Village's, Police Pension and Firefighters' Pension investment policies do not restrict the amount of investments in any one issuer. Investments in U.S Treasury Notes and Strips, GNMA's, Illinois Funds, Illinois Metropolitan Investment Funds, Mutual Funds, and Money Market Funds are not subject to concentration or credit risk.

More than 5 percent of the Village's Facility Construction Fund investments are in FFCB's and FHLB's. The FFCB and FHLB investment are 7.0% and 7.0%, respectively, of the Fund's total investments.

More than 5 percent of the Village's Water and Sewer Fund investments are in FFCB's, FHLB's, FHLMC's and FNMA's. The FFCB, FHLB, FHLMC and FNMA investment are 8.5%, 14.8%, 12.4% and 18.5%, respectively, of the Fund's total investments.

More than 5 percent of the Police Pension Fund investments are in FNMA's and Annuity Contracts. The FNMA and Annuity Contract investment are 28.2% and 12.0%, respectively, of the Fund's total investments.

More than 5 percent of the Village's Firefighters' Pension Fund investments are in FFCB's, FHLB's, FHLMC's and FNMA's. The FFCB, FHLB, FHLMC and FNMA investment are 11.4%, 15.9%, 7.4% and 6.0%, respectively, of the Fund's total investments.

*Custodial Credit Risk* – For an investment, this is the risk that, in the event of failure of the counterparty, the Village, Police Pension or Firefighters' Pension will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. Treasury Notes and Strips, U.S. agency securities, local government bonds and annuity contracts are held by the Village's, Police Pension's or Firefighters' Pension's agent in the Village's, Police Pension's or Firefighters' Pension's name. The Illinois Funds, Illinois Metropolitan Investment Fund, Mutual Funds, and Money Market Funds are not subject to custodial credit risk. The Village's, Police Pension's or Firefighters' Pension's investment policy does not address custodial credit risk for investments.

#### Note 3. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board of Trustees. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by Will County and issued on or about May 1, and are payable in two installments which become due on or about June 1 and September 1. The County collects such taxes and periodically remits them to the Village.

The 2009 property tax assessment, which was levied in December 2009, is to finance the budget for the fiscal year beginning May 1, 2010 and the revenue to be produced from that assessment is to be recognized during that period, provided the "available" criteria has been met. "Available" means when due or receivable within the current period, and collected within that fiscal period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For governmental fund types, property taxes collected in advance of the fiscal year for which they are levied are recorded as unearned revenue and recognized as revenue in the year for which they are levied except for employee pension taxes which are recognized as revenue in the year in which they are received. Property taxes accounted for in the enterprise fund are recognized as revenue at the time they are levied. A reduction for collection losses based on historical collection experience has been provided on uncollected tax levies.

Property taxes are billed and collected by the County Treasurer of Will County, Illinois.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 4. Capital Assets**

A summary of the changes in capital assets for governmental activities of the Village for the year ended April 30, 2010, is as follows:

	Balance, May 1, 2009	Additions	Deletions	Balance, April 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 170,284,330	\$ 7,199,169	\$ -	\$ 177,483,499
Construction in progress	17,608,323	27,392,162	2,214,288	42,786,197
Total capital assets not being depreciated	<u>187,892,653</u>	<u>34,591,331</u>	<u>2,214,288</u>	<u>220,269,696</u>
Capital assets being depreciated:				
Buildings and property	25,629,625	-	-	25,629,625
Machinery and equipment	2,648,598	78,803	-	2,727,401
Furniture and fixtures	1,623,387	185,000	-	1,808,387
Vehicles	6,785,442	212,588	-	6,998,030
Infrastructure	147,997,797	1,760,507	-	149,758,304
Total capital assets being depreciated	<u>184,684,849</u>	<u>2,236,898</u>	<u>-</u>	<u>186,921,747</u>
Less accumulated depreciation for:				
Buildings and property	9,147,268	809,538	-	9,956,806
Machinery and equipment	1,267,375	161,785	-	1,429,160
Furniture and fixtures	928,903	119,031	-	1,047,934
Vehicles	4,548,282	641,313	-	5,189,595
Infrastructure	56,494,272	4,837,932	-	61,332,204
Total accumulated depreciation	<u>72,386,100</u>	<u>6,569,599</u>	<u>-</u>	<u>78,955,699</u>
Total capital assets being depreciated, net	<u>112,298,749</u>	<u>(4,332,701)</u>	<u>-</u>	<u>107,966,048</u>
Governmental activities capital assets, net	<u>\$ 300,191,402</u>	<u>\$ 30,258,630</u>	<u>\$ 2,214,288</u>	<u>\$ 328,235,744</u>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2010, is as follows:

	Balance, May 1, 2009	Additions	Deletions	Balance, April 30, 2010
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 20,728	\$ -	\$ -	\$ 20,728
Construction in progress	800,947	4,298,932	2,551,440	2,548,439
Total capital assets not being depreciated	821,675	4,298,932	2,551,440	2,569,167
Capital assets being depreciated:				
Buildings and property	3,426,155	123,064	-	3,549,219
Machinery and equipment	5,870,834	-	-	5,870,834
Vehicles	1,317,353	864,013	-	2,181,366
Infrastructure	143,568,236	1,564,363	-	145,132,599
Other equipment	910,541	-	-	910,541
Total capital assets being depreciated	155,093,119	2,551,440	-	157,644,559
Less accumulated depreciation for:				
Buildings and property	216,593	137,358	-	353,951
Machinery and equipment	4,716,989	401,333	-	5,118,322
Vehicles	740,214	189,154	-	929,368
Infrastructure	32,899,316	3,421,576	-	36,320,892
Other equipment	600,120	40,525	-	640,645
Total accumulated depreciation	39,173,232	4,189,946	-	43,363,178
Total capital assets being depreciated, net	115,919,887	(1,638,506)	-	114,281,381
Business-type activities				
Capital assets, net	\$ 116,741,562	\$ 2,660,426	\$ 2,551,440	\$ 116,850,548

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 4. Capital Assets (Continued)**

Depreciation was charged to functions/programs as follows:

Governmental activities:		
General government	\$	1,665,738
Public safety		2,778,264
Public works		1,474,350
Culture and recreation		<u>651,247</u>
<b>Total depreciation expense - governmental activities</b>	<b>\$</b>	<b><u>6,569,599</u></b>
Business-type activities:		
Water and Sewer	<b>\$</b>	<b><u>4,189,946</u></b>

**Note 5. Long-Term Obligations**

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Outstanding Debt as of April 30, 2010	Due Within One Year
General obligation bonds	\$ 80,881,457	\$ 8,788,859	\$ 1,549,103	\$ 88,121,213	\$ 2,094,318
Alternate revenue bonds	2,090,000	-	135,000	1,955,000	170,000
Unamortized bond premiums	469,059	-	30,324	438,735	-
Capital leases	861,389	185,000	198,177	848,212	219,732
Compensated absences	2,946,016	1,030,245	1,047,092	2,929,169	95,110
OPEB obligation/(asset) *	50,246	-	68,961	(18,715)	-
Pension obligation *	1,591,369	170,634	-	1,762,003	-
	<u>\$ 88,889,536</u>	<u>\$ 10,174,738</u>	<u>\$ 3,028,657</u>	<u>\$ 96,035,617</u>	<u>\$ 2,579,160</u>

\*The General Fund resources are used to liquidate this liability.

General obligation bond additions include \$2,088,859 in accreted interest on capital appreciation bonds.

On May 4, 2009, the Village issued \$6,700,000 of General Obligation Bonds, Series 2009, for the purpose of purchasing public open space land, together with all necessary rights in land, professional, legal, financial and other services, and costs of borrowing. Interest rates range from 3.00 percent to 4.00 percent.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2010:

	Outstanding Debt as of May 1, 2009	Additions	Reductions	Outstanding Debt as of April 30, 2010	Due Within One Year
General obligation bonds	\$ 18,636,952	\$ -	\$ 1,620,897	\$ 17,016,055	\$ 1,670,682
Note payable	23,748,136	1,745,824	997,007	24,496,953	1,058,534
Deferred amounts on refunding	45,462	-	6,150	39,312	-
Unamortized bond premiums	296,560	-	31,644	264,916	-
	<u>\$ 42,727,110</u>	<u>\$ 1,745,824</u>	<u>\$ 2,655,698</u>	<u>\$ 41,817,236</u>	<u>\$ 2,729,216</u>

Outstanding debt as of April 30, 2010, consists of the following:

General Obligation Bonds:

General Obligation Refunding Bonds, Series 1997B, dated November 15, 1997, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2014 in amounts between \$55,000 and \$65,000. Interest is due on June 30 and December 30 of each year at a rate of 5.0%.	\$ 295,000
General Obligation Bonds, Series 2000A, dated June 30, 2000, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2014 in amounts between \$430,000 and \$585,000. Interest is due on June 30 and December 30 of each year at rates varying from 5.1% to 7.88%.	2,520,000
General Obligation Bonds, Series 2002A, dated September 15, 2002 provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between \$160,000 and \$210,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.1% to 5.0%.	1,460,000
General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30, 2010 - December 30, 2024 in amounts between \$425,000 and \$2,235,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.0%.	19,780,000
General Obligation Refunding Bonds, Series 2005, dated September 15, 2005 provide for the serial retirement of bonds on December 15, 2010 - December 15, 2015 in amounts between \$285,000 and \$330,000. Interest is due on June 15 and December 15 of each year at rates varying from 3.25% to 3.6%.	1,855,000

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 5. Long-Term Obligations (Continued)**

General Obligation Bonds (continued):

General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between \$540,000 and \$675,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%. \$ 4,810,000

General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2017 - December 30, 2020 in amounts between \$2,000,000 and \$4,750,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.0% to 4.375%. 12,900,000

General Obligation Bonds, Series 2008A, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2020 in amounts between \$400,000 and \$2,050,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.25% to 4.125%. 10,525,000

General Obligation (Capital Appreciation) Bonds, Series 2008B, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2021 - December 30, 2039 in amounts including interest between \$5,500,000 and \$6,500,000. Interest rates vary from 5.12% to 5.85% (Includes accreted interest of \$3,091,384). 39,427,268

General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2018 in amounts between \$325,000 and \$1,245,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.5% to 4.0%. 4,865,000

General Obligation Bonds, Series 2009, dated May 4, 2009, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2029 in amounts between \$205,000 and \$510,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.0% to 4.375%. 6,700,000

Unamortized bond premium 703,651

Unamortized gain on bond refunding 39,312

**Total General Obligation Bonds** 105,880,231

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 5. Long-Term Obligations (Continued)**

Alternate Revenue Bonds:

General Obligation Bonds (Alternate Revenue Bonds), Series 2002B, dated September 15, 2002, provide for the serial retirement of bonds on December 30, 2010 and December 30, 2015 - December 30, 2017 in amounts between \$170,000 and \$660,000. Interest is due on June 30 and December 30 of each year varying from 3.6% to 4.3%.

