

**VILLAGE OF ROMEovILLE  
MARQUETTE TIF  
FY 2006-2007**

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]**

Name of Redevelopment Project Area:	Marquette TIF
Primary Use of Redevelopment Project Area*:	Industrial
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] <b>If yes, please enclose the amendment labeled Attachment A</b>	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] <b>Please enclose the CEO Certification labeled Attachment B</b>		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] <b>Please enclose the Legal Counsel Opinion labeled Attachment C</b>		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement labeled Attachment D</b>		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] <b>If yes, please enclose the Agreement(s) labeled Attachment E</b>	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] <b>If yes, please enclose the Additional Information labeled Attachment F</b>		X
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] <b>If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G</b>		X
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] <b>If yes, please enclose the Joint Review Board Report labeled Attachment H</b>		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose the Official Statement labeled Attachment I</b>		X
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If yes, please enclose the Analysis labeled Attachment J</b>	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K</b>		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9) <b>If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L</b>		X

\* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

**SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))**

Provide an analysis of the special tax allocation fund.

	Reporting Year	Cumulative	
Fund Balance at Beginning of Reporting Period	\$ 10,067,503		
<b>Revenue/Cash Receipts Deposited in Fund During Reporting FY:</b>			
Property Tax Increment	\$ 2,556,914	\$ 21,608,547	64%
State Sales Tax Increment	\$ 0	\$ 0	0%
Local Sales Tax Increment	\$ 0	\$ 0	0%
State Utility Tax Increment	\$ 0	\$ 0	0%
Local Utility Tax Increment	\$ 0	\$ 0	0%
Interest	\$ 417,462	\$ 2,051,282	5%
Land/Building Sale Proceeds	\$ 0	\$ 0	0%
Bond Proceeds	\$ 5,197,350	\$ 5,197,350	20%
Transfers from Municipal Sources	\$ 2,612,275	\$ 2,612,275	10%
Private Sources	\$ 0	\$ 0	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ 0	\$ 0	0%
<b>Total Amount Deposited in Special Tax Allocation Fund During Reporting Period</b>	<b>\$ 2,974,376</b>		
<b>Cumulative Total Revenues/Cash Receipts</b>	<b>\$ 31,469,454</b>		<b>100%</b>
<b>Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)</b>	<b>\$ 2,974,376</b>	<b>\$ 20,886,949</b>	
<b>Distribution of Surplus</b>	<b>\$ -</b>	<b>\$ 515,001.97</b>	
<b>Total Expenditures/Disbursements</b>	<b>\$ 2,974,376</b>	<b>\$ 21,401,951</b>	
<b>NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS</b>	<b>\$ 0</b>	<b>\$ 10,067,503</b>	
<b>FUND BALANCE, END OF REPORTING PERIOD</b>	<b>\$ 10,067,503</b>	<b>\$ 10,067,503</b>	

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

**SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))**  
**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**  
 (by category of permissible redevelopment cost, amounts expended during reporting period)

**FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED**

**Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]**

		<b>Reporting Fiscal Year</b>
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o)(1)		
Audit Expense	4,000	
		\$ 4,000
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		\$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -





## Section 3.2 B

**List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.**

There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

**SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))****Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period  
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))****FUND BALANCE, END OF REPORTING PERIOD****10,067,503**

<b>Amount of Original Issuance</b>	<b>Amount Designated</b>
--	--------------------------

**1. Description of Debt Obligations**

1991 TIF BONDS	\$ 2,550,000	
1997 TIF REFINANCING BONDS	\$ 2,700,000	

**Total Amount Designated for Obligations****\$ 5,250,000 \$ -****2. Description of Project Costs to be Paid**

Creation of Downtown TIF District contiguous to Marquette TIF.	\$ 10,067,503	
Funds will be exported from Marquette TIF to Downtown TIF		

**Total Amount Designated for Project Costs****\$ 10,067,503****TOTAL AMOUNT DESIGNATED****\$ 10,067,503****SURPLUS\*/(DEFICIT)****\$ -****\* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing**

**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

**No property was acquired by the Municipality Within the Redevelopment Project Area**

**Property Acquired by the Municipality Within the Redevelopment Project Area**

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

**SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)**

Please include a brief description of each project.

**\_\_\_\_\_ No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area**

	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Estimated Cost of the Total Project</b>
<b>11/1/99 to Date</b>		

<b>TOTAL:</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 13,491,152	\$ 7,330,383
Ratio of Private/Public Investment	0	0
<b>Project 1: Lift Station Improvements</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 212,966	\$ 213,000
Ratio of Private/Public Investment	0	0
<b>Project 2: Marquette Industrial Park Resurfacing</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 710,219	\$ 711,000
Ratio of Private/Public Investment	0	0
<b>Project 3: Marquette Industrial Park Street Lights</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 211,946	\$ 212,000
Ratio of Private/Public Investment	0	0
<b>Project 4: Marquette Park Infrastructure/Facilities</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 1,761,789	\$ - 2,500,000
Ratio of Private/Public Investment	0	0
<b>Project 5: Fire Station #2 Projects</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 4,441,401	\$ 4,441,400
Ratio of Private/Public Investment	0	0
<b>Project 6: TIF Formation/Engineering/Administration</b>		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	\$ 249,247	\$ 4,000
Ratio of Private/Public Investment	0	0

<b>Project 7: Parkwood Reconstruction</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 743,206		\$ 745,000
Ratio of Private/Public Investment	0		0
<b>Project 8: Distribution to Taxing Bodies</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 515,002	\$ 511,383	\$ 5,200,000
Ratio of Private/Public Investment	0		0
<b>Project 9: Export Funds to Downtown TIF</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 4,645,376	\$ 6,815,000	\$ 29,000,000
Ratio of Private/Public Investment	0		0
<b>Project 10:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 11:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 12:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 13:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 14:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 15:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 16:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Optional:** Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

## SECTION 6

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
1988	\$ 7,964,261	\$ 43,970,661

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

The overlapping taxing districts did not receive a surplus.

## SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

## SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

The Area is approximately 375 acres of land wholly located within the Village of Romeoville, in Will County, Illinois and is located near the intersection of Illinois Route 53 and Joliet Road. Independence Boulevard cuts across the southeast corner of the Illinois Route 53/I-55 interchange and the I-55/I-355 interchange. The area consists of three tracts of land. The largest tract of land, which consists of approximately 192.3 acres (excluding street right-of-way) is located north of Joliet Road and west of Illinois Route 53. This tract of land is known as the "Marquette Center Business and Industrial Park" (the "Marquette Center"). Immediately west of the Marquette Center is an approximate 23-acre tract of land which is included in the Area ("Marquette West"). Access to Marquette West is available from Anton Drive. Anton Drive connects with Enterprise Drive which is a street within Marquette Center. The third tract of land in the Area is located south of Joliet Road ("Ridgewood Business Park") and contains approximately 107.9 acres.

Optional Documents	Enclosed	
Legal description of redevelopment project area	X	
Map of District	X	

## 2. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

Boundaries of the Redevelopment Project Area are shown in Figure 2, Boundary Map. The area is generally bounded on the north by the north property line of the parcels immediately north of Enterprise Drive; on the east by Illinois Route 53, a portion of Joliet Road and Route 53 as extended south to the north property line of the parcel north of Ridgewood Avenue; on the south by said property line extending west but extending south to include parcels along Parkwood Avenue just north of Greenwood Avenue; and on the west by Parkwood Avenue as extended north and along the west parcel line of the parcels west of Enterprise Drive, but excluding parcels south of Naperville Road, west of Enterprise Drive and north of Joliet Road. The legal description is as follows:

Those parts of Sections 22, 23, 26, 27 and 34 (taken as a tract) in Township 37 North, Range 10 East of the Third Principal Meridian bounded and described as follows:

Beginning at the southwest corner of the Southeast Quarter of said Section 22; thence north on the west line of the Southeast Quarter of said Section 22 to the north line of Marquette Center (being a resubdivision of part of Marquette Center Business and Industrial Park Unit 2 as per plat thereof recorded as Document #R76-29157); thence East along said north line and the easterly prolongation thereof to the east line of Illinois Route 53; thence southerly along said east line to the southeasterly line of Joliet Road; thence southwesterly along said southeasterly line to the east line of Section 27 aforesaid; thence South on the last described line to the north line of Hampton Park Industrial District Sub- division; thence (the following 3 courses being along the northerly line of lot 1 in said Hampton Park Industrial District Subdivision) West 2319.84 feet; thence southwesterly 340.31 feet; thence northwesterly 113.50 feet to the west line of the Southeast Quarter of said Section 27; thence South on said west line to the south line of Ridgewood Avenue; thence East on said south line to a line distant 455.00 feet East of and parallel with the west line of the Southeast Quarter of said Section 27; thence South on said parallel line to the north line of the North- east Quarter of said Section 34; thence West on said north line to the east line of Romeoville Industrial Park Unit I (a subdivision in said Section 34 as per plat thereof recorded September 18, 1986 as Document #R86-42585); thence South on said east line to the Southeast corner of lot 3 in said Romeoville Industrial Park Unit 1; thence West on the south line of said lot 3 and the westerly prolongation thereof to the west line of Parkwood Avenue; thence North on said west line to the easterly prolongation of the south line of the North 365.53 feet of Lot 3 in the resubdivision of Hampton Park Industrial District (recorded as document #R-69-13893); thence West on the south line of said North 365.53 feet 270.73 feet; thence North parallel with the west line of said Parkwood Avenue to the south line of Ridgewood Avenue; thence west on said south line to the northwesterly line of said Joliet Road; thence northeasterly on said northwesterly line to a line distant 67.58 feet southwesterly of and parallel with the southwesterly line of Enterprise Drive; thence northwesterly on said parallel line to the south line of the Northeast Quarter of said Section 27; thence West on said south line to the North and South center line of the aforesaid Section 27; thence North on the last described line to the northeast corner of Honeytree Unit 3 Subdivision as per plat recorded by Document #R73-26480; thence westerly along the northerly line of said Honeytree Unit 3 Subdivision to the west line of the East Half of the Northwest Quarter of said section 27; thence East on said west line to the north line of said Section 27; thence East on said north line to the point of beginning; (excepting from the above described land lots 9, 10, and 11 in Marquette Center Business and Industrial Park Unit 1, as per plat thereof recorded December 20, 1973 as Document #R73-37169; also excepting that

part of vacated Route 53 and that part of the Northeast 1/4 of said Section 27 lying southwesterly of the southeasterly prolongation of the northeasterly line of said lot 9), all in Will County, Illinois.