\$ 1,955,000

Capital leases

848,212

Note Payable, dated August 1, 2008, provides for retirement of principal on December 1 and June 1 of each year in the annual amounts between \$1,642,834 and \$1,701,150, including interest at 2.5%, through December 1, 2027.

24,496,953

Compensated absences

2,929,169

OPEB asset

(18,715)

Pension obligation

1,762,003

**Total Long-Term Debt**

**\$ 137,852,853**

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

The future debt service requirements to amortize the outstanding debt other than compensated absences and pension obligations as of April 30, 2010, are as follows:

Fiscal Year	Governmental			
	General Obligation Bonds		Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
2011	\$ 2,094,318	\$ 1,970,667	\$ 170,000	\$ 81,225
2012	2,387,978	1,920,000	-	75,105
2013	2,866,644	1,821,209	-	75,105
2014	3,284,456	1,718,266	-	75,105
2015	3,584,309	1,568,464	-	75,105
2016-2020	22,666,240	5,577,773	1,785,000	157,065
2021-2025	20,292,365	14,026,101	-	-
2026-2030	13,582,220	21,554,107	-	-
2031-2035	8,235,695	24,264,305	-	-
2036-2040	6,035,604	26,164,396	-	-
	<u>\$ 85,029,829</u>	<u>\$ 100,585,288</u>	<u>\$ 1,955,000</u>	<u>\$ 538,710</u>

Fiscal Year	Business-type				
	General Obligation Bonds		Note Payable		Total
	Principal	Interest	Principal	Interest	
2011	\$ 1,670,682	\$ 749,261	\$ 1,058,534	\$ 584,300	\$ 8,378,987
2012	1,782,022	641,289	1,122,063	579,087	8,507,544
2013	1,858,356	574,673	1,150,290	550,860	8,897,137
2014	1,950,544	489,860	1,179,227	521,923	9,219,381
2015	1,995,691	409,718	1,208,892	492,258	9,334,437
2016-2020	7,758,760	810,688	6,516,221	1,989,529	47,261,276
2021-2025	-	-	7,378,127	1,127,623	42,824,216
2026-2030	-	-	4,883,599	219,851	40,239,777
2031-2035	-	-	-	-	32,500,000
2036-2040	-	-	-	-	32,200,000
	<u>\$ 17,016,055</u>	<u>\$ 3,675,489</u>	<u>\$ 24,496,953</u>	<u>\$ 6,065,431</u>	<u>\$ 239,362,755</u>

Governmental general obligation bonds interest maturities include \$3,091,384 in accreted interest, which is included under long-term debt on the statement of net assets.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

The 2005, 2007A, 2008C bonds and note payable are to be paid charges for service from the Water and Sewer Fund. The 2004 bonds are to be paid from property tax revenue of the General and Recreation Fund and charges for service from the Water and Sewer Fund. The 2008A and 2008B are to be paid from property tax revenue of the corporate fund. These pledges will remain until all bonds are retired. The amount of the pledges remaining as of April 30, 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Percentage of Revenue Pledged
2004	Water/Sewer Service Charges	\$ 6,735,418	12/30/2017	5.68%
2004	Property Taxes Corporate	18,165,601	12/30/2024	51.90%
2004	Property Taxes Recreation	266,460	12/30/2024	1.50%
2005	Water/Sewer Service Charges	2,084,627	12/15/2015	11.20%
2007A	Water/Sewer Service Charges	5,826,954	12/30/2017	1.84%
2008A	Property Taxes Corporate	13,143,468	12/30/2020	35.95%
2008B	Property Taxes Corporate	120,700,000	12/30/2039	0.00%
2008C	Water/Sewer Service Charges	6,044,545	12/30/2018	1.84%
Note Payable	Water/Sewer Service Charges	30,562,384	12/1/2027	13.40%

The secured debt was issued to provide funds for capital expenditures, improvements to the infrastructure of the Village and refund debt obligations.

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired
2004	Water/Sewer Service Charges	\$ 11,823,599	\$ 671,202
2004	Property Taxes Corporate	2,468,940	1,281,389
2004	Property Taxes Recreation	1,181,353	17,757
2005	Water/Sewer Service Charges	11,823,599	1,324,630
2007A	Water/Sewer Service Charges	11,823,599	217,863
2008A	Property Taxes Corporate	2,468,940	887,516
2008B	Property Taxes Corporate	2,468,940	-
2008C	Water/Sewer Service Charges	11,823,599	217,671
Note Payable	Water/Sewer Service Charges	11,823,599	1,584,518

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 6. Capital Lease Obligation

The Village leases vehicles under capital leases, which expire between September 2010 and August 2019. Annual lease payments, including interest ranging from 3.15% to 6.39%, range from \$25,602 to \$58,725. The cost of the capital assets acquired under the capital leases was \$1,694,986, all of which is included in governmental activities vehicles.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2010 are as follows:

Year ending April 30:	
2011	\$ 257,836
2012	226,306
2013	168,010
2014	130,199
2015	71,474
Thereafter	<u>128,010</u>
Total minimum lease payments	981,835
Less amount representing interest	<u>133,623</u>
Present value of future minimum lease payments	848,212
Less current portion	<u>219,732</u>
Long-term portion	<u>\$ 628,480</u>

#### Note 7. Pension and Retirement Plan Commitments

Substantially all Village employees are covered under one of the following employee retirement plans.

##### Illinois Municipal Retirement Fund

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

*Funding Policy.* As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 10.0 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For 2009, the Village's annual pension cost of \$968,040 for the regular plan was equal to the Village's required and actual contributions.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 7. Pension and Retirement Plan Commitments (Continued)

##### Three-Year Trend Information

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2009	\$ 968,040	100%	\$ -
12/31/2008	868,035	100%	-
12/31/2007	837,417	100%	-

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, valuation was 23 years.

*Funded Status and Funding Progress.* As of December 31, 2009, the most recent actuarial valuation date, the regular plan was 74.26 percent funded. The actuarial accrued liability for benefits was \$20,634,969 and the actuarial value of assets was \$15,323,154, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,311,815. The covered payroll (annual payroll of active employees covered by the plan) was \$9,680,397 and the ratio of the UAAL to the covered payroll was 55 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

#### 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 contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan is a fund of the Village and does not issue separate financial statements.

The Police Pension Plan's most recent actuary was completed as of the year ended April 30, 2009.

Covered employees are currently required to contribute 9.91 percent of their base salary to the Police Pension Plan. The member rate is determined by State Statute. The Village is required to contribute at an actuarially determined amount. The employer rate for fiscal year ended April 30, 2009, was 21.88 percent of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 7. Pension and Retirement Plan Commitments (Continued)**

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2010 were as follows:

Annual required contribution	\$ 1,437,794
Interest on net pension obligation	100,646
Adjustment to annual requirement contribution	(97,966)
Annual pension cost	<u>1,440,474</u>
Contributions made	<u>1,247,460</u>
Increase in net pension obligation	193,014
Net pension obligation, beginning of year	<u>1,405,826</u>
 Net pension obligation, end of year	 <u><u>\$ 1,598,840</u></u>

The annual required contribution for the year ended April 30, 2010, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2010, was 23 years.

As of April 30, 2009, the most recent actuarial valuation date, the regular plan was 53.32 percent funded. The actuarial accrued liability for benefits was \$30,631,806 and the actuarial value of assets was \$16,331,506, resulting in an unfunded actuarial accrued liability (UAAL) of \$14,300,300. The covered payroll (annual payroll of active employees covered by the plan) was \$5,125,809 and the ratio of the UAAL to the covered payroll was 278.99 percent.

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

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
04/30/2010	\$ 1,440,474	\$ 1,247,460	86.6%	\$ 1,598,840
04/30/2009	1,156,480	1,121,630	97.0%	1,405,826
04/30/2008	1,057,738	1,026,984	97.1%	1,336,929

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 7. Pension and Retirement Plan Commitments (Continued)**

At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	32
Active non-vested plan members	<u>36</u>
<b>Total members</b>	<b><u><u>84</u></u></b>

**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 governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The Firefighters' Pension Plan is a fund of the Village and does not issue separate financial statements.

The Firefighters' Pension Plan's most recent actuary was completed as of the year ended April 30, 2009.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2009 was 22.75 percent of covered payroll.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2010 were as follows:

Annual required contribution	\$ 305,345
Interest on net pension obligation	21,374
Adjustment to annual requirement contribution	<u>(34,619)</u>
Annual pension cost	292,100
Contributions made	<u>314,480</u>
Decrease in net pension obligation	(22,380)
Net pension obligation, beginning of year	<u>185,543</u>
Net pension obligation, end of year	<b><u><u>\$ 163,163</u></u></b>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 7. Pension and Retirement Plan Commitments (Continued)**

The annual required contribution for the year ended April 30, 2010, was determined as part of the April 30, 2009, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Firefighters' Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2009, was 24 years.

As of April 30, 2009, the most recent actuarial valuation date, the regular plan was 71.29 percent funded. The actuarial accrued liability for benefits was \$3,784,486 and the actuarial value of assets was \$2,697,822, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,086,664. The covered payroll (annual payroll of active employees covered by the plan) was \$1,216,426 and the ratio of the UAAL to the covered payroll was 89.33 percent.

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

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
04/30/2010	\$ 292,100	\$ 314,480	107.7%	\$ 163,163
04/30/2009	280,102	276,777	98.8%	185,543
04/30/2008	188,246	185,159	98.4%	155,010

At April 30, 2009, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	6
Active non-vested plan members	13
<b>Total members</b>	<b>19</b>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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Note 7. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Fiduciary Net Assets  
 Pension Trust Funds  
 April 30, 2010

	Firefighters' Pension	Police Pension	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 12,800	\$ 277,705	\$ 290,505
Investments:			
U.S. government and agency obligations	2,109,933	10,712,603	12,822,536
Local government bonds	264,069	-	264,069
Money market funds	35,115	174,041	209,156
Mutual funds	1,040,772	6,754,389	7,795,161
Annuity contracts	-	2,412,774	2,412,774
Accrued interest receivable	33,876	73,258	107,134
<b>Total assets</b>	<b>3,496,565</b>	<b>20,404,770</b>	<b>23,901,335</b>
<b>Liabilities</b>			
Accounts payable	-	(254)	(254)
<b>Net Assets</b>			
Held in trust for pension benefits	\$ 3,496,565	\$ 20,405,024	\$ 23,901,589

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Changes in Fiduciary Net Assets  
Pension Trust Funds  
Year Ended April 30, 2010

	Firefighters' Pension	Police Pension	Total
Additions:			
Contributions:			
Employer	\$ 314,480	\$ 1,247,460	\$ 1,561,940
Employee	117,972	533,072	651,044
<b>Total contributions</b>	<u>432,452</u>	<u>1,780,532</u>	<u>2,212,984</u>
Investment income:			
Net appreciation in fair value of investments	279,051	2,625,937	2,904,988
Interest	114,132	461,997	576,129
<b>Total investment income</b>	<u>393,183</u>	<u>3,087,934</u>	<u>3,481,117</u>
<b>Total additions</b>	<u>825,635</u>	<u>4,868,466</u>	<u>5,694,101</u>
Deductions:			
Benefits	9,253	782,294	791,547
Administrative expense	17,639	12,654	30,293
<b>Total deductions</b>	<u>26,892</u>	<u>794,948</u>	<u>821,840</u>
<b>Change in net assets</b>	798,743	4,073,518	4,872,261
Net assets held in trust for employees' pension benefits:			
May 1, 2009	<u>2,697,822</u>	<u>16,331,506</u>	<u>19,029,328</u>
April 30, 2010	<u>\$ 3,496,565</u>	<u>\$ 20,405,024</u>	<u>\$ 23,901,589</u>

Notes to Basic Financial Statements

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**Note 8. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Village is a member of the Southwest Agency for Risk Management (SWARM) which is a public entity risk pool with eight member groups (villages and cities). The Village pays annual premiums to SWARM for its workers' compensation, general liability and property coverages.