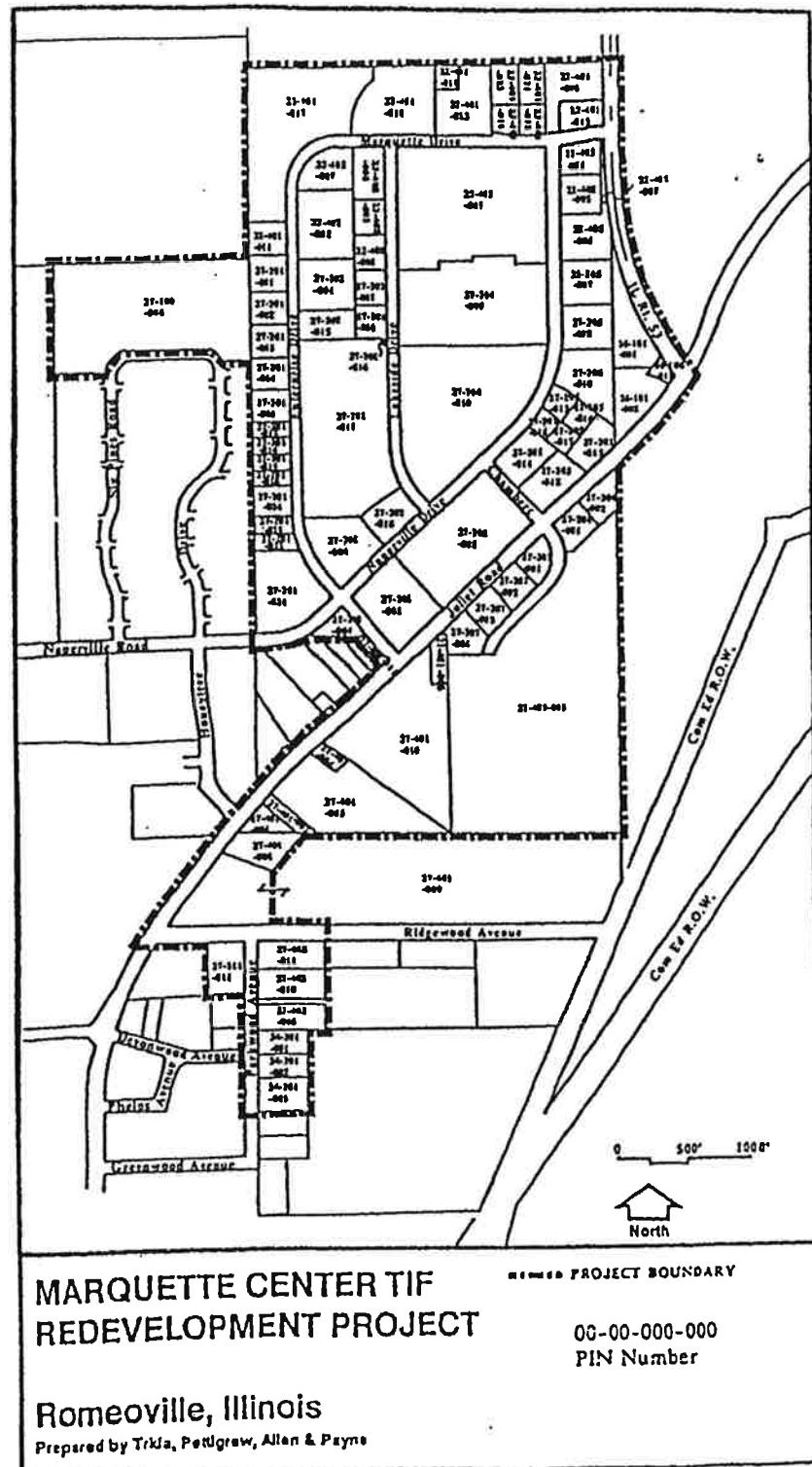


Figure 1

# ATTACHMENT B

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF WILL )

**CERTIFICATE OF COMPLIANCE WITH THE TAX  
INCREMENT ALLOCATION REDEVELOPMENT ACT**

I, the undersigned, do hereby certify that I am the duly qualified and acting President of the Village of Romeoville, Will County, Illinois (the "Village"), and as such chief executive officer of the Village, I do hereby further certify to the best of my knowledge, that, according to the records of the Village in my official possession, the Village has now complied, for the fiscal year ended April 30, 2007, with all of the requirements of the Tax Increment Allocation Redevelopment Act, as amended, Division 74.4 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-74.4-1 through 11-74.4-11) for that certain redevelopment project area known as the Marquette Center Redevelopment Project Area. Compliance requirements, if any, brought to the attention of the undersigned have been addressed as of the date of this certificate.

IN WITNESS WHEREOF I have hereunto affixed my official signature at Romeoville, Illinois, this 20 day of June, 2012.

President, Village of Romeoville  
Will County, Illinois

ATTEST:

Dr. Berneice E. Holloway  
Village Clerk

# ATTACHMENT C

# TRACY, JOHNSON & WILSON

Attorneys at Law

First Community Bank Building  
2801 Black Road, Second Floor  
Joliet, Illinois 60435

Raymond E. Meader  
A. Michael Wojtak  
Kenneth A. Carlson  
John S. Gallo  
Richard E. Vogel  
Cory D. Lund

Jeffrey M. Archambeault

TELEPHONE (815) 723-8500  
FAX (815) 727-4846  
e-mail address: [jolietlaw@tracylawfirm.com](mailto:jolietlaw@tracylawfirm.com)

Louis R. Bertani (1928-1999)  
Thomas R. Wilson (1929-2001)  
Donald J. Tracy (1926-2003)  
Wayne R. Johnson (1930-2008)  
Richard H. Teas (1930-2008)

June 21, 2012

Mr. Kirk Openchowski  
Village of Romeoville  
1050 W. Romeo Road Drive  
Romeoville, IL 60446

Re: Marquette Center Redevelopment Project Area

Dear Mr. Openchowski:

We, the undersigned, do hereby certify that we are the Village Attorneys for the Village of Romeoville, Will County, Illinois (the "Village"). We have reviewed all the information provided to us by appropriate Village officials, staff, and consultants and to the best of our knowledge and belief, further certify that the Village has now conformed for the fiscal year ended April 30, 2007, with all of the requirements of the Tax Increment Allocation Redevelopment Act, as amended, Division 74.4 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-74.4-1 through 11-74.4-11) as of the date hereof for that certain redevelopment project area known as the Marquette Center Redevelopment Project Area (the "Project").

In rendering this certification, we have relied upon certifications of the Village with respect to certain material facts solely within the Village's knowledge relating to the Project. Compliance requirements, if any, brought to the attention of the undersigned have been addressed as of the date of this certification.

Tracy, Johnson & Wilson

By: 

Village Attorneys  
Village of Romeoville, Will County, Illinois

# ATTACHMENT D

## **STATEMENT OF ACTIVITIES FY 06-07**

The projects meet the Marquette TIF General TIF Goals, the Redevelopment Objectives and Development and Design Objectives.

The Marquette Redevelopment Project TIF District project area goals and objectives are attached.

### **TIF FORMATION/ENGINEERING/ADMINISTRATION**

The TIF Financial Compliance Report for the prior year was completed.

### **EXPORT FUNDS TO THE DOWNTOWN TIF**

\$2,970,376 in funds was exported to the Village of Romeoville Downtown TIF Redevelopment Project. The Marquette TIF is contiguous to the Downtown TIF. State statutes permit the exporting of funds from TIF areas that are contiguous.

### **3. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES**

Managed growth in the form of investment in new development and facilities is essential in the Redevelopment Project Area, as it is in the entire Village. Redevelopment efforts in the Redevelopment Project Area will strengthen the entire Village through environmental improvements, increased tax base and additional employment opportunities.

The Act encourages the public and private sectors to work together to address and solve the problems associated with urban growth and development. Cooperation between the Village and the private sector to redevelop parts of the Redevelopment Project Area will receive significant support from the financing methods made available by the Act.

This section of the Redevelopment Plan identifies the goals and objective of the Redevelopment Project Area. A later section of this Redevelopment Plan identifies more specific programs (the Redevelopment Project) that the Village plans to undertake in achieving the redevelopment goals and objectives which are identified below.

#### **GENERAL GOALS**

- Improve the quality of life in Romeoville by eliminating the influences as well as the manifestations of physical and economic deterioration and obsolescence within the Redevelopment Project Area.
- Provide sound economic development in the Redevelopment Project Area.
- Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the Village, and preserve or enhance the value of the properties adjacent to the Area.

#### **REDEVELOPMENT OBJECTIVES**

- Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Section 4 of this document, Blighted Area Conditions Existing in the Redevelopment Project Area, describes these conditions.
- Ensure high standards of design and construction techniques.
- Strengthen the economic well being of the Redevelopment Project Area and the Village by increasing business activity, taxable values, and job opportunities.
- Assemble land into parcels functionally adaptable with respect to shape and size for disposition and redevelopment in accordance with contemporary development needs and standards.
- Create an environment which stimulates private investment in new construction, expansion, and rehabilitation.

- Improve and expand existing utilities and roadways to enhance the developability and accessibility of sites.
- Achieve development which is integrated both functionally and aesthetically with nearby existing development, and which contains a complementary mix of uses within the Marquette Center TIF Redevelopment Area.
- Provide sites for needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with accepted design criteria for such facilities.

## DEVELOPMENT AND DESIGN OBJECTIVES

- Ensure that the development is characterized by high-quality building construction and site design.
- Ensure that new development complements existing surrounding uses in terms of scale, size, and intensity, and enhance the overall appearance of the community.
- Encourage coordinated development of parcels and structures in order to achieve efficient building design; multi-purpose use of sites; unified off-street parking, trucking, and service facilities; and internal pedestrian connections. This includes physical integration of retained and new uses.
- Establish a pattern of land-use activities arranged in compact, compatible groupings to increase efficiency of operation and economic relationships.
- Create a distinctive entranceway for Romeoville at Illinois Route 53 and Joliet Road through the unique design and placement of new development within the Redevelopment Area.
- Create distinctive entranceways into the Marquette Center from Illinois Route 53 and Joliet Road and include attractive landscaping along both Route 53 and Joliet Road.
- Create a safe and efficient vehicular circulation system should be designed which enables convenient access to, and movement within, each of the retained and new land-uses within the redevelopment area.
- Ensure safe and adequate pedestrian and vehicular circulation patterns and capacity within the project area.
- Ensure that the site is generously landscaped and attractively lighted. Plant material should be carefully selected given its particular soil and environmental conditions.

# ATTACHMENT I

JPMorgan Chase Bank, NA  
Government & Non-Profit Banking  
5813 N. Milwaukee  
Mail Code XLL-2546  
Chicago, Illinois 60648-5613

November 22, 2006

**BY FACSIMILE & EXPRESS MAIL**

Mr. Kirk Openchowski  
Finance Director  
Village of Romeoville  
13 Montrose Drive  
Romeoville, Illinois 60446

**Re: Direct Purchase Bonds**

Dear Kirk:

On behalf of JPMorgan Chase Bank, NA (the "Bank"), we are pleased to provide the Village of Romeoville (the "Village") with our commitment to provide for direct purchase bonds to fund the purchase of land, architectural fees and other costs associated with the building of a new village hall.

The following are our proposed terms and conditions for the Facility:

**General Information:** JPMorgan Chase Bank, N.A. is a multibank bank holding company, with combined assets of \$1.3 trillion and tangible equity of more than \$50 billion. Our current debt ratings from Moody's and S&P are Aa3 and A+, respectively. In addition, we have leading positions in a full spectrum of consumer and wholesale financial services, including consumer banking and lending, credit cards, investment banking, asset management, private banking, treasury & securities services, and middle-market / government & non-profit banking.

<b>Primary Contacts:</b>	Laura Mishlove AVP & Relationship Manager JPMorgan Chase Bank, NA 5813 N. Milwaukee Ave, Floor 2 Chicago, Illinois 60646	Christine Truesdell Underwriter JPMorgan Chase Bank, NA 120 South LaSalle Street, 3 <sup>rd</sup> Floor Chicago, Illinois 60603
--------------------------	---	--

(773) 594-7664 telephone      (312) 661-0121 telephone  
(773) 594-7671 facsimile      (312) 661-0923 facsimile  
[laura.mishlove@chase.com](mailto:laura.mishlove@chase.com)      [christine.e.truesdell@jpmchase.com](mailto:christine.e.truesdell@jpmchase.com)

**Dollar Amount:** The Direct Purchase Bonds will be in an amount up to \$8,250,000.

**Interest Pricing:** The Tax-exempt, Non-bank qualified, Direct Purchase Bonds will be variable rate priced at 35 basis points over the one month LIBOR, reset monthly (indicative rate at 11/21/06 of 4.37%).

In the event the payoff of any principal portion of the bonds will occur during the pendency of a one-month LIBOR period, the rate shall change to Prime less 250 basis points (indicative rate as of 11/21/06 4.43%).

Any payment of the principal portion of the bonds at any date other than the LIBOR reset date will require not less than 45 days prior written notice.

**Expenses:** All of the Bank's out-of-pocket expenses related to documentation and closing, including, but not limited to legal fees, will be paid by the Village.

**Maturity:** Callable every 30 days with a maximum maturity of 1 year.

**Security:** Repayment for the Direct Purchase Bonds must be secured by a general obligation of the Village payable from ad valorem taxes levied against all property therein without limit as to rate or amount.

**Conditions & Covenants:** Representations and warranties will include, without limitation, the absence of material adverse change, the absence of material litigation, the absence of default or unmatured default and the continued accuracy of representations.

The credit agreement will contain customary *affirmative* covenants including, without limitation, the following: compliance with laws; maintenance of insurance; keeping of books; maintenance of properties; furnishing annual financial statements; annual compliance certificates; and other financial information.

The credit agreement will contain customary negative covenants.

Customary events of default, including, without limitation, nonpayment, bankruptcy, breach of covenants, inaccuracy of representation and warranties.

The Village will covenant to budget and appropriate sums sufficient from its operating revenues to cover all interest and fees payable on the Direct Purchase Bonds. The Village must demonstrate the ability to fund its debt service obligations, evidenced by its 2007 budget in form and content acceptable to the Bank.

**Conditions Precedent:**

Conditions precedent will include, without limitation, the Village obtaining all necessary approvals, orders, authorizations, consents, licenses, surveys, certificates and permits from all applicable governmental authorities that are or may be required. The Village shall also deliver customary closing documentation including, without limitation, legal opinions of the Village and Bond Counsel that are acceptable to the Bank.

In addition, the Bank will need to conduct further due diligence.

This commitment will expire on January 5, 2007.

Thank you for the opportunity to respond to your financing needs and we look forward to growing and strengthening our relationship with you.

Best regards,

Laura Mishlove  
AVP

Relationship Manager

Christine Truesdell  
Underwriter

cc: Kevin McCanna, President, Speer Financial

Village of Romeoville

Agreed and Accepted:

John O'pierowski  
Signature

12-14-06  
Date

VILLAGE OF ROMEovILLE, WILL COUNTY, ILLINOIS  
\$8,250,000  
GENERAL OBLIGATION SHORT-TERM VARIABLE RATE BONDS, SERIES 2006

BOND PURCHASE AGREEMENT

December 15, 2006

Village of Romeoville, Will County  
13 Montrose Drive  
Romeoville, Illinois 60446

JPMorgan Chase Bank, N.A. ("Bank"), hereby offers to enter into this Bond Purchase Agreement ("Agreement") with the Village of Romeoville ("Village") which, upon the execution of this Agreement by the Village as hereinafter provided, will become a binding agreement between the Village and the Bank.

In reliance upon the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth herein and in the Term Sheet dated November 22, 2006 by and between the Bank and the Village, the Bank agrees to purchase from the Village, and the Village agrees to sell to the Bank \$8,250,000 principal amount of the Village's General Obligation Short-Term Variable Rate Bonds, Series 2006 ("Bonds"), at a purchase price equal to \$8,250,000 pursuant to Ordinance Number 2006-0483 ("Ordinance") per the Resolution adopted by the President and Board of Trustees of the Village on December 6, 2006 ("Resolution").

The Bonds will be dated December 15, 2006. The Bonds shall mature in such amounts, bear interest at such rates and be subject to redemption prior to maturity as set forth in Schedule A attached hereto and made a part hereof.

1. Representations, Warranties and Covenants of the Village. The Village represents, warrants and covenants that:

(a) The Village is a home rule unit pursuant to the provisions of the 1970 Constitution of the State of Illinois.

(b) The Village has full legal right, power and authority to: (i) adopt the Resolution; (ii) execute and deliver this Agreement; (iii) issue, sell and deliver the Bonds to the Bank pursuant to the Resolution and as provided in this Agreement; and (iv) pay the Bonds from the sources pledged under the Resolution for their payment.

(c) The adoption of the Resolution and compliance with the provisions thereof do not, and the execution and delivery of this Agreement will not, in any material manner, violate any applicable law or administrative regulation of the State of Illinois or any department, division, agency or instrumentality thereof or of the United States of America or of any department, division, agency or instrumentality thereof, or any applicable judgment or decree to which the Village is subject, or conflict with, in a material manner, or constitute a material breach of, or a material default under, any Resolution, agreement or other instrument to which the Village is a party or is otherwise bound.

(d) The Bonds are authorized by virtue of the Resolution and the Ordinance; and the Village has complied with or will by the Closing Date comply with, all laws relating to the issuance and sale of the Bonds.

(e) No action, suit, inquiry, investigation or other proceeding is pending, or to the knowledge of the Village, threatened, in or before any court, governmental agency, authority, body or arbitrator in any way affecting the existence of the Village or the title of any official of the Village to his or her office, or seeking to restrain, enjoin or challenge the issuance, sale or delivery of the Bonds, or the collection of tax receipts or other available moneys of the Village to pay principal of or interest on the Bonds, or in any way contesting or affecting the validity or enforceability of this Agreement, the Resolution or the Bonds or contesting in any way the powers or authority of the Village with respect to this Agreement, the Resolution, the Ordinance or the Debt Certificates.