The cooperative agreement provides that SWARM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$600,000 per occurrence for workers' compensation and \$50,000 for occurrences for general liability and \$50,000 for occurrences for property.

One representative from each member serves on the SWARM board, and each board member has one vote on the board. None of its members have any direct equity interest in SWARM.

The Village purchases commercial insurance to cover its employees for health and accident claims.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 9. Other Fund Disclosures (FFS Level Only)

Individual fund interfund receivable and payable balances as of April 30, 2010, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major Governmental Funds:		
General Fund:		
Recreation Fund	\$ 1,162,599	\$ -
Water and Sewer Fund	-	3,019,829
Non-Major Governmental Funds	8,711	1,282,933
	<u>1,171,310</u>	<u>4,302,762</u>
Recreation Fund:		
General Fund	-	1,162,599
Water and Sewer Fund	-	700,000
	<u>-</u>	<u>1,862,599</u>
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	3,019,829	-
Recreation Fund	700,000	-
	<u>3,719,829</u>	<u>-</u>
Non-Major Governmental Funds:		
General Fund	1,282,933	8,711
Non-Major Governmental Funds	2,392	2,392
	<u>1,285,325</u>	<u>11,103</u>
 Total	 <u>\$ 6,176,464</u>	 <u>\$ 6,176,464</u>

Interfund debt reflects operating loans which are expected to be repaid in the following fiscal year.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 9. Other Fund Disclosures (FFS Level Only) (Continued)**

Individual interfund advances receivable and payable balances as of April 30, 2010, are as follows:

<u>Fund</u>	<u>Advances to</u>	<u>Advances from</u>
Major Governmental Fund:		
General Fund:		
Non-Major Governmental Fund	\$ 472,853	\$ -
Non-Major Governmental Fund:		
General Fund	-	472,853
	<hr/>	<hr/>
Total	<u>\$ 472,853</u>	<u>\$ 472,853</u>

Interfund advances reflect operating loans, which are not expected to be repaid in the following fiscal year, but from future year operating revenues.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 9. Other Fund Disclosures (FFS Level Only) (Continued)**

Interfund transfers for the year ended April 30, 2010, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
Major Governmental Funds:		
General Fund:		
Recreation Fund	\$ -	\$ 1,478,900
Water and Sewer Fund	2,600,000	-
Non-Major Governmental Fund	30,000	1,756,034
	<u>2,630,000</u>	<u>3,234,934</u>
Recreation Fund:		
General Fund	1,478,900	-
Non-Major Governmental Fund	-	190,194
	<u>1,478,900</u>	<u>190,194</u>
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	-	2,600,000
	<u>-</u>	<u>2,600,000</u>
Non-Major Governmental Funds:		
General Fund	1,756,034	30,000
Recreation Fund	190,194	-
Non-Major Governmental Fund	1,270,011	1,270,011
	<u>3,216,239</u>	<u>1,300,011</u>
Total	<u>\$ 7,325,139</u>	<u>\$ 7,325,139</u>

Interfund transfers are to assist with payment of debt and cover expenses incurred in funds where work is related to other funds, and collapse multiple debt service funds.

***Deficit Fund Balance***

As of April 30, 2010, the following funds had a deficit fund balance:

<u>Fund</u>	<u>Amount</u>	<u>Intended Financing</u>
Local Gas Tax Fund	\$ 419,111	Home Rule Gas Tax
Debt Service Fund	2,392	Property Taxes
Romeo Road TIF Fund	754	Property Taxes

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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**Note 9. Other Fund Disclosures (FFS Level Only) (Continued)**

***Budget Over Expenditures***

As of April 30, 2010, the following funds over expended their budget:

<u>Fund</u>	<u>Amount</u>
Debt Service Fund	\$ 171,026
Marquette Center TIF Fund	790,998
2004 Construction Fund	141,913

**Note 10. Post Retirement Health Care Plan**

Plan Description

The Village provides post-employment health care benefits (OPEB) for retired employees. The Village Group Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Village. The Plan provides medical and dental insurance benefits to eligible retirees and their dependents. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village Board and can only be amended by the Village Board. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established. The Village does not issue a Plan financial report.

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document." The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2010, the Village contributed \$146,850 to the plan for retired elected officials and employees that elected the early retirement incentive, which represents 100 percent of their premiums. Non-elected official and early retiree plan members receiving benefits contributed \$46,592, or 100 percent of the total premiums, through their required contribution.

Annual OPEB Cost and Net OPEB Obligation

The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 10. Post Retirement Healthcare Plan (Continued)**

The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Village's net OPEB obligation to the Plan:

Annual required contribution	\$ 77,051
Interest on net OPEB obligation	2,512
Adjustment to annual requirement contribution	(1,674)
Annual OPEB cost (expense)	<u>77,889</u>
Contributions made	<u>146,850</u>
Change in net OPEB obligation (asset)	(68,961)
Net OPEB obligation, beginning of year	<u>50,246</u>
Net OPEB asset, end of year	<u><u>\$ (18,715)</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 was as follows:

Year Ending	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation / (Asset)
04/30/2010	\$ 77,889	188.5%	\$ (18,715)
04/30/2009	77,798	35.4%	50,246
04/30/2008	N/A	N/A	N/A

Funded Status and Funding Progress

As of April 30, 2010, the most recent actuarial valuation date, the plan was 100 percent unfunded. The actuarial accrued liability for benefits was \$1,392,531, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$1,392,531. The covered payroll (annual payroll of active employees covered by the plan) was \$15,078,910 and the ratio of UAAL to the covered payroll was 9.23 percent.

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 the future employment, mortality, and the healthcare cost trend. Amounts determined reporting the funded status of the plan and the annual required contributions of the employer are subject to continual revision 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 the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 10. Post Retirement Healthcare Plan (Continued)

##### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2010 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent discount rate (includes inflation at 3.0 percent) annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 6.0 percent, and anticipated participation of 20.0 percent to 100 percent based on position of employee. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2010 was 30 years.

#### Note 11. Defeased Debt

The Village defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Village's financial statements. As of April 30, 2010, \$410,000 of bonds outstanding are considered defeased.

#### Note 12. Commitments

As of April 30, 2010, the Village had open contracts for the purchase of equipment and services totaling approximately \$1,830,000.

On July 18, 2007, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of an 80 acre parcel of land located on Weber Road. This agreement runs for an eight year period, commencing on the occupancy of various parcels in the development. Subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$4,000,000. As of April 30, 2010, the Village has remitted \$709,142 related to this agreement of which \$141,276 is included in accrued liabilities.

On August 15, 2007, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of a 76 acre parcel of land located on Weber Road known as Romeoville Crossings. This agreement runs for a seven year period, commencing on the occupancy of Wal-Mart in February 2008. Subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$5,200,000. As of April 30, 2010, the Village has remitted \$1,127,852 related to this agreement of which \$220,785 is included in accrued liabilities.

On December 2, 2008, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of a 39.775 acre parcel of land located on Weber Road. Commencing on the occupancy of the Meijer Store and subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$4,800,000. The assistance shall continue until the total reimbursement amount of \$4,800,000 is paid in full to the developer. As of April 30, 2010, the Village has not remitted any reimbursement to the developer.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 12. Commitments (Continued)

On August 5, 2009, the Village entered into a redevelopment agreement with the owners of the property located near Illinois Route 53 and Chambers Drive. Under this agreement, the Village will provide a maximum of \$30,000 in reimbursement of TIF eligible expenses in connection with the redevelopment project costs. As of April 30, 2010, the Village has not remitted any reimbursement to the owners of the property.

On March 17, 2010, the Village entered into an agreement with a developer to provide improvements to the electric utility system within the Village. The electric utility system is subject to some restrictions and priorities, the Village will provide a total reimbursement of \$1,710,000 to be remitted over a period of seven years with the first reimbursement scheduled on May 15, 2010. The assistance shall continue until the total reimbursement amount of \$1,710,000 is paid in full to the developer, which is set to occur on May 15, 2016. As of April 30, 2010, the Village has not remitted any reimbursement to the developer.

#### Note 13. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The total amount of bonds outstanding at April 30, 2010 is \$42,215,000.

On July 31, 2008, the Village issued \$5,500,000 of Industrial Development Revenue Bonds, Series 2008, to CGI Real Estate, LLC for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The total amount of Bonds outstanding at April 30, 2010 is \$5,307,018.

#### Note 14. Litigation

There are several pending lawsuits in which the Village is involved. Management and the Village's legal counsel believe that the potential claims against the Village not covered by insurance would not have a materially adverse effect on the Village's financial position.

#### Note 15. New Governmental Accounting Standards

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village, beginning with its year ending April 30, 2011. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2012. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported on governmental funds.

Notes to Basic Financial Statements

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**Note 15. New Governmental Accounting Standards (Continued)**

GASB Statement No. 59, *Financial Instrument Omnibus*, will be effective for the Village with its year ending April 30, 2012. This Statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, will be effective for the Village beginning with its year ending April 30, 2013. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement establishes recognition, measurement, and disclosure requirements for SCAs for both transferors and governmental operators.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, will be effective for the Village beginning with its year ending April 30, 2014. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, will be effective for the Village beginning with its year ending April 30, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure

Management has not yet completed its evaluation of the impact, if any, of the provisions of these statements on its financial statements.

Required Supplementary Information

Village of Romeoville, Illinois

Illinois Municipal Retirement Fund  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2009	\$ 15,323,154	\$ 20,634,969	\$ 5,311,815	74.26 %	\$ 9,680,397	54.87 %
12/31/2008	14,336,552	19,076,604	4,740,052	75.15	9,343,761	50.73
12/31/2007	14,533,936	16,954,438	2,420,502	85.72	8,723,099	27.75

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$14,901,795. On a market basis, the funded ratio would be 72.26%.