(f) The Village agrees to indemnify, protect, defend and hold harmless the Bank and any person who controls the Bank within the meaning of the federal securities laws against any losses, claims, damages, liabilities or expenses, including reasonable attorneys' fees arising out of any litigation challenging the issuance of the Bonds by the Village or the breach of the representations and warranties of the Village in this Agreement.

2. Delivery of the Bonds. Delivery and payment of the purchase price for the Bonds as set forth in Section 1 hereof shall be made by wire transfer in immediately available funds drawn to the order of the Village by 1:00 p.m., Chicago time, on December 15, 2006 ("Closing Date"), at the offices of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel") or at such other time or place as the Bank and the Village determine, against delivery of the Bonds in permanent form duly executed, and delivery of the other instruments and documents required to be delivered hereunder to the Bank.

3. Conditions of the Obligations of the Bank. The obligation of the Bank to purchase and pay for the Bonds will be subject to the accuracy, completeness and correctness on the date hereof and at all times hereafter up to and including the Closing Date of the representations, warranties and covenants on the part of the Village herein, to the accuracy of the statements of the officials of the Village made pursuant to the provisions hereof, to the performance by the Village of its obligations hereunder and to the following additional conditions precedent:

(a) The Bonds, this Agreement, the Resolution and the Ordinance shall have been duly authorized and executed or adopted by the Village; all necessary action of the Village relating to this Agreement, the Bonds, the Resolution and the Ordinance shall be in full force and effect and shall not have been amended, modified or supplemented; and Bond Counsel, shall have delivered its standard form of opinion regarding the validity of the Bonds and the exemption of interest on the Bonds from Federal income taxation.

(b) At or prior to the Closing, the Bank shall have received, in form and substance satisfactory to the Bank, an opinion of Bond Counsel addressed to the Bank substantially to the effect that (A) this Bond Purchase Agreement has been duly authorized, executed and delivered by the Village and constitutes a valid and binding obligation of the Village in accordance with its terms (the enforceability of which is subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights generally, now existing or hereinafter enacted); (B) the Village's obligation to budget and appropriate sufficient funds from its operating revenues to cover the payment of principal of and interests on the Bonds is enforceable under Illinois law; (C) the Bonds constitute a "non-qualified tax-exempt obligation" for the purposes and within the meaning of the Internal Revenue Code of 1986 (the "Code"); (D) the Bonds are securities that are exempt from registration pursuant to Section 3(a)(2) of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended; (E) the Resolution has been duly adopted by the Village and constitutes the legal, valid and binding obligation of the Village enforceable in accordance with its terms, except to the extent that the enforceability thereof may be subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other laws now or hereafter enacted affecting the enforcement of creditors' rights and the unavailability of equitable remedies or other application thereto of general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); and (F) the Village has complied, and is in compliance in all respects, with the provisions of the Resolution in all matters related to such transactions.

(c) At the Closing Date, no litigation shall be pending, or to the knowledge of the Village, threatened, in any court, nor any proceeding before or by any governmental authority, body or arbitrator shall be pending, or, to the knowledge of the Village, threatened: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds or the payment, collection or application of the proceeds thereof or the tax receipts or other moneys pledged or to be pledged under the Resolution for the payment of the Bonds; (ii) in any way questioning or affecting the validity of the Bonds or any provisions of this Agreement, the Resolution, the Ordinance or any proceedings taken by the Village or the Bank with respect to any of the foregoing; or (iii) questioning the Village's creation, organization or existence or the titles to office of any of its officers or its power to engage in any of the transactions contemplated by this Agreement or the Resolution or the Ordinance.

If any of the conditions specified in this Section 3 have not been fulfilled when and as required by this Agreement, or if any of the opinions, instruments, letters, legal opinions, documents, proceedings or certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Bank, this Agreement and all obligations of the Bank hereunder may be cancelled by the Bank at, or at any time prior to, the Closing Date. Notice of such cancellation shall be given to the Village in writing, or by telecopier confirmed in writing.

4. Certain Costs and Expenses. The Bank shall be under no obligation to pay, and the Village shall pay, all expenses incident to the performance of the Village's obligations hereunder, including but not limited to: (a) the cost of the preparation and printing of the Resolution; (b) the cost of the preparation, printing and delivery to the Bank of the Bonds; (c) the fees and disbursements of Chapman and Cutler LLP, the fees and disbursements of Bank's Counsel, the Village's attorneys, accountants and financial advisers, and of any other experts (including a paying agent, registrar, and escrow agent), accountants or consultants retained in connection with the issuance and sale of the Bonds; and (d) any rating agency fees.

5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, including, without limitation, those laws applicable to contracts made and to be performed in that State.

6. Survival of Certain Representations and Obligations. The respective agreements, representations, warranties, covenants and other statements of the Village and its officers and of the Bank set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Bank, the Village or any of their officers or controlling persons and will survive delivery of and payment for the Bonds.

7. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors, officers and controlling persons, and no other person will have any right or obligation hereunder.

8. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

9. Notice. All communications hereunder will be in writing and if sent to the Bank will be mailed, delivered or telegraphed and confirmed to JPMorgan Chase Bank, N.A. Government and Nonprofit Banking, 5813 North Milwaukee Avenue, Mail Code ILI-2546, Chicago, Illinois 60646-5413, Attention: Laura Mishlove, Assistant Vice President, or if sent to the Village will be mailed, delivered or telegraphed and confirmed to the address set forth above.

10. Effective Date. This Agreement shall become effective upon the execution of the acceptance hereof by an authorized official of the Village and shall be valid and enforceable as of the time of such acceptance.

11. Ability of the Bank to Withdraw Offer. The Bank has the ability to withdraw this offer if it is not accepted on December 15, 2006.

[Remainder of Page Intentionally Left Blank]

J.P. MORGAN CHASE BANK, N.A.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Accepted and agreed as of the date first  
above written

VILLAGE OF ROMEOVILLE, WILL  
COUNTY, ILLINOIS

By: Til Openhoush  
Its: Finance Director

Schedule A

Bond Maturity Schedule

Maturity	Principal Amount
December 15, 2007	\$8,250,000

Interest Rate - as set forth in the Ordinance

Redemption Provisions - as set forth in the Ordinance

# ATTACHMENT K

**McGladrey & Pullen**

Certified Public Accountants

## **Village of Romeoville**

Financial Report

April 30, 2007

## Contents

---

### Financial Section

Independent Auditor's Report	1-2
Required Supplementary Information	
Management's Discussion and Analysis (MD&A)	3-14
Basic Financial Statements	
Government-Wide Financial Statements (GWFS)	
Statement of Net Assets	15
Statement of Activities	16
Fund Financial Statements (FFS)	
Balance Sheet - Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	18
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -	
Governmental Funds	19
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and	
Changes in Fund Balances to the Statement of Activities	20
Statement of Net Assets - Enterprise Fund	21
Statement of Revenues, Expenses, and Changes in Net Assets - Enterprise Fund	22
Statement of Cash Flows - Enterprise Funds	23-24
Statement of Fiduciary Net Assets - Pension Trust Funds	25
Statement of Changes in Fiduciary Net Assets - Pension Trust Funds	26
Notes to Basic Financial Statements	27-54
Required Supplementary Information	
Schedule of Funding Progress:	
Illinois Municipal Retirement Fund	55
Police Pension Fund	56
Fire Pension Fund	57
Schedule of Employer Contributions:	
Police Pension Fund	58
Fire Pension Fund	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -	
General Fund	60
Recreation Fund	61
Note to Required Supplementary Information	62

## Contents

---

### Financial Section (Continued)

---

#### Supplementary Information

##### Governmental Funds

Schedule of General Fund Revenues - Budget and Actual	63-65
Schedule of General Fund Expenditures - Budget and Actual	66-70
Combining Balance Sheet - Non-Major Governmental Funds	71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	72
Combining Balance Sheet - Non-Major Special Revenue Funds	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Special Revenue Funds	74
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Motor Fuel Tax Fund	75
Local Gas Tax Fund	76
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Debt Service Funds	77
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Debt Service Fund	78
Combining Balance Sheet - Non-Major Capital Projects Funds	79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Capital Projects Funds	80
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Road Improvements Fund	81
Downtown Tax Increment Financing Fund	82
2004 Construction Fund	83
2002A Construction Fund	84
Marquette Center Tax Increment Financing Fund	85
Facility Construction Fund	86

##### Enterprise Fund

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual	
Water and Sewer Fund	87-88

##### Other Schedules

Schedule of Debt Service Requirements	89-94
---------------------------------------	-------

---

# McGladrey & Pullen

Certified Public Accountants

## 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, 2007, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 Village of Romeoville as of April 30, 2007, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2008, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

The required supplementary information which includes management's discussion and analysis (pages 3 -14), pension related schedules (pages 55-59), budgetary schedules and related note (pages 60-62) are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the 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. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary data 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 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.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
May 12, 2008

**Required Supplementary Information**

## **Management Discussion and Analysis (MD&A)**

---

## Village of Romeoville, Illinois

### Management's Discussion and Analysis

April 30, 2007

---

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 15).

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

For the past 20 years, 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 for the first time 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 15-16) 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 16) 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 17-20) 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 Fire Pension, see pages 25-26). 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)

---

While the business-type activities column on the business-type fund financial statements (see pages 21-24) 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 18 and 20). 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 \$362.2 million as of April 30, 2007.

A significant portion of the Village's net assets (82.8%) 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 15).

The Village's combined net assets (which are the Village's equity) increased to \$362.2 million from \$351.7 million as a result of the increase in net assets in both the governmental and business-type activities. Net assets of the Village's governmental activities were \$262.9 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 \$24.7 million. The net assets of business-type activities increased to \$99.3 million from \$95.5 million. The Village can use unrestricted net assets to finance the continuing operation of its water and sewer system.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

**Table 1**  
**Statement of Net Assets**  
**As of April 30, 2007**  
**(In millions)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Current Assets	\$ 44.4	\$ 37.3	\$ 37.8	\$ 37.7	\$ 82.2	\$ 75.0
Non Current Assets	<u>270.6</u>	<u>261.5</u>	<u>103.1</u>	<u>89.6</u>	<u>373.7</u>	<u>351.1</u>
Total Assets	315.0	298.8	140.9	127.3	455.9	426.1
Current Liabilities	23.9	13.9	3.5	5.5	27.4	19.4
Non Current Liabilities	<u>28.2</u>	<u>28.7</u>	<u>38.1</u>	<u>26.3</u>	<u>66.3</u>	<u>55.0</u>
Total Liabilities	52.1	42.6	41.6	31.8	93.7	74.4
<b>Net Assets:</b>						
Invested in Capital Assets,						
Net of Related Debt	236.7	235.2	63.3	61.6	300.0	296.8
Restricted	1.5	1.2	-	-	1.5	1.2
Unrestricted (deficit)	<u>24.7</u>	<u>19.8</u>	<u>36.0</u>	<u>33.9</u>	<u>60.7</u>	<u>53.7</u>
Total Net Assets	<u>\$262.9</u>	<u>\$256.2</u>	<u>\$ 99.3</u>	<u>\$ 95.5</u>	<u>\$362.2</u>	<u>\$351.7</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 increased \$6.7 million and can be attributed to several factors. The Village received \$1.9 increase in charges for services. Current year impacts are discussed in more detail after Table 2.

**Changes in Net Assets**

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

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

**Table 2**  
**Changes in Net Assets**  
**For the Fiscal Year Ended April 30, 2007**  
**(In millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 9.9	\$ 8.0	\$15.2	\$14.9	\$ 25.1	\$ 22.9
Operating Grants and Contributions	2.0	1.2	-	-	2.0	1.2
Capital Grants and Contributions	1.1	3.5	-	1.0	1.1	4.5
General Revenues						
Property Taxes	11.7	10.5	-	-	11.7	10.5
Sales Taxes	6.2	6.3	-	-	6.2	6.3
Income Taxes	3.2	2.7	-	-	3.2	2.7
Utility Taxes	5.0	5.6	-	-	5.0	5.6
Other Taxes	3.9	3.0	-	-	3.9	3.0
Transfers	2.2	2.0	(2.2)	(2.0)	-	-
Other	2.0	1.2	2.1	1.5	4.1	2.7
<b>Total Revenues</b>	<b>47.2</b>	<b>44.0</b>	<b>15.1</b>	<b>15.4</b>	<b>62.3</b>	<b>59.4</b>
<b>EXPENSES</b>						
General Government	9.9	9.7	-	-	9.9	9.7
Public Safety	14.8	13.2	-	-	14.8	13.2
Public Works	11.5	7.9	11.3	12.3	22.8	20.2
Culture and Recreation	3.0	2.8	-	-	3.0	2.8
Debt Service	1.3	1.6	-	-	1.3	1.6
<b>Total Expenses</b>	<b>40.5</b>	<b>35.2</b>	<b>11.3</b>	<b>12.3</b>	<b>51.8</b>	<b>47.5</b>
<b>CHANGE IN NET ASSETS</b>	<b>6.7</b>	<b>8.8</b>	<b>3.8</b>	<b>3.1</b>	<b>10.5</b>	<b>11.9</b>
<b>ENDING NET ASSETS</b>	<b><u>\$262.9</u></b>	<b><u>\$256.2</u></b>	<b><u>\$99.3</u></b>	<b><u>\$95.5</u></b>	<b><u>\$362.2</u></b>	<b><u>\$351.7</u></b>

2007 Governmental Activities Revenue



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

2007 Governmental Activities Expenses



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

## Village of Romeoville, Illinois

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

---

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, 2007, revenues from all activities totaled \$62.3 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 13% increase in the equalized assessed valuation (EAV) from \$894 million to \$1,013 million. The increase in its property tax revenue in 2007 compared to previous years was 11%. The tax rate decreased from \$1.04 to \$1.0389 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 \$1.2 million in property tax (\$11.7 million vs. \$10.5 million).

The Village saw an increase in other tax revenue over the prior year of \$0.7 million or 4%. This increase can be attributed to both the residential and business growth in the Village. The majority of the increase came from the Income Tax (\$0.5 million), the Real Estate Transfer Tax (\$0.4 million) and the local gas tax (\$.4 million). The increases were offset by decreases in the natural gas utility tax (\$.4 million) and telephone utility tax (\$.0.1 million). The income tax increase came as the result of a higher per capita distribution from the state and part of the year at a higher population figure as the result of the special census. The Real Estate Transfer Tax is higher due to having a full year of the tax (versus 11 months the prior year) and eight transactions with sales prices over \$10,000,000 versus 3 in the prior year. The local gas tax is higher due to a 2 cent increase (from 2 cent to 4 cents) in the tax rate.

## Management's Discussion and Analysis (Continued)

---

The natural gas tax rate changed due to a change in the rate during the year from 2 cents per therm to 2 cents per therm for the first 775,000 therms per month and .001 cents for every therm thereafter per month. The decrease in the telecommunications tax is due to a change in market conditions, rates, and phone usage.

License and permit revenue increased 47% in 2007 from \$1.7 million in 2006 to \$2.5 million in 2007. The increase came from an increase in building permits (\$0.6 million). The increase in building permits came from an increase in commercial and industrial growth which was offset by a slow-down in housing starts. The projects included several large distribution projects such as the Sears logistics facility (relocated from another location in the Village) and the new Wal-mart located on Airport and Weber Road.

Developer contribution revenue decreased in 2007 from \$1.8 million in 2006 to \$1.1 million in 2007. Developer contributions will fluctuate greatly from year to year depending on the amount, timing and location of the development. The Village receives contributions from a variety of sources and timing mechanisms that correspond with development. Depending on the annexation agreement, agreement with the developer and/or road recapture agreement fees may be captured at the start, end or throughout the life of a project. Last year the Village received \$1.4 million in contributions for Normantown Road. In 2007-08 the Village received \$0.6 million for Taylor Road and \$0.35 million for improvements on Weber and Normantown Road.

Investment returns, excluding pension funds, increased by approximately 68% due to increased interest rates and an increase in available funds to invest in the General Corporate, Marquette TIF and Water and Sewer.

Charges for services increased by \$2.2 million or 10%. The increase came from both Government activities (\$1.9 million) and Business-Type Activities (\$0.3 Million). Government activities saw large increases in the following areas; Engineering Fees (\$0.3 million), Building Permits (\$0.6 million), Building Inspection Fees (\$0.3 million), Fines (\$0.2 million) Rubbish Collection Fees (\$0.2 million) and Interest Income (\$0.7 million). The engineering fees increase resulted from growth in large commercial and industrial projects. Rubbish fees increased due to a full year of 3% rate increase and growth in the Village. The engineering services reimbursements will fluctuate greatly from year to year depending on the amount, timing and location of development.

The Business type activities (water and sewer operations) increase was from water and sewer sales (\$0.3 million) and developer contributions (\$0.8 million) which was offset by a decrease in tap-on fees (\$0.6 million). The tap-on fees are a result of decreasing housing starts and commercial and industrial development that use less capacity (PE – Person Equivalent). The water and sewer revenue increase was due to growth and a 2% rate increase. Developer contributions will fluctuate greatly from year to year depending on the amount, timing and location of the development. Contribution can be both monetary and/or physical infrastructure.

The Police Pension fund had a great year in 2007. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund returned 11.90% in 2007. Overall, the fund increased by 18% in value from a combination of investment earnings, Village contributions and employee contributions. The Police Pension fund has a diverse portfolio that includes cash and cash equivalents (5%), treasures and agencies (52%) and various annuities and equities (43%). The high returns are due to favorable changes in market valuation and interest earnings.

The Fire Pension fund had an average year in 2007. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Fire Pension fund returned 7.28% in 2007. Overall, the fund increased by 25% in value from a combination of investment earnings. The Fire Pension fund is very conservative with approximately 90% of the assets invested in cash equivalents (4%), federal treasures, agencies and municipal bonds (86%). The remaining 10% is invested in mutual funds. The returns are due to moderate changes in market valuations of investments and interest earnings.

# Village of Romeoville, Illinois

## Management's Discussion and Analysis (Continued)

---

### Expenses:

The Village's total expenses for all activities for the year ended April 30, 2007 were \$51.8 million. Expenses increased 9% (\$4.3 million) as compared to 2006.

Government Activities costs increased by \$5.3 million. The increases came primarily from Public Safety (\$1.6 million) and Public Works (\$3.6 million).

Public Safety expenses related to the operations of the Police and Fire Departments accounted for \$14.8 million of the total expenses. The increase came from additional personnel, raises, insurance increases and pension contribution increases. Personnel costs accounted for 82% of the total public safety costs. 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. Last fiscal year (05-06) was the third year of a three-year contract. The new contract was finalized just prior to the end of FY 07-08 after lengthy negotiations. Fire personnel were unionized during 2007 but have not yet started the negotiation process.

The Public Works activities accounted for the largest share of the total increase. Public works government activities relate to the maintaining of Village streets and storm sewers, fleet and building maintenance and refuse collection. The increase came mostly from increased road and infrastructure maintenance projects along with increased personnel costs, engineering costs and inflationary factors.