Village of Romeoville, Illinois

Police Pension Fund  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2009	\$ 16,331,506	\$ 30,631,806	\$ 14,300,300	53.32 %	\$ 5,125,809	278.99 %
04/30/2008	17,480,366	28,304,804	10,824,438	61.76	4,495,763	240.77
04/30/2007	16,376,667	25,626,834	9,250,167	63.90	4,420,203	209.27

Village of Romeoville, Illinois

Firefighters' Pension Fund  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2009	\$ 2,697,822	\$ 3,784,486	\$ 1,086,664	71.29 %	\$ 1,216,426	89.33 %
04/30/2008	2,215,720	3,253,029	1,037,309	68.11	1,167,102	88.88
04/30/2007	1,791,307	2,871,649	1,080,342	62.38	1,004,593	107.54

Village of Romeoville, Illinois

Post Retirement Healthcare Plan  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2010	\$ -	\$ 1,392,531	\$ 1,392,531	- %	\$ 15,078,910	9.23 %
04/30/2009	-	735,666	735,666	-	15,736,193	4.67
04/30/2008	N/A	N/A	N/A	N/A	N/A	N/A

Village of Romeoville, Illinois

Schedule of Employer Contributions  
Police Pension Fund

Fiscal Year	Annual Required Contribution	Percentage Contributed
2010	\$ 1,437,794	86.76 %
2009	1,126,814	99.54
2008	1,026,752	99.93
2007	918,577	99.81
2006	778,062	99.90
2005	954,062	53.96

Village of Romeoville, Illinois

Schedule of Employer Contributions  
Firefighters' Pension Fund

Fiscal Year	Annual Required Contribution	Percentage Contributed	
2010	\$ 305,345	100.04	%
2009	276,662	101.24	
2008	184,642	100.28	
2007	154,866	100.00	
2006	116,273	100.45	
2005	92,360	89.04	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 General Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 9,343,300	\$ 9,492,513	\$ 149,213
Other taxes	15,918,600	13,774,085	(2,144,515)
Interest	500,000	41,675	(458,325)
Fines	750,000	752,175	2,175
Licenses and permits	1,085,600	797,229	(288,371)
Charges for services	4,161,200	3,895,490	(265,710)
Intergovernmental	5,396,500	2,917,349	(2,479,151)
Developer contributions	-	75,000	75,000
Other	623,900	764,077	140,177
<b>Total revenues</b>	<u>37,779,100</u>	<u>32,509,593</u>	<u>(5,269,507)</u>
Expenditures:			
Current:			
General government	9,192,300	8,553,814	638,486
Public safety	16,940,500	15,574,310	1,366,190
Public works	7,546,400	7,240,756	305,644
Debt service:			
Principal	198,800	198,177	623
Interest and fees	33,600	34,057	(457)
Capital outlay	3,273,600	2,130,211	1,143,389
<b>Total expenditures</b>	<u>37,185,200</u>	<u>33,731,325</u>	<u>3,453,875</u>
Excess (deficiency) of revenues over (under) expenditures	<u>593,900</u>	<u>(1,221,732)</u>	<u>(1,815,632)</u>
Other financing sources (uses):			
Lease issuance	-	185,000	185,000
Transfer in	2,630,000	2,630,000	-
Transfer (out)	(3,223,900)	(3,234,934)	(11,034)
<b>Total other financing sources (uses)</b>	<u>(593,900)</u>	<u>(419,934)</u>	<u>173,966</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>(1,641,666)</u>	<u>\$ (1,641,666)</u>
Fund balance:			
May 1, 2009		<u>11,017,930</u>	
April 30, 2010		<u>\$ 9,376,264</u>	

See Note to Required Supplementary Information.

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Recreation Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,528,100	\$ 1,548,613	\$ 20,513
Other taxes	842,000	505,127	(336,873)
Interest	20,000	4,275	(15,725)
Charges for services	828,300	788,462	(39,838)
Intergovernmental	425,000	-	(425,000)
Developer contributions	-	35,000	35,000
Other	94,000	72,364	(21,636)
<b>Total revenues</b>	<u>3,737,400</u>	<u>2,953,841</u>	<u>(783,559)</u>
Expenditures:			
Current: Culture and recreation:			
Operations:			
Salaries	389,900	389,454	446
Contractual	38,500	21,604	16,896
Commodities	31,000	25,430	5,570
Other	398,500	368,122	30,378
Recreation programs:			
Salaries	915,100	920,034	(4,934)
Contractual	248,200	161,804	86,396
Commodities	318,600	237,772	80,828
Park maintenance:			
Salaries	642,700	593,944	48,756
Contractual	480,100	314,158	165,942
Commodities	59,500	41,736	17,764
Recreation center:			
Salaries	406,400	379,927	26,473
Contractual	205,000	138,916	66,084
Commodities	56,000	57,842	(1,842)
Debt service:			
Bond issuance costs	-	82,506	(82,506)
Capital outlay	9,712,000	7,631,384	2,080,616
<b>Total expenditures</b>	<u>13,901,500</u>	<u>11,364,633</u>	<u>2,536,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,164,100)</u>	<u>(8,410,792)</u>	<u>1,753,308</u>
Other financing sources (uses):			
Bond proceeds	8,000,000	6,700,000	(1,300,000)
Transfer in	1,478,900	1,478,900	-
Transfer (out)	(17,800)	(190,194)	(172,394)
<b>Total other financing sources (uses)</b>	<u>9,461,100</u>	<u>7,988,706</u>	<u>(1,472,394)</u>
<b>Change in fund balance</b>	<u>\$ (703,000)</u>	<u>(422,086)</u>	<u>\$ 280,914</u>
Fund balance:			
May 1, 2009		<u>907,223</u>	
April 30, 2010		<u>\$ 485,137</u>	

See Note to Required Supplementary Information.

Village of Romeoville, Illinois

Note to Required Supplementary Information

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Note 1. Budget Information

**Budgetary Basis of Accounting**

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

**Budgetary Process**

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

- a) The Finance Director submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted by the Village 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 for the general, special revenue, debt service, and certain capital project funds.
- e) Budgets for those funds were adopted on a basis consistent with generally accepted accounting principles.
- f) Budgetary authority lapses at the year-end.
- g) State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds would require Village Board approval. The level of legal control is generally considered to be the fund budget in total.
- h) Budget amounts are as originally adopted.

Supplementary Information

Non-Major Governmental Funds  
Combining Statements

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual  
Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
<b>Property taxes:</b>			
Corporate tax levy	\$ 2,379,400	\$ 2,468,940	\$ 89,540
Fire protection levy	306,100	316,119	10,019
Police protection levy	562,900	569,253	6,353
Ambulance levy	649,900	669,908	20,008
Audit tax levy	79,200	80,797	1,597
Social security levy	1,287,800	1,296,428	8,628
Street levy	520,000	525,113	5,113
Refuse disposal levy	604,300	608,427	4,127
Tort immunity levy	1,388,300	1,395,588	7,288
Police pension levy	1,251,000	1,247,460	(3,540)
Fire pension levy	314,400	314,480	80
<b>Total property taxes</b>	<b>9,343,300</b>	<b>9,492,513</b>	<b>149,213</b>
<b>Other taxes:</b>			
Sales tax	4,950,000	4,011,997	(938,003)
Use tax	517,600	439,689	(77,911)
<b>Utility tax:</b>			
Electric	2,800,000	2,577,805	(222,195)
Gas	800,000	754,354	(45,646)
Telephone	1,575,000	1,460,674	(114,326)
Water	235,000	222,019	(12,981)
Automobile rental tax	6,000	3,315	(2,685)
Home rule sales tax	3,885,000	3,344,283	(540,717)
Home rule gas tax	650,000	545,555	(104,445)
Real estate transfer tax	500,000	253,300	(246,700)
Food & beverage tax	-	161,094	161,094
<b>Total other taxes</b>	<b>15,918,600</b>	<b>13,774,085</b>	<b>(2,144,515)</b>
Interest	500,000	41,675	(458,325)
<b>Fines:</b>			
Court fines	350,000	339,021	(10,979)
Court supervision fines - vehicle	100,000	100,000	-
Administrative tickets	8,000	14,415	6,415
Parking tickets	24,000	21,340	(2,660)
Dog/animal fines	6,000	5,999	(1)
Forfeiture of cash police department	10,000	51,225	41,225
False alarm fines	27,000	16,625	(10,375)
Vehicle impound fees	225,000	188,550	(36,450)
DUI fines	-	15,000	15,000
<b>Total fines</b>	<b>750,000</b>	<b>752,175</b>	<b>2,175</b>
<b>Licenses and permits:</b>			
Business licenses	63,000	68,139	5,139
Liquor licenses	50,000	55,175	5,175
Business permits	40,000	92,250	52,250
Solicitor permits	2,500	3,825	1,325
Building permits	750,000	493,369	(256,631)
Garage sale permits	3,600	3,845	245
Inspection permits	175,000	79,804	(95,196)
Animal tags	1,500	822	(678)
<b>Total licenses and permits</b>	<b>1,085,600</b>	<b>797,229</b>	<b>(288,371)</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Charges for services:			
Vacancy inspection fees	\$ -	\$ 11,500	\$ 11,500
Fire alarm monitoring fees	30,000	-	(30,000)
Cable TV franchise fee	316,000	314,341	(1,659)
Ambulance fees	400,000	311,334	(88,666)
Rental income	12,000	17,861	5,861
NSF check charges	500	455	(45)
Administration fees	6,000	1,024	(4,976)
Zoning board maps/variance	35,000	31,755	(3,245)
Rental inspection fees	70,000	71,800	1,800
Construction reinspection fees	8,000	16,250	8,250
Sprint rental fees	25,000	25,415	415
Engineering fees	375,000	310,062	(64,938)
Fire prevention service fees	12,000	16,477	4,477
Fire academy	317,700	300,639	(17,061)
Rubbish collection fees	2,550,000	2,464,949	(85,051)
Portable sign/pennant permit	4,000	1,628	(2,372)
<b>Total charges for services</b>	<b>4,161,200</b>	<b>3,895,490</b>	<b>(265,710)</b>
Intergovernmental:			
State income tax	3,392,000	1,487,486	(1,904,514)
Replacement tax	180,000	158,098	(21,902)
Auto theft	61,000	60,805	(195)
State grants	150,000	7,500	(142,500)
Federal grants	411,000	44,822	(366,178)
D.A.R.E. program revenue	7,500	-	(7,500)
Lockport fire agreement	1,195,000	1,133,502	(61,498)
DuPage township agreement	-	25,136	25,136
<b>Total intergovernmental</b>	<b>5,396,500</b>	<b>2,917,349</b>	<b>(2,479,151)</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Developer contributions	\$ -	\$ 75,000	\$ 75,000
Other:			
Will County grants	52,400	57,951	5,551
Fingerprinting	500	4,054	3,554
Good neighbor donations	2,000	-	(2,000)
General donations	-	2,150	2,150
Police special detail	45,000	54,235	9,235
Training reimbursement	15,000	17,345	2,345
Community development reimbursement	50,000	16,483	(33,517)
Workers compensation reimbursement	1,000	209,730	208,730
Liaison officer	35,000	-	(35,000)
Other reimbursements	50,000	51,400	1,400
Insurance reimbursements	20,000	17,207	(2,793)
Reimbursement of legal fees	10,000	2,480	(7,520)
Health insurance contributions	140,000	149,852	9,852
Hazardous material reimbursements	25,000	1,343	(23,657)
Rain barrel program	1,000	1,700	700
AT&T landscaping fees	7,500	-	(7,500)
Police/accident reports	7,000	7,040	40
Fire reports	1,000	550	(450)
Marquette TIF distribution	73,000	73,845	845
Mosquito abatement	15,000	13,381	(1,619)
Cobra retiree contribution	35,000	64,533	29,533
Tree escrow	25,000	-	(25,000)
Developer's breakfast	8,000	1,000	(7,000)
Sale of property	2,000	10,396	8,396
Miscellaneous income	2,500	6,512	4,012
Advertising	1,000	890	(110)
<b>Total other</b>	<b>623,900</b>	<b>764,077</b>	<b>140,177</b>
<b>Total revenues</b>	<b>\$ 37,779,100</b>	<b>\$ 32,509,593</b>	<b>\$ (5,269,507)</b>