Business activities (water and sewer) decreased by \$1 million or 8%. The decrease was due to \$1 million less in amortization expenses. The Village maintains its own wastewater treatment plant. Additionally, the Village also provides water to its residents through its system of wells. The water and sewer operations accounted for 50% of the total Public Works activities.

### Financial Analysis of the Village's Funds

#### **Governmental Funds**

At April 30, 2007, the governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$22.2 million. Expenditures/(Uses) exceeded revenues/sources in 2007 by \$2.8 million. The primary reason for this shortfall was due to the Facility Construction Fund which reflects a deficiency of \$6.4 million of revenues versus expenditures. The Village issued \$8.2 million in one-year variable bonds to pay for a variety of projects. The bonds are not reflected as a funding source and assets pertaining to the purchase of land for the new Village Hall/Police Station are reflected as expenditures.

#### **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 2007. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

**Table 3**  
**General Fund Budgetary Highlights**  
**(In millions)**

General Fund	Original Budget	Actual
<b>Revenues and Other Financing Sources</b>		
Taxes	\$7.1	\$7.5
Other taxes	15.4	13.2
Interest	0.4	1.0
Fines	0.4	0.7
Licenses and permits	1.5	2.6
Charges for services	3.5	4.3
Intergovernmental	3.1	3.5
Other	1.9	1.6
Other financing sources	2.2	2.7
<b>Total</b>	<b>35.5</b>	<b>37.1</b>

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Expenditures and Other Financing Uses		
General government	7.3	7.0
Public safety	12.5	12.2
Public works	6.3	5.9
Miscellaneous	1.1	-
Capital outlay	4.8	5.9
Debt service	0.2	0.2
Other financing uses	3.3	3.3
<b>Total</b>	<b><u>35.5</u></b>	<b><u>34.5</u></b>
Change in Fund Balance	<u>\$ -</u>	<u>\$2.6</u>

As shown above the General Fund was budgeted break-even, while actual results were a \$2.6 million surplus. There are several factors that attributed to this surplus.

The Village received \$2.2 million less in other taxes than anticipated. The Village received \$1.7 less in sales tax due to slower than anticipated retail growth. The Village also received .4 million less in telecommunications utility tax due to slower than anticipated growth. The Village received \$.3 million less in local gas tax revenue due to less demand because of higher gas prices including a 2 cent increase in the gas tax rate (the increase is distributed to a special revenue fund). The decreases were offset by a .2 million increase in Real Estate Transfer Tax revenues. The prior year had only 11 months of revenue (the tax went into effect June 2005) and greater than anticipated large real estate transactions.

The Village received \$0.6 million in interest income due to greater than anticipated funds to invest.

The Village received \$1.1 million more in licenses and permits due to receiving \$0.8 million more than anticipated in building permits and .3 million in inspection fees. The Village implemented a new fee schedule and saw greater than anticipated activity in industrial and commercial permits.

The Village received \$.8 million more than anticipated in charges for services due to \$0.5 million more in engineering fees which were the result of greater than anticipated industrial and commercial activity. The Village also collected \$.1 million more in rubbish collection fees. The remaining increases were due to greater than anticipated growth and were spread out over a variety of accounts

Other financing sources, which consist of Interfund transfers, exceeded budget due to lease proceeds of \$.5 million that were included in the budget.

General Government and Public Safety expenditures were both under budget by \$.3 million. The savings were spread through a variety of accounts. The majority came through salary savings including the timing of hiring new and replacement police and fire personnel.

Public Works expenditures were under budget by \$.4 million. The savings were through salaries (\$.2 million) and a variety of contractual accounts (\$.2 million).

Miscellaneous, which includes reserve accounts for repayment to the Marquette TIF (\$.3 million), contingencies (\$.7 million), and Fund Balance (\$.1 million), were not intended to have expenditures charged to the accounts. The TIF repayment was made but was reflected as a reduction to a payable account.

Capital Outlay expenditures exceeded the budget by \$1.1 million due to additional road work (\$.6 million) and the reflection of fire vehicles purchased through a lease (\$.4 million). Only the lease payment was included from a budget perspective.

The Village made a concerted effort to keep General Fund expenditures within or under revenues for FY 2006-07. The Village, at the start of FY 2004-05 had a negative fund balance of \$0.6 million. The FY 06-07 fund balance is now at \$10.9 million. The Village's long-term goal is to have a positive fund balance equal to 25% of the General Fund budget. The Village increased the fund balance by \$2.6 million. The Village's targeted fund balance as of April 30, 2007 was \$9.9 million. The FY 2008-09 budget is \$42.1 million, with a targeted fund balance of \$10.5 million. The Village plans to include a budgeted reserve for fund balance so that the appropriate fund balance levels can be reached and/or maintained.

## Management's Discussion and Analysis (Continued)

## Capital Assets

At the end of the fiscal Year 2007, the Village had a combined total of capital assets of \$373.1 million (after accumulated depreciation of \$91.5 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 \$22.6 million.

The Net Capital Assets of the Village increased by \$22.6 million over 2006. The main reason for the increase can be attributed to an increase in the Village's infrastructure in 2007. The majority of the infrastructure increases were in roads and the water and sewer system.

Table 4

**Total Capital Assets at Year End**  
**Net of Depreciation**  
**(In millions)**

	Balance 4/30/06	Net Additions/Deletions	Balance 4/30/07
Land	\$154.0	\$ 8.0	\$162.0
Buildings	13.2	1.5	14.7
Machinery and Equipment	4.0	(0.5)	3.5
Furniture and Fixtures	1.0	(0.1)	0.9
Vehicles	1.8	0.7	2.5
Infrastructure	167.8	(1.0)	166.8
Other Equipment	0.5	(0.1)	0.4
Construction in Progress	<u>8.2</u>	<u>14.1</u>	<u>22.3</u>
 Total Capital Assets	 <u>\$350.5</u>	 <u>\$22.6</u>	 <u>\$373.1</u>

## Debt Outstanding

As of April 30, 2007 the Village had outstanding bonded debt of \$46.1 million, net of deferred loss on refunding of \$0.2 million. Of this amount \$10.6 million represented alternate revenue bonds related to business-type activities, while general obligation bonds associated with business-type activities totaled \$11.3 million. Alternate revenue bonds associated with governmental activities totaled \$2.9 million at April 30, 2007, while general obligation bonds associated with governmental activities totaled \$21.4 million.

An Illinois Environmental Protection Agency Clean Water State Revolving Funds loan agreement was approved September 26, 2006 and provides for a repayment period of 20 years commencing May 11, 2008. The outstanding balance is reported as long-term in the Statement of Net Assets – Enterprise Funds and the debt maturity schedule has been excluded since the payment terms have not been established. The agreement allows for a maximum loan drawdown of \$25,663,790 at an interest rate of 2.50%. In addition, the loan accrues interest of 2.5% that is calculated monthly. As of April 30, 2007, the total outstanding principal and interest is \$17,560,634 and \$281,586, respectively.

In December of 2006 the Village issued \$8,250,000 in one-year variable rate G.O. Bonds. The Bonds were repaid in December of 2007. Bonds were issued in 2007 (\$17.7 million) to make the 2006 Variable Bond payment (\$8.6 million), for Village Facility projects (\$4.3 million) and to refund a portion of the 1997 Series A (\$4.8 million – Business Activities).

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 \$97,109,692 if it were a non-Home Rule community. The limit is based on 8.625% of the 2007 equalized assessed valuation of \$1,125,909,473.

## Management's Discussion and Analysis (Continued)

---

### Economic Factors

The Illinois General Assembly has imposed property tax legislation on municipalities to give property taxpayers some relief by delaying tax increases each year. The legislation limits the levy increase to the lesser of the consumer price index (CPI) or five percent and mandates the use of prior year equalized assessed valuation (EAV) amounts to generate property tax receipts. This "tax cap" had limited the Village's tax collection ability.

However, beginning with the 2004 tax levy, the Village was no longer subject to the "tax cap." The Village became a Home Rule community in February of 2004. Home Rule communities are not subject to the tax cap, 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 Village conducted a special census, administered by the US Census Bureau, during the spring of 2006 which revealed a new official population of 36,709. The prior official population based on the 2003 Special Census was 33,861. The result was an increase of 2,848 residents. The increase of 2,848 residents will result in an estimated additional \$378,000 (\$133.00 per capita) in state shared revenues on an annual basis. Those revenues include the State Income Tax, the Motor Fuel Tax, and Use Tax. The census was conducted only in the high growth areas of the Village. The census cost the Village \$130,500.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Romeoville during 2006 and is expected to continue into 2007. Grant assistance is extremely competitive and previously reliable state shared revenues, (especially the income tax and use tax) had been reduced on a per capita basis. However, shared revenues have now again started to increase on an annual basis. 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 Home Rule sales tax of 1% and a 2 cent per gallon gas tax during FY 2004-05. The sales tax generated \$2.8 million for the first fiscal year (2005-06) and \$2.7 million for fiscal year 2006-07. The Village only collected the tax for 7 months during FY 2004-05 (\$1.8 million) due to the implementation process required by the State. The Village increased the gas tax to 4 cent per gallon for FY 2006-07. The tax generated \$1.3 million.

The Village also implemented use tax on natural gas at 2.5 cents per therm. The tax replaced the Village's 5% utility tax. The tax went into effect for usage after January 1, 2005. The use tax captured taxes on usage that was previously not subject to the utility tax due to FCC regulations that prevented the tax from being imposed on gas that was purchased out-of-state from third party suppliers. The use tax is also fairer to the residents who will pay a tax consistent with usage versus usage and the fluctuating market values of gas. The new tax placed an especially large burden on the CITGO refinery, which had purchased gas from a third party supplier. The refinery uses over 2 million therms per month (over \$50,000 in tax). The Village did not intend for the tax to place that large of a burden on any single user. The Village revised the rate schedule to 2.5 cents per therm for the first 775,000 therms used each month and .001 per therm thereafter. The revised rate went into effect for usage after September 1, 2006. No use taxes for prior periods were paid back to CITGO. The Village will realize \$200,000 more in annual revenue with the revised natural gas use tax versus the 5% utility tax on natural gas.

It was discovered over the course of FY 2005-06 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 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 would repay the misallocated sales tax \$11,447 per month for 72 months.

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 2006-07 the tax generated \$1.7 million. 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 2003-04 saw the start of a slow down in residential growth in the Village. The trend continued during the 2006-07 Fiscal Year. The Village's housing starts have decreased from the 700 to 1,200 range to the 50 to 100 range.

## Village of Romeoville, Illinois

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

---

The Village is starting 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. However, the Village is seeing an increase in commercial and industrial development. The increase in commercial and industrial development will have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues. The Village reviewed and adjusted its fee structures pertaining to building permits.

The old fee structure, with a few minor exceptions, had not been revised since 1996. Building fees in the Village tended to be lower than those of surrounding and similar communities. The fees were adjusted to a more competitive level. The revised fees will bring an additional \$250,000 to \$500,000 per year versus the old schedule. The Village saw both Wal-mart and Target break ground in the Village during FY 2006-07. The stores both opened during the 2007-08 Fiscal Year. Target opened in October of 2007 and Wal-mart opened in January of 2008. The stores will each anchor a retail center located kitty-corner from each other on the corner of Airport and Weber Road.

The Village, in hope of revitalizing what will now be 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, a community center, a park with a band shell and a renovated library facility. The plans are still in preliminary stages. 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 2008-09 fiscal year.

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 will spend \$50.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Nineteen million dollars will be spent on infrastructure including improvements to storm water systems and to improve and realign roadways. Fifteen million dollars will be used for property acquisition, assembly, preparation and maintenance. The Village plans on constructing, at a cost of twelve million dollars, a large park area and a multi-purpose community center in the downtown. Three million dollars will be used to assist property owners with property rehab, 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. One million dollars will be used for studies, legal fees and administrative expenses. 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. The Village would expect, based upon a \$19 million bond issue, to pay \$13 million in financing costs. The bonds would be paid with TIF funds.

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 would receive property taxes based upon the 2003 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 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, community rooms and a home for the Special Recreation Association. The community center project would be included as part of the Downtown TIF bond issue. It is anticipated that the community center will open late 2009 or early 2010.

## Village of Romeoville, Illinois

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

---

The Downtown TIF's base 2003 EAV is \$9.9 million and is anticipated to grow to \$55 million by the final year of the TIF (2027) or a final increment of \$45.1 million. The Downtown TIF will have two main revenue sources to support the planned projects. The Downtown TIF will generate an estimated \$35.5 million in Downtown TIF property taxes and interest.

An additional \$22 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 created a third TIF in FY 07-08. 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 Walgreen's to the site. 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 acquired the Spartan Spare Shopping Plaza, located within the Downtown TIF, during Fiscal Year 2007-08. 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 needs new facilities to house current and future Village Employees. The Village's Police Department is most in need of additional space. The Village conducted a space needs analysis during the 2005-06 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 serves 165 employees. The Village will build a combined Village Hall and Police Station. Currently, residents have to go to several locations to access Village services. The new 118,000 square foot facility would combine those services at one location. It is anticipated that the new facility would be completed by early 2010. The Village will also construct two new fire stations.

The Village investigated several sights for the facilities. The Village Hall/Police Station will be located on a site immediately west of the Recreation Center on 135<sup>th</sup> St. One of the Fire Stations, know as Fire Station #1, will be located on the current Village Hall site. The original Fire Station #1, located across the street, will be razed. The other Fire Station, know as Fire Station #3, will be built on the corner of Normantown Rd. and Birch Lane.

The Village would issue bonds to pay for the cost of construction. It is anticipated that the new buildings would cost \$65 million. The debt service is not anticipated to be included as part of the property tax levy. The Village would use funds generated from home rule sales tax and Lockport Fire Protection District agreement to make the debt service payments. The Village issued short-term variable bonds in 2006 to purchase the land for the Village Hall/Police Station and Fire Stations. The Village will issue two series of bonds to fund the construction and repayment of the variable bonds. The first bond issue was in November of 2007. The bonds were used to meet the payment for the 2006 bonds and to fund the construction of Fire Station #3 and some site and professional work for the Village Hall/Police Station.

The second issue will occur in May of 2008. The 2008 bond issue will provide funds for the completion of Fire Station #3, the Fire Station #1 project, the Village Hall/Police Station and a building renovation/road alignment on recently acquired property from the Valley View School district next to the recreation center (commonly known as the Bus Barn Site) The Village is developing the plans for the facilities and will go out to bid on the projects in late 2007/ early 2008

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 FY 09-10. 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 would be an estimated \$1.7 million. The loan would be repaid from water and sewer revenues.

The Village will no longer receive gaming tax in the future. The off-track betting facility located in the Village closed. The Village will lose \$130,000 per year in revenue.

### 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, 13 Montrose Drive, Romeoville, Illinois 60446.

**Government-Wide Financial Statements**

---

Village of Romeoville, Illinois

Statement of Net Assets

April 30, 2007

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	\$ 32,844,779	\$ 32,622,930	\$ 65,467,709
Receivables:			
Property taxes	9,583,166	-	9,583,166
Accounts	1,282,921	1,483,530	2,766,451
Other	1,015,796	-	1,015,796
Internal balances	(3,719,829)	3,719,829	-
Due from other governmental units	3,424,011	-	3,424,011
Total current assets	44,430,844	37,826,289	82,257,133
Non-Current Assets			
Unamortized bond costs and discounts	360,001	220,607	580,608
Capital assets not being depreciated	167,672,205	16,589,738	184,261,943
Capital assets being depreciated, net	102,596,782	86,240,521	188,837,303
Total non-current assets	270,628,988	103,050,866	373,679,854
Total assets	\$ 315,059,832	\$ 140,877,155	\$ 455,936,987
<b>Liabilities and Net Assets</b>			
Current Liabilities			
General obligation bonds	\$ 739,362	\$ 1,185,486	\$ 1,924,848
Alternate revenue bonds	8,650,000	341,312	8,991,312
Capital leases	70,671	-	70,671
Accounts payable	1,416,810	1,054,171	2,470,981
Accrued liabilities	748,032	101,131	849,163
Accrued interest	499,836	599,085	1,098,921
Deposits	1,593,660	112,260	1,705,920
Compensated absences	105,599	105,123	210,722
Unearned revenue	10,088,576	-	10,088,576
Total current liabilities	23,912,546	3,498,568	27,411,114
Long-term Liabilities, net of current maturities			
Deferred gain on refunding	-	38,324	38,324
General obligation bonds	20,655,346	10,159,806	30,815,152
Alternate revenue bonds	2,530,000	10,283,688	12,813,688
Note payable	-	17,560,634	17,560,634
Capital leases	888,448	-	888,448
Unamortized bond premium	504,660	-	504,660
Pension obligation	1,420,674	-	1,420,674
Compensated absences	2,241,445	-	2,241,445
Total long-term liabilities	28,240,573	38,042,452	66,283,025
Total liabilities	52,153,119	41,541,020	93,694,139
Net Assets			
Invested in capital assets, net of related debt	236,735,160	63,299,333	300,034,493
Restricted for MFT Allotments	1,495,636	-	1,495,636
Unrestricted	24,675,917	36,036,802	60,712,719
Total net assets	262,906,713	99,336,135	362,242,848
Total liabilities and net assets	\$ 315,059,832	\$ 140,877,155	\$ 455,936,987

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Activities  
Year Ended April 30, 2007

Functions/Programs	Program Revenues				Net (Expense), Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 9,885,069	\$ 3,581,795	\$ 759,165	\$ -	\$ (5,544,109)	\$ -	\$ (5,544,109)
Public safety	14,775,858	2,248,769	210,915	-	(12,316,174)	-	(12,316,174)
Public works	11,498,635	3,138,242	1,076,933	1,122,124	(6,161,336)	-	(6,161,336)
Culture and recreation	2,971,666	884,973	7,500	1,961	(2,077,232)	-	(2,077,232)
Interest and fees	1,282,222	-	-	-	(1,282,222)	-	(1,282,222)
<b>Total governmental activities</b>	<b>40,413,450</b>	<b>9,853,779</b>	<b>2,054,513</b>	<b>1,124,085</b>	<b>(27,381,073)</b>	<b>-</b>	<b>(27,381,073)</b>
<b>Business-type activities:</b>							
Water and sewer	11,327,387	15,238,436	-	-	-	3,911,049	3,911,049
<b>Total</b>	<b>\$ 51,740,837</b>	<b>\$ 25,092,215</b>	<b>\$ 2,054,513</b>	<b>\$ 1,124,085</b>	<b>(27,381,073)</b>	<b>3,911,049</b>	<b>(23,470,024)</b>
<b>General revenues</b>							
Taxes:							
Property				11,719,087	-	11,719,087	
Sales				6,191,611	-	6,191,611	
Income				3,153,839	-	3,153,839	
Utility				5,033,465	-	5,033,465	
Other				3,861,452	-	3,861,452	
Interest				1,835,921	1,220,508	3,056,429	
Miscellaneous				159,271	903,165	1,062,436	
Transfers				2,168,600	(2,168,600)		
<b>Total general revenues and transfers</b>				<b>34,123,246</b>	<b>(44,927)</b>	<b>34,078,319</b>	
<b>Change in net assets</b>							
				6,742,173	3,866,122	10,608,295	
<b>Net assets:</b>							
May 1, 2006				<b>256,164,540</b>	<b>95,470,013</b>	<b>351,634,553</b>	
April 30, 2007				<b>\$ 262,906,713</b>	<b>\$ 99,336,135</b>	<b>\$ 362,242,848</b>	

See Notes to Basic Financial Statements.