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual  
Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
General government:			
Mayor:			
Salaries	\$ 102,200	\$ 102,841	\$ (641)
Contractual	8,000	8,071	(71)
Commodities	9,000	5,383	3,617
<b>Total mayor</b>	<b>119,200</b>	<b>116,295</b>	<b>2,905</b>
General Village Board:			
Salaries	195,600	166,152	29,448
Contractual	67,500	25,997	41,503
Commodities	112,500	94,629	17,871
<b>Total general village board</b>	<b>375,600</b>	<b>286,778</b>	<b>88,822</b>
Village administration:			
Salaries	400,500	387,604	12,896
Contractual	489,200	752,414	(263,214)
Commodities	34,200	10,882	23,318
<b>Total village administration</b>	<b>923,900</b>	<b>1,150,900</b>	<b>(227,000)</b>
Personnel:			
Salaries	271,800	267,596	4,204
Contractual	2,772,000	2,535,631	236,369
Commodities	25,000	14,781	10,219
<b>Total personnel</b>	<b>3,068,800</b>	<b>2,818,008</b>	<b>250,792</b>
Operations:			
Salaries	83,900	83,416	484
Contractual	51,500	28,080	23,420
Commodities	9,300	5,655	3,645
Other	1,116,500	931,792	184,708
<b>Total operations</b>	<b>1,261,200</b>	<b>1,048,943</b>	<b>212,257</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
General government: (continued)			
Economic development:			
Contractual	\$ 2,000	\$ 150	\$ 1,850
Village clerk:			
Salaries	94,400	89,188	5,212
Contractual	35,500	15,353	20,147
Commodities	2,000	275	1,725
<b>Total village clerk</b>	<b>131,900</b>	<b>104,816</b>	<b>27,084</b>
Finance department:			
Administration:			
Salaries	621,100	613,390	7,710
Contractual	2,000	1,970	30
Commodities	74,300	89,779	(15,479)
<b>Total administration</b>	<b>697,400</b>	<b>705,139</b>	<b>(7,739)</b>
General services:			
Salaries	15,000	15,765	(765)
Contractual	332,500	327,810	4,690
Commodities	16,500	17,070	(570)
Other	4,000	1,972	2,028
<b>Total general services</b>	<b>368,000</b>	<b>362,617</b>	<b>5,383</b>
Information services:			
Salaries	348,700	345,540	3,160
Contractual	378,200	301,141	77,059
Commodities	36,000	28,883	7,117
<b>Total information services</b>	<b>762,900</b>	<b>675,564</b>	<b>87,336</b>
<b>Total finance department</b>	<b>1,828,300</b>	<b>1,743,320</b>	<b>84,980</b>
Community services and development:			
Administration:			
Salaries	691,400	634,067	57,333
Contractual	89,100	49,760	39,340
Commodities	25,000	14,676	10,324
<b>Total administration</b>	<b>805,500</b>	<b>698,503</b>	<b>106,997</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
General government: (continued)			
Community services and development: (continued)			
Inspectional services:			
Salaries	\$ 602,700	\$ 527,136	\$ 75,564
Contractual	34,400	45,472	(11,072)
Commodities	38,800	13,493	25,307
<b>Total inspectional services</b>	<b>675,900</b>	<b>586,101</b>	<b>89,799</b>
<b>Total community services and development</b>	<b>1,481,400</b>	<b>1,284,604</b>	<b>196,796</b>
<b>Total general government</b>	<b>9,192,300</b>	<b>8,553,814</b>	<b>638,486</b>
Public safety:			
Police and fire commission:			
Salaries	35,100	10,512	24,588
Contractual	79,000	24,491	54,509
Commodities	4,000	1,368	2,632
<b>Total police and fire commission</b>	<b>118,100</b>	<b>36,371</b>	<b>81,729</b>
Police department:			
Administration:			
Salaries	2,123,700	2,103,769	19,931
Contractual	14,000	8,140	5,860
Commodities	4,000	3,959	41
<b>Total administration</b>	<b>2,141,700</b>	<b>2,115,868</b>	<b>25,832</b>
Operations:			
Salaries	7,724,300	7,388,113	336,187
Contractual	421,000	249,456	171,544
Commodities	189,500	176,899	12,601
Other	12,500	8,158	4,342
<b>Total operations</b>	<b>8,347,300</b>	<b>7,822,626</b>	<b>524,674</b>
Support services:			
Salaries	1,087,900	950,555	137,345
Contractual	33,000	28,585	4,415
Commodities	21,000	2,175	18,825
<b>Total support services</b>	<b>1,141,900</b>	<b>981,315</b>	<b>160,585</b>
<b>Total police department</b>	<b>11,630,900</b>	<b>10,919,809</b>	<b>711,091</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Public safety: (continued)			
Fire and ambulance department:			
Administration:			
Salaries	\$ 4,068,700	\$ 3,647,128	\$ 421,572
Contractual	514,000	394,466	119,534
Commodities	200,600	173,380	27,220
<b>Total fire and ambulance department</b>	<b>4,783,300</b>	<b>4,214,974</b>	<b>568,326</b>
Fire academy:			
Administration:			
Salaries	211,300	187,945	23,355
Contractual	43,400	18,756	24,644
Commodities	59,000	82,819	(23,819)
<b>Total fire academy</b>	<b>313,700</b>	<b>289,520</b>	<b>24,180</b>
<b>Total fire department</b>	<b>5,097,000</b>	<b>4,504,494</b>	<b>592,506</b>
Romeoville emergency management agency:			
Administration:			
Salaries	28,300	52,794	(24,494)
Contractual	10,000	9,162	838
Commodities	7,000	5,911	1,089
<b>Total administration</b>	<b>45,300</b>	<b>67,867</b>	<b>(22,567)</b>
Operations:			
Contractual	30,500	29,163	1,337
Commodities	5,500	3,844	1,656
<b>Total operations</b>	<b>36,000</b>	<b>33,007</b>	<b>2,993</b>
Communications:			
Contractual	13,200	12,762	438
<b>Total Romeoville emergency management agency</b>	<b>94,500</b>	<b>113,636</b>	<b>(19,136)</b>
<b>Total public safety</b>	<b>16,940,500</b>	<b>15,574,310</b>	<b>1,366,190</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Public works:			
Administration:			
Salaries	\$ 487,200	\$ 477,562	\$ 9,638
Buildings and grounds:			
Salaries	1,210,100	1,194,202	15,898
Contractual	483,500	345,714	137,786
Commodities	83,000	74,024	8,976
<b>Total buildings and grounds</b>	<b>1,776,600</b>	<b>1,613,940</b>	<b>162,660</b>
Motor pool:			
Salaries	343,000	307,043	35,957
Contractual	174,200	113,224	60,976
Commodities	379,500	374,422	5,078
<b>Total motor pool</b>	<b>896,700</b>	<b>794,689</b>	<b>102,011</b>
Streets and sanitation:			
Salaries	997,400	924,813	72,587
Contractual	3,129,500	3,269,157	(139,657)
Commodities	259,000	160,595	98,405
<b>Total streets and sanitation</b>	<b>4,385,900</b>	<b>4,354,565</b>	<b>31,335</b>
<b>Total public works</b>	<b>7,546,400</b>	<b>7,240,756</b>	<b>305,644</b>
Debt service:			
Principal	198,800	198,177	623
Interest and fees	33,600	34,057	(457)
<b>Total debt service</b>	<b>232,400</b>	<b>232,234</b>	<b>166</b>
Capital outlay:			
General government	609,000	247,981	361,019
Public safety	165,600	462,643	(297,043)
Public works	2,499,000	1,419,587	1,079,413
<b>Total capital outlay</b>	<b>3,273,600</b>	<b>2,130,211</b>	<b>1,143,389</b>
<b>Total expenditures</b>	<b>\$ 37,185,200</b>	<b>\$ 33,731,325</b>	<b>\$ 3,453,875</b>

Village of Romeoville, Illinois

Combining Balance Sheet  
 Non-Major Governmental Funds  
 April 30, 2010

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 130,028	\$ -	\$ 6,693,449	\$ 6,823,477
Receivables:				
Property taxes	-	1,074,478	-	1,074,478
Accounts	2,976	-	263,853	266,829
Other	58,866	-	-	58,866
Due from other funds	-	-	1,285,325	1,285,325
Due from other governmental units	79,628	-	-	79,628
	<u>271,498</u>	<u>1,074,478</u>	<u>8,242,627</u>	<u>9,588,603</u>
<b>Total assets</b>	<b>\$ 271,498</b>	<b>\$ 1,074,478</b>	<b>\$ 8,242,627</b>	<b>\$ 9,588,603</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 47,802	\$ -	\$ 392,291	\$ 440,093
Accrued liabilities	-	-	67,259	67,259
Due to other funds	-	2,392	8,711	11,103
Advance from other funds	472,853	-	-	472,853
Deferred revenue	5,124	1,074,478	-	1,079,602
<b>Total liabilities</b>	<u>525,779</u>	<u>1,076,870</u>	<u>468,261</u>	<u>2,070,910</u>
<b>Fund balances (deficits)</b>				
Unreserved, reported in:				
Special revenue funds	(254,281)	-	-	(254,281)
Debt service funds	-	(2,392)	-	(2,392)
Capital projects funds	-	-	7,774,366	7,774,366
<b>Total fund balances</b>	<u>(254,281)</u>	<u>(2,392)</u>	<u>7,774,366</u>	<u>7,517,693</u>
<b>Total liabilities and fund balances</b>	<b>\$ 271,498</b>	<b>\$ 1,074,478</b>	<b>\$ 8,242,627</b>	<b>\$ 9,588,603</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Non-Major Governmental Funds  
 Year Ended April 30, 2010

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
Revenues:				
Property taxes	\$ -	\$ 1,052,829	\$ 2,726,581	\$ 3,779,410
Other taxes	545,555	-	-	545,555
Interest	1,482	617	8,704	10,803
Charges for service	-	-	193,317	193,317
Intergovernmental	972,441	-	-	972,441
Developer contributions	-	-	110,000	110,000
Other	7,256	6,110	2,605	15,971
<b>Total revenues</b>	<u>1,526,734</u>	<u>1,059,556</u>	<u>3,041,207</u>	<u>5,627,497</u>
Expenditures:				
Current:				
General government	-	-	783,927	783,927
Public works	1,024,109	-	-	1,024,109
Debt service:				
Principal	-	1,684,103	-	1,684,103
Interest and fees	-	2,276,923	-	2,276,923
Capital outlay	956,114	-	4,020,626	4,976,740
<b>Total expenditures</b>	<u>1,980,223</u>	<u>3,961,026</u>	<u>4,804,553</u>	<u>10,745,802</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(453,489)</u>	<u>(2,901,470)</u>	<u>(1,763,346)</u>	<u>(5,118,305)</u>
Other financing sources (uses):				
Transfers in	-	1,946,228	1,270,011	3,216,239
Transfers (out)	(30,000)	-	(1,270,011)	(1,300,011)
<b>Total other financing sources (uses)</b>	<u>(30,000)</u>	<u>1,946,228</u>	<u>-</u>	<u>1,916,228</u>
<b>Change in fund balance</b>	<u>(483,489)</u>	<u>(955,242)</u>	<u>(1,763,346)</u>	<u>(3,202,077)</u>
Fund balances (deficits):				
May 1, 2009	<u>229,208</u>	<u>952,850</u>	<u>9,537,712</u>	<u>10,719,770</u>
April 30, 2010	<u>\$ (254,281)</u>	<u>\$ (2,392)</u>	<u>\$ 7,774,366</u>	<u>\$ 7,517,693</u>

Village of Romeoville, Illinois

Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 April 30, 2010

	Motor Fuel Tax	Local Gas Tax	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 130,028	\$ -	\$ 130,028
Receivables:			
Accounts	2,976	-	2,976
Other	-	58,866	58,866
Due from other governmental units	79,628	-	79,628
	<hr/>		
<b>Total assets</b>	<b>\$ 212,632</b>	<b>\$ 58,866</b>	<b>\$ 271,498</b>
<hr/>			
<b>Liabilities and Fund Balances</b>			
Liabilities			
Accounts payable	\$ 47,802	\$ -	\$ 47,802
Advances from other funds	-	472,853	472,853
Deferred revenue	-	5,124	5,124
<b>Total liabilities</b>	<b>47,802</b>	<b>477,977</b>	<b>525,779</b>
<hr/>			
Fund balances (deficits)			
Unreserved	164,830	(419,111)	(254,281)
	<hr/>		
<b>Total liabilities and fund balances</b>	<b>\$ 212,632</b>	<b>\$ 58,866</b>	<b>\$ 271,498</b>
<hr/>			

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Non-Major Special Revenue Funds  
 Year Ended April 30, 2010

	Motor Fuel Tax	Local Gas Tax	Total
Revenues:			
Other taxes	\$ -	\$ 545,555	\$ 545,555
Interest	1,482	-	1,482
Intergovernmental	972,441	-	972,441
Other	7,256	-	7,256
<b>Total revenues</b>	<b>981,179</b>	<b>545,555</b>	<b>1,526,734</b>
Expenditures:			
Current: Public works	1,024,109	-	1,024,109
Capital outlay	755,254	200,860	956,114
<b>Total expenditures</b>	<b>1,779,363</b>	<b>200,860</b>	<b>1,980,223</b>
Excess (deficiency) of revenues over (under) expenditures	(798,184)	344,695	(453,489)
Other financing uses:			
Transfers out	(30,000)	-	(30,000)
<b>Change in fund balance</b>	<b>(828,184)</b>	<b>344,695</b>	<b>(483,489)</b>
Fund balances (deficits):			
May 1, 2009	993,014	(763,806)	229,208
April 30, 2010	\$ 164,830	\$ (419,111)	\$ (254,281)

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Motor Fuel Tax Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ 20,500	\$ 1,482	\$ (19,018)
Intergovernmental:			
Motor fuel tax allotments	965,500	972,441	6,941
Other	-	7,256	7,256
<b>Total revenues</b>	<u>986,000</u>	<u>981,179</u>	<u>(4,821)</u>
Expenditures:			
Current: Public works:			
Contractual	605,000	566,329	38,671
Commodities	700,000	457,780	242,220
Capital outlay	736,000	755,254	(19,254)
<b>Total expenditures</b>	<u>2,041,000</u>	<u>1,779,363</u>	<u>261,637</u>
Excess (deficiency) of revenues over (under) expenditures	(1,055,000)	(798,184)	256,816
Other financing uses:			
Transfers out	(30,000)	(30,000)	-
<b>Change in fund balance</b>	<u>\$ (1,085,000)</u>	<u>(828,184)</u>	<u>\$ 256,816</u>
Fund balance:			
May 1, 2009		<u>993,014</u>	
April 30, 2010		<u>\$ 164,830</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 Local Gas Tax Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Other taxes:			
Home rule gas tax	\$ 650,000	\$ 545,555	\$ (104,445)
Intergovernmental:			
State grants	70,000	-	(70,000)
Developer contributions	2,100,000	-	(2,100,000)
<b>Total revenues</b>	<u>2,820,000</u>	545,555	<u>(2,274,445)</u>
Expenditures:			
Capital outlay	<u>2,850,000</u>	200,860	2,649,140
<b>Change in fund balance</b>	<u><u>\$ (30,000)</u></u>	344,695	<u><u>\$ 374,695</u></u>
Fund balance (deficit):			
May 1, 2009		<u>(763,806)</u>	
April 30, 2010		<u><u>\$ (419,111)</u></u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Debt Service Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,053,500	\$ 1,052,829	\$ (671)
Interest	10,000	617	(9,383)
Other	-	6,110	6,110
<b>Total revenues</b>	<u>1,063,500</u>	<u>1,059,556</u>	<u>(3,944)</u>
Expenditures:			
Debt service:			
Principal	1,685,000	1,684,103	897
Interest and fees	2,105,000	2,276,923	(171,923)
<b>Total expenditures</b>	<u>3,790,000</u>	<u>3,961,026</u>	<u>(171,026)</u>
Excess (deficiency) of revenues over (under) expenditures	(2,726,500)	(2,901,470)	(174,970)
Other financing sources:			
Transfers in	<u>1,762,800</u>	<u>1,946,228</u>	<u>183,428</u>
<b>Change in fund balance</b>	<u>\$ (963,700)</u>	<u>(955,242)</u>	<u>\$ 8,458</u>
Fund balance (deficit):			
May 1, 2009		<u>952,850</u>	
April 30, 2010		<u>\$ (2,392)</u>	

Village of Romeoville, Illinois

Combining Balance Sheet  
 Non-Major Capital Projects Funds  
 April 30, 2010

	Road Improvements Fund	Marquette Center TIF Fund	2004 Construction Fund	2002A Construction Fund	Romeo Road TIF Fund	Downtown TIF Fund	Total
<b>Assets</b>							
Cash and cash equivalents	\$ 177,437	\$ 4,290,940	\$ 7,715	\$ 575,059	\$ 34	\$ 1,642,264	\$ 6,693,449
Accounts receivable	-	-	13,853	-	-	250,000	263,853
Due from other funds	-	1,282,933	-	2,392	-	-	1,285,325
<b>Total assets</b>	<b>\$ 177,437</b>	<b>\$ 5,573,873</b>	<b>\$ 21,568</b>	<b>\$ 577,451</b>	<b>\$ 34</b>	<b>\$ 1,892,264</b>	<b>\$ 8,242,627</b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ 20,601	\$ 986	\$ -	\$ 4,892	\$ 788	\$ 365,024	\$ 392,291
Accrued liabilities	-	-	-	-	-	67,259	67,259
Due to other funds	-	-	-	-	-	8,711	8,711
<b>Total liabilities</b>	<b>20,601</b>	<b>986</b>	<b>-</b>	<b>4,892</b>	<b>788</b>	<b>440,994</b>	<b>468,261</b>
<b>Fund balances (deficits)</b>							
Unreserved	156,836	5,572,887	21,568	572,559	(754)	1,451,270	7,774,366
<b>Total liabilities and fund balances</b>	<b>\$ 177,437</b>	<b>\$ 5,573,873</b>	<b>\$ 21,568</b>	<b>\$ 577,451</b>	<b>\$ 34</b>	<b>\$ 1,892,264</b>	<b>\$ 8,242,627</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Non-Major Capital Projects Funds  
 Year Ended April 30, 2010

	Road Improvements Fund	Marquette Center TIF Fund	2004 Construction Fund	2002A Construction Fund	Romeo Road TIF Fund	Downtown TIF Fund	Total
<b>Revenues:</b>							
Property taxes	\$ -	\$ 2,555,832	\$ -	\$ -	\$ 205	\$ 170,544	\$ 2,726,581
Interest	300	7,137	597	1	-	669	8,704
Charges for service	-	-	-	-	-	193,317	193,317
Developer contributions	10,000	-	-	100,000	-	-	110,000
Other	-	-	-	-	-	2,605	2,605
<b>Total revenues</b>	<b>10,300</b>	<b>2,562,969</b>	<b>597</b>	<b>100,001</b>	<b>205</b>	<b>367,135</b>	<b>3,041,207</b>
<b>Expenditures:</b>							
Current: General government:	-	507,227	-	-	21,003	255,697	783,927
Capital outlay	1,082,148	787,771	779,913	458,901	-	911,893	4,020,626
<b>Total expenditures</b>	<b>1,082,148</b>	<b>1,294,998</b>	<b>779,913</b>	<b>458,901</b>	<b>21,003</b>	<b>1,167,590</b>	<b>4,804,553</b>
Excess (deficiency) of revenues over (under) expenditures	(1,071,848)	1,267,971	(779,316)	(358,900)	(20,798)	(800,455)	(1,763,346)
<b>Other financing sources (uses):</b>							
Transfer in	-	-	-	-	20,011	1,250,000	1,270,011
Transfers (out)	-	(1,250,000)	-	-	-	(20,011)	(1,270,011)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(1,250,000)</b>	<b>-</b>	<b>-</b>	<b>20,011</b>	<b>1,229,989</b>	<b>-</b>
<b>Change in fund balance</b>	<b>(1,071,848)</b>	<b>17,971</b>	<b>(779,316)</b>	<b>(358,900)</b>	<b>(787)</b>	<b>429,534</b>	<b>(1,763,346)</b>
<b>Fund balances:</b>							
May 1, 2009	1,228,684	5,554,916	800,884	931,459	33	1,021,736	9,537,712
April 30, 2010	\$ 156,836	\$ 5,572,887	\$ 21,568	\$ 572,559	\$ (754)	\$ 1,451,270	\$ 7,774,366

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Road Improvements Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 300	\$ 300
Intergovernmental	1,600,000	-	(1,600,000)
Developer contributions	-	10,000	10,000
Total revenues	<u>1,600,000</u>	<u>10,300</u>	<u>(1,589,700)</u>
Expenditures:			
Capital outlay	<u>2,732,000</u>	<u>1,082,148</u>	<u>1,649,852</u>
Change in fund balance	<u>\$ (1,132,000)</u>	<u>(1,071,848)</u>	<u>\$ 60,152</u>
Fund balance:			
May 1, 2009		<u>1,228,684</u>	
April 30, 2010		<u>\$ 156,836</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Marquette Center Tax Increment Financing District Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 2,475,000	\$ 2,555,832	\$ 80,832
Interest	50,000	7,137	(42,863)
<b>Total revenues</b>	<u>2,525,000</u>	<u>2,562,969</u>	<u>37,969</u>
Expenditures:			
Current: General government: Contractual	504,000	507,227	(3,227)
Capital outlay	-	787,771	(787,771)
<b>Total expenditures</b>	<u>504,000</u>	<u>1,294,998</u>	<u>(790,998)</u>
Excess (deficiency) of revenues over (under) expenditures	2,021,000	1,267,971	(753,029)
Other financing sources (uses):			
Transfers (out)	<u>(2,021,000)</u>	<u>(1,250,000)</u>	<u>771,000</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>17,971</u>	<u>\$ 17,971</u>
Fund balance:			
May 1, 2009		<u>5,554,916</u>	
April 30, 2010		<u>\$ 5,572,887</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 2004 Construction Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
<hr/>			
Revenues:			
Interest	\$ -	\$ 597	\$ 597
Expenditures:			
Capital outlay	<u>638,000</u>	<u>779,913</u>	<u>(141,913)</u>
Change in fund balance	<u>\$ (638,000)</u>	<u>(779,316)</u>	<u>\$ (141,316)</u>
Fund balance:			
May 1, 2009		<u>800,884</u>	
April 30, 2010		<u>\$ 21,568</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 2002A Construction Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 1	\$ 1
Intergovernmental	800,000	-	(800,000)
Developer contributions	200,000	100,000	(100,000)
<b>Total revenues</b>	<u>1,000,000</u>	<u>100,001</u>	<u>(899,999)</u>
Expenditures:			
Capital outlay	<u>1,494,000</u>	<u>458,901</u>	<u>1,035,099</u>
<b>Change in fund balance</b>	<u>\$ (494,000)</u>	<u>(358,900)</u>	<u>\$ 135,100</u>
Fund balance:			
May 1, 2009		<u>931,459</u>	
April 30, 2010		<u>\$ 572,559</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Romeo Road Tax Increment Financing District Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ -	\$ 205	\$ 205
<b>Expenditures:</b>			
Current: General government: Contractual	10,000	21,003	(11,003)
Capital outlay	350,000	-	350,000
<b>Total expenditures</b>	<b>360,000</b>	<b>21,003</b>	<b>338,997</b>
Excess (deficiency) of revenues over (under) expenditures	(360,000)	(20,798)	339,202
<b>Other financing sources:</b>			
Transfers in	360,000	20,011	(339,989)
<b>Change in fund balance</b>	<b>\$ -</b>	<b>(787)</b>	<b>\$ (787)</b>
<b>Fund balance:</b>			
May 1, 2009		<u>33</u>	
April 30, 2010		<u>\$ (754)</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Downtown Tax Increment Financing District Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 134,000	\$ 170,544	\$ 36,544
Interest	15,000	669	(14,331)
Charges for services	200,000	193,317	(6,683)
Other	-	2,605	2,605
<b>Total revenues</b>	<u>349,000</u>	<u>367,135</u>	<u>18,135</u>
Expenditures:			
Current: General government: Contractual	1,426,000	255,697	1,170,303
Capital outlay	18,542,600	911,893	17,630,707
<b>Total expenditures</b>	<u>19,968,600</u>	<u>1,167,590</u>	<u>18,801,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,619,600)</u>	<u>(800,455)</u>	<u>18,819,145</u>
Other financing sources (uses):			
Bond proceeds	17,958,600	-	(17,958,600)
Transfers in	2,021,000	1,250,000	(771,000)
Transfers (out)	(360,000)	(20,011)	339,989
<b>Total other financing sources (uses)</b>	<u>19,619,600</u>	<u>1,229,989</u>	<u>(18,389,611)</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>429,534</u>	<u>\$ 429,534</u>
Fund balance:			
May 1, 2009		<u>1,021,736</u>	
April 30, 2010		<u>\$ 1,451,270</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget and Actual  
 Facility Construction Fund  
 Year Ended April 30, 2010

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ 310,000	\$ 310,973	\$ 973
Intergovernmental, state grants	400,000	-	(400,000)
Other	-	17,545	17,545
Total revenues	710,000	328,518	(381,482)
Expenditures:			
Capital outlay	32,760,000	21,433,850	11,326,150
Change in fund balance	\$ (32,050,000)	(21,105,332)	\$ 10,944,668
Fund balance:			
May 1, 2009		33,234,016	
April 30, 2010		\$ 12,128,684	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Net Assets  
 Budget and Actual - Water and Sewer Fund  
 Year Ended April 30, 2010

	Budget	Actual
Operating revenues:		
Charges for services:		
Water sales	\$ 5,570,000	\$ 5,441,636
Sewer sales	6,600,000	6,381,963
Fines and fees:		
Late charges	350,000	311,349
Other fees	-	3,709
Tap on fees	170,000	50,091
Reconnection fees	50,000	59,902
NSF Charges	10,000	9,080
Developer contributions	-	1,235
Reimbursements	35,000	41,265
<b>Total operating revenues</b>	<b>12,785,000</b>	<b>12,300,230</b>
Operating expenses:		
Finance administration:		
Salaries	362,700	372,816
Contractual	158,000	153,527
Commodities	63,000	55,554
Other	7,800	1,545
<b>Total finance administration</b>	<b>591,500</b>	<b>583,442</b>
Public works administration:		
Contractual	649,000	337,677
Commodities	16,500	12,049
Capital outlay	10,000	-
Other	39,000	-
<b>Total public works administration</b>	<b>714,500</b>	<b>349,726</b>
Public works water distribution:		
Salaries	1,276,900	1,274,336
Contractual	1,395,000	907,385
Commodities	1,011,000	657,207
Capital outlay	2,880,000	1,395,798
<b>Total public works water distribution</b>	<b>6,562,900</b>	<b>4,234,726</b>

(continued)

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Net Assets (Continued)  
 Budget and Actual - Water and Sewer Fund  
 Year Ended April 30, 2010

	Budget	Actual
Operating expenses: (continued)		
Public works sewage treatment:		
Salaries	\$ 871,500	\$ 850,760
Contractual	1,467,000	1,030,721
Commodities	257,500	153,097
Capital outlay	5,257,500	1,137,098
<b>Total public works sewage treatment</b>	<b>7,853,500</b>	<b>3,171,676</b>
Public works sewage collection:		
Salaries	738,200	786,312
Contractual	829,000	678,913
Commodities	78,000	50,570
Capital outlay	2,345,000	1,968,676
<b>Total public works sewage collection</b>	<b>3,990,200</b>	<b>3,484,471</b>
<b>Total</b>	<b>19,712,600</b>	<b>11,824,041</b>
Less capitalized items	-	(4,298,932)
<b>Total operating expenses</b>	<b>19,712,600</b>	<b>7,525,109</b>
<b>Operating income (loss) before depreciation and amortization</b>	<b>(6,927,600)</b>	<b>4,775,121</b>
Depreciation	-	4,189,946
Amortization	-	(48)
<b>Operating income (loss)</b>	<b>(6,927,600)</b>	<b>585,223</b>
Non-operating income (expense):		
Interest income	835,000	459,824
Interest expense	(4,016,000)	(1,357,458)
<b>Total non-operating income (expense)</b>	<b>(3,181,000)</b>	<b>(897,634)</b>
<b>Loss before transfers</b>	<b>(10,108,600)</b>	<b>(312,411)</b>
Transfers out	(2,600,000)	(2,600,000)
<b>Change in net assets</b>	<b>\$ (12,708,600)</b>	<b>(2,912,411)</b>
Net assets:		
May 1, 2009		103,117,809
April 30, 2010		<b>\$ 100,205,398</b>

Village of Romeoville, Illinois

Schedule of Debt Service Requirements  
April 30, 2010

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Refunding Series 1997B	2011	\$ 55,000	\$ 14,750	\$ 69,750
Dated November 15, 1997	2012	55,000	12,000	67,000
Interest due on June 30	2013	60,000	9,250	69,250
and December 30 at a rate	2014	60,000	6,250	66,250
of 5.0%	2015	65,000	3,250	68,250
		<u>\$ 295,000</u>	<u>\$ 45,500</u>	<u>\$ 340,500</u>

General Obligation Bonds:				
Series 2000A	2011	\$ 430,000	\$ 140,453	\$ 570,453
Dated June 30, 2000	2012	445,000	106,590	551,590
Interest due on June 30	2013	540,000	83,895	623,895
and December 30 at rates	2014	585,000	56,355	641,355
ranging from 5.1% to 7.88%	2015	520,000	26,520	546,520
		<u>\$ 2,520,000</u>	<u>\$ 413,813</u>	<u>\$ 2,933,813</u>

General Obligation Bonds:				
Series 2002A	2011	\$ 160,000	\$ 67,820	\$ 227,820
Dated September 15, 2002	2012	165,000	59,820	224,820
Interest due on June 30	2013	175,000	51,570	226,570
and December 30 at rates	2014	185,000	42,820	227,820
ranging from 4.1% to 5.0%	2015	190,000	33,570	223,570
	2016	200,000	24,545	224,545
	2017	210,000	16,345	226,345
	2018	175,000	7,525	182,525
		<u>\$ 1,460,000</u>	<u>\$ 304,015</u>	<u>\$ 1,764,015</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
 April 30, 2010

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated September 15, 2004	2011	\$ 1,280,000	\$ 836,748	\$ 2,116,748
Refunding Series 2004	2012	1,710,000	785,548	2,495,548
Interest due on June 30 and December 30 at rates of 3.75% to 5.0%	2013	1,810,000	717,148	2,527,148
	2014	2,050,000	644,747	2,694,747
	2015	2,095,000	542,248	2,637,248
	2016	2,120,000	463,685	2,583,685
	2017	2,205,000	378,885	2,583,885
	2018	2,235,000	290,685	2,525,685
	2019	1,385,000	201,285	1,586,285
	2020	425,000	144,500	569,500
	2021	445,000	123,250	568,250
	2022	470,000	101,000	571,000
	2023	490,000	77,500	567,500
	2024	515,000	53,000	568,000
	2025	545,000	27,250	572,250
		<u>\$ 19,780,000</u>	<u>\$ 5,387,479</u>	<u>\$ 25,167,479</u>

General Obligation Bonds:				
Dated September 15, 2005	2011	\$ 285,000	\$ 62,880	\$ 347,880
Refunding Series 2005	2012	295,000	53,617	348,617
Interest due on June 15 and December 15 at rates of 3.25% to 3.6%	2013	305,000	44,030	349,030
	2014	315,000	33,965	348,965
	2015	325,000	23,255	348,255
	2016	330,000	11,880	341,880
		<u>\$ 1,855,000</u>	<u>\$ 229,627</u>	<u>\$ 2,084,627</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
 April 30, 2010

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated November 15, 2007	2011	\$ 540,000	\$ 207,488	\$ 747,488
Refunding Series 2007A	2012	560,000	187,238	747,238
Interest due on June 30	2013	580,000	164,838	744,838
and December 30 at rates	2014	605,000	141,638	746,638
ranging from 3.75% to 5.25%	2015	590,000	117,438	707,438
	2016	620,000	93,838	713,838
	2017	640,000	69,038	709,038
	2018	675,000	35,438	710,438
		<u>\$ 4,810,000</u>	<u>\$ 1,016,954</u>	<u>\$ 5,826,954</u>

General Obligation Bonds:				
Dated November 15, 2007	2011	\$ -	\$ 543,625	\$ 543,625
Refunding Series 2007B	2012	-	543,625	543,625
Interest due on June 30	2013	-	543,625	543,625
and December 30 at rates	2014	-	543,625	543,625
ranging from 4.00% to 4.375%	2015	-	543,625	543,625
	2016	-	543,625	543,625
	2017	-	543,625	543,625
	2018	2,000,000	543,625	2,543,625
	2019	2,225,000	463,625	2,688,625
	2020	3,925,000	374,625	4,299,625
	2021	4,750,000	207,813	4,957,813
		<u>\$ 12,900,000</u>	<u>\$ 5,395,063</u>	<u>\$ 18,295,063</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
April 30, 2010

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated June 30, 2008	2011	\$ 475,000	\$ 399,406	\$ 874,406
Series 2008A	2012	400,000	383,968	783,968
Interest due on June 30	2013	700,000	370,468	1,070,468
and December 30 at rates	2014	850,000	345,968	1,195,968
ranging from 3.25% to 4.125%	2015	1,175,000	316,218	1,491,218
	2016	1,575,000	273,625	1,848,625
	2017	2,050,000	214,563	2,264,563
	2018	700,000	132,563	832,563
	2019	1,150,000	104,563	1,254,563
	2020	1,000,000	58,563	1,058,563
	2021	450,000	18,563	468,563
		<u>\$ 10,525,000</u>	<u>\$ 2,618,468</u>	<u>\$ 13,143,468</u>
General Obligation (Capital Appreciation) Bonds:				
Dated June 30, 2008	2022	\$ 2,779,425	\$ 2,720,575	\$ 5,500,000
Series 2008B	2023	2,846,160	3,153,840	6,000,000
Interest due on December 30	2024	2,675,040	3,324,960	6,000,000
at rates ranging from 5.12%	2025	2,506,740	3,493,260	6,000,000
to 5.85%	2026	2,545,205	3,954,795	6,500,000
	2027	2,390,830	4,109,170	6,500,000
	2028	2,243,605	4,256,395	6,500,000
	2029	2,103,400	4,396,600	6,500,000
	2030	1,974,180	4,525,820	6,500,000
	2031	1,851,460	4,648,540	6,500,000
	2032	1,739,010	4,760,990	6,500,000
	2033	1,640,210	4,859,790	6,500,000
	2034	1,546,740	4,953,260	6,500,000
	2035	1,458,275	5,041,725	6,500,000
	2036	1,374,620	5,125,380	6,500,000
	2037	1,295,515	5,204,485	6,500,000
	2038	1,220,765	5,279,235	6,500,000
	2039	1,136,460	5,363,540	6,500,000
	2040	1,008,244	5,191,756	6,200,000
		<u>36,335,884</u>	<u>84,364,116</u>	<u>120,700,000</u>
Accreted Interest		<u>3,091,384</u>	<u>(3,091,384)</u>	<u>-</u>
		<u>\$ 39,427,268</u>	<u>\$ 81,272,732</u>	<u>\$ 120,700,000</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
 April 30, 2010

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated November 3, 2008	2011	\$ 335,000	\$ 187,020	\$ 522,020
Refunding Series 2008C	2012	325,000	175,295	500,295
Interest due on June 30	2013	330,000	163,920	493,920
and December 30 at rates	2014	350,000	152,370	502,370
ranging from 3.5% to 4.0%	2015	375,000	138,720	513,720
	2016	400,000	124,095	524,095
	2017	735,000	108,495	843,495
	2018	770,000	79,830	849,830
	2019	1,245,000	49,800	1,294,800
		<u>\$ 4,865,000</u>	<u>\$ 1,179,545</u>	<u>\$ 6,044,545</u>
General Obligation Bonds:				
Dated May 4, 2009	2011	\$ 205,000	\$ 259,738	\$ 464,738
Series 2009	2012	215,000	253,588	468,588
Interest due on June 30	2013	225,000	247,138	472,138
and December 30 at rates	2014	235,000	240,388	475,388
ranging from 3.0% to 4.375%	2015	245,000	233,338	478,338
	2016	260,000	225,988	485,988
	2017	270,000	218,188	488,188
	2018	285,000	208,738	493,738
	2019	300,000	197,338	497,338
	2020	315,000	185,338	500,338
	2021	330,000	172,738	502,738
	2022	345,000	159,538	504,538
	2023	365,000	145,738	510,738
	2024	380,000	131,138	511,138
	2025	400,000	115,938	515,938
	2026	420,000	99,538	519,538
	2027	440,000	82,213	522,213
	2028	465,000	63,513	528,513
	2029	490,000	43,750	533,750
	2030	510,000	22,313	532,313
		<u>\$ 6,700,000</u>	<u>\$ 3,306,197</u>	<u>\$ 10,006,197</u>
Alternate Revenue Bonds				
Dated September 15, 2002	2011	\$ 170,000	\$ 81,225	\$ 251,225
Refunding Series 2002B	2012	-	75,105	75,105
Interest due on June 30 and	2013	-	75,105	75,105
December 30 at rates of 3.6%	2014	-	75,105	75,105
to 4.3%	2015	-	75,105	75,105
	2016	525,000	75,105	600,105
	2017	600,000	53,580	653,580
	2018	660,000	28,380	688,380
		<u>\$ 1,955,000</u>	<u>\$ 538,710</u>	<u>\$ 2,493,710</u>

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Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
April 30, 2010

	Year Ending	Principal	Interest	Total
Note Payable:				
Dated August 1, 2008	2011	\$ 1,058,534	\$ 584,300	\$ 1,642,834
Illinois Environmental Protection Agency Loan	2012	1,122,063	579,087	1,701,150
Interest due on June 1 and	2013	1,150,290	550,860	1,701,150
December 1 at a rate of 2.5%	2014	1,179,227	521,923	1,701,150
	2015	1,208,892	492,258	1,701,150
	2016	1,239,303	461,847	1,701,150
	2017	1,270,480	430,670	1,701,150
	2018	1,302,440	398,710	1,701,150
	2019	1,335,205	365,945	1,701,150
	2020	1,368,793	332,357	1,701,150
	2021	1,403,227	297,923	1,701,150
	2022	1,438,527	262,623	1,701,150
	2023	1,474,715	226,435	1,701,150
	2024	1,511,813	189,337	1,701,150
	2025	1,549,845	151,305	1,701,150
	2026	1,588,833	112,317	1,701,150
	2027	1,628,802	72,348	1,701,150
	2028	1,665,964	35,186	1,701,150
		<u>\$ 24,496,953</u>	<u>\$ 6,065,431</u>	<u>\$ 30,562,384</u>
Capital Lease				
Dated June 25, 2005	2011	\$ 54,788	\$ 3,508	\$ 58,296
2006 Pierce Pumper	2012	56,514	1,782	58,296
Principal and Interest due on May 7		<u>\$ 111,302</u>	<u>\$ 5,290</u>	<u>\$ 116,592</u>
at rates of 3.15%				
Capital Lease				
Dated June 25, 2005	2011	\$ 38,552	\$ 7,320	\$ 45,872
2006 Pierce Heavy Duty Fire Vehicle	2012	39,916	5,956	45,872
Principal and Interest due on May 7	2013	41,329	4,543	45,872
at rates of 3.48%	2014	42,791	3,081	45,872
	2015	44,301	1,571	45,872
		<u>\$ 206,889</u>	<u>\$ 22,471</u>	<u>\$ 229,360</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated September 11, 2006				
2007 Street Sweeper				
Principal and Interest due on September 11	2011	\$ 30,293	\$ 1,237	\$ 31,530
Capital Lease				
Dated April 5, 2007				
2007 Pierce Pumper				
Principal and Interest due on April 5	2011	\$ 49,668	\$ 9,057	\$ 58,725
	2012	51,792	6,933	58,725
	2013	54,007	4,718	58,725
at rates of 4.28%	2014	56,317	2,408	58,725
		\$ 211,784	\$ 23,116	\$ 234,900
Capital Lease				
Dated December 7, 2008				
2008 Ford F450 Ambulance				
Principal and Interest due on June 1	2011	\$ 32,650	\$ 5,161	\$ 37,811
	2012	34,288	3,523	37,811
at rates of 4.083%	2013	36,006	1,805	37,811
		\$ 102,944	\$ 10,489	\$ 113,433
Capital Lease				
Dated August 25, 2009				
2009 Fire Training Facility				
Principal and Interest due on August 25	2011	\$ 13,781	\$ 11,821	25,602
	2012	14,661	10,941	25,602
	2013	15,598	10,004	25,602
at rates of 6.39%	2014	16,595	9,007	25,602
	2015	17,655	7,947	25,602
	2016	18,783	6,819	25,602
	2017	19,984	5,618	25,602
	2018	21,260	4,342	25,602
	2019	22,619	2,983	25,602
	2020	24,064	1,538	25,602
		\$ 185,000	\$ 71,020	\$ 256,020