## **Fund Financial Statements**



Village of Romeoville, Illinois

Balance Sheet  
Governmental Funds  
April 30, 2007

	General Fund	Recreation Fund	Marquette Center TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 14,471,700	\$ 1,959,638	\$ 8,000,671	\$ 2,008,745	\$ 6,404,025	\$ 32,844,779
Receivables:						
Property taxes	7,984,914	687,080	-	-	911,172	9,583,166
Accounts	546,290	108,655	-	-	627,976	1,282,921
Other	766,716	173,154	-	-	75,926	1,015,796
Due from other funds	928,262	-	2,089,676	-	2,392	3,020,330
Advances to other funds	265,891	-	-	-	-	265,891
Due from other governmental units	2,595,120	-	-	-	828,891	3,424,011
<b>Total assets</b>	<b>\$ 27,558,893</b>	<b>\$ 2,928,527</b>	<b>\$ 10,090,347</b>	<b>\$ 2,008,745</b>	<b>\$ 8,850,382</b>	<b>\$ 51,436,894</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Alternate revenue bonds payable	\$ -	\$ -	\$ -	\$ 8,250,000	\$ -	\$ 8,250,000
Accounts payable	999,746	339,727	-	25,681	51,656	1,416,810
Accrued liabilities	678,723	69,309	-	-	-	748,032
Accrued interest	-	-	-	134,436	-	134,436
Deposits	1,496,788	96,872	-	-	-	1,593,660
Due to other funds	5,109,505	1,596,708	22,843	-	11,103	6,740,159
Advances from other funds	-	265,891	-	-	-	265,891
Unearned revenue	8,320,761	825,911	-	-	941,904	10,088,576
<b>Total liabilities</b>	<b>16,605,523</b>	<b>3,194,418</b>	<b>22,843</b>	<b>8,410,117</b>	<b>1,004,663</b>	<b>29,237,564</b>
<b>Fund balances:</b>						
Reserved for advances	265,891	-	-	-	-	265,891
<b>Unreserved (deficits):</b>						
General fund	10,687,479	-	-	-	-	10,687,479
Special revenue funds	-	(265,891)	-	-	1,853,866	1,587,975
Debt service funds	-	-	-	-	803,039	803,039
Capital projects funds	-	-	10,067,504	(6,401,372)	5,188,814	8,854,946
<b>Total fund balances</b>	<b>10,953,370</b>	<b>(265,891)</b>	<b>10,067,504</b>	<b>(6,401,372)</b>	<b>7,845,719</b>	<b>22,199,330</b>
<b>Total liabilities and fund balances</b>	<b>\$ 27,558,893</b>	<b>\$ 2,928,527</b>	<b>\$ 10,090,347</b>	<b>\$ 2,008,745</b>	<b>\$ 8,850,382</b>	<b>\$ 51,436,894</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, 2007**

---

Total fund balances-governmental funds \$ 22,199,330

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. 270,268,987

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. 360,001

Premium on bonds that is other financing used in the fund financial statements is a liability that is amortized over the life of the bonds in the government-wide financial statements. (504,660)

Some liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds:

These activities consist of:

Accrued interest	(365,400)
General obligation bonds	(21,394,708)
Alternate revenue bonds	(2,930,000)
Pension obligations	(1,420,674)
Compensated absences	(2,347,044)
Capital lease	<u>(959,119)</u>

Net assets of governmental activities \$ 262,906,713

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, 2007

	General Fund	Recreation Fund	Marquette Center TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 7,520,331	\$ 593,107	\$ 2,556,914	\$ -	\$ 1,048,735	\$ 11,719,087
Other taxes	13,197,019	1,082,255	-	-	638,622	14,917,896
Interest	952,543	60,102	417,463	21,923	383,890	1,835,921
Fines	667,587	-	-	-	-	667,587
Licenses and permits	2,551,767	-	-	-	-	2,551,767
Charges for services	4,256,847	775,600	-	-	-	5,032,447
Intergovernmental	3,533,386	7,500	-	-	1,836,098	5,376,984
Developer contributions	-	1,961	-	-	1,122,124	1,124,085
Other	1,646,494	109,373	-	-	5,382	1,761,249
<b>Total revenues</b>	<b>34,325,974</b>	<b>2,629,898</b>	<b>2,974,377</b>	<b>21,923</b>	<b>5,034,851</b>	<b>44,987,023</b>
<b>Expenditures:</b>						
Current:						
General government	7,017,337	-	4,000	470,668	68,100	7,560,105
Public safety	12,179,167	-	-	-	-	12,179,167
Public works	5,891,351	-	-	-	621,210	6,512,561
Culture and recreation	-	2,516,395	-	-	-	2,516,395
Debt service:						
Principal	174,906	-	-	-	1,069,362	1,244,268
Interest and fees	19,515	-	-	134,436	1,141,159	1,295,110
Bond issuance costs	-	-	-	13,000	-	13,000
Capital outlay	5,927,106	1,074,964	-	5,805,191	6,360,000	19,167,261
<b>Total expenditures</b>	<b>31,209,382</b>	<b>3,591,359</b>	<b>4,000</b>	<b>6,423,295</b>	<b>9,259,831</b>	<b>50,487,867</b>
Excess (deficiency) of revenues over (under) expenditures	3,116,592	(961,461)	2,970,377	(6,401,372)	(4,224,980)	(5,500,844)
<b>Other financing sources (uses):</b>						
Capital lease proceeds	553,379	-	-	-	-	553,379
Transfers in	2,195,600	1,314,700	-	-	5,016,903	8,527,203
Transfers (out)	(3,305,400)	(17,718)	(2,970,376)	-	(65,109)	(6,358,603)
<b>Total other financing sources (uses)</b>	<b>(556,421)</b>	<b>1,296,982</b>	<b>(2,970,376)</b>	<b>-</b>	<b>4,951,794</b>	<b>2,721,979</b>
<b>Net change in fund balances</b>	<b>2,560,171</b>	<b>335,521</b>	<b>1</b>	<b>(6,401,372)</b>	<b>726,814</b>	<b>(2,778,865)</b>
<b>Fund balances (deficits):</b>						
May 1, 2006	8,393,199	(601,412)	10,067,503	-	7,118,905	24,978,195
April 30, 2007	<b>\$ 10,953,370</b>	<b>\$ (265,891)</b>	<b>\$ 10,067,504</b>	<b>\$ (6,401,372)</b>	<b>\$ 7,845,719</b>	<b>\$ 22,199,330</b>

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, 2007**

Net change in fund balances—total governmental funds \$ (2,778,865)

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 and loss on disposal in the current period.

Capital outlays	\$ 14,572,465
Loss on disposal	(17,560)
Depreciation expense	<u>(5,434,496)</u>
	9,120,409

Some capital additions were financed through the issuance of capital leases. In governmental funds, capital leases are 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:

Capital lease	(553,379)
---------------	-----------

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	\$ 684,362
Alternate revenue bonds	385,000
Capital leases	<u>174,906</u>
	1,244,268

Discount on bonds is recorded as other financing uses in the fund financial statements, but the discount 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.

Amortization premium on bonds	28,565
-------------------------------	--------

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.

Amortization bond issuance costs	(20,377)
----------------------------------	----------

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:

Accrued interest	17,700
Increase in compensated absences	<u>(316,148)</u>
	(298,448)

Change in net assets of governmental activities	\$ 6,742,173
---	--------------

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Net Assets  
Enterprise Fund  
April 30, 2007

	Business-Type Activities
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 32,622,930
Accounts receivable	1,483,530
Due from other funds	3,719,829
<b>Total current assets</b>	<u>37,826,289</u>
<b>Non-Current Assets</b>	
Unamortized bond costs	220,607
Capital assets not being depreciated	16,589,738
Capital assets being depreciated, net	86,240,521
<b>Total non-current assets</b>	<u>103,050,866</u>
<b>Total assets</b>	<u><u>\$ 140,877,155</u></u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
General obligation bonds	\$ 1,185,486
Alternate revenue bonds	341,312
Accounts payable	1,054,171
Accrued liabilities	101,131
Accrued interest	599,085
Deposits	112,260
Compensated absences	105,123
<b>Total current liabilities</b>	<u>3,498,568</u>
<b>Long-term Liabilities, net of current maturities</b>	
Deferred gain on refunding	38,324
General obligation bonds	10,159,806
Alternate revenue bonds	10,283,688
Note payable	17,560,634
<b>Total long-term liabilities</b>	<u>38,042,452</u>
<b>Total liabilities</b>	<u>41,541,020</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	63,299,333
Unrestricted	36,036,802
<b>Total net assets</b>	<u>99,336,135</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 140,877,155</u></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, 2007**

	Business-Type Activities
<b>Operating revenues:</b>	
Charges for services	\$ 11,922,126
Fines and fees	1,412,358
Developer contributions	1,751,881
Reimbursements	152,071
Other	903,165
<b>Total operating revenues</b>	<b>16,141,601</b>
<b>Operating expenses:</b>	
Water and sewer	6,879,096
Depreciation	3,110,502
Amortization	18,840
<b>Total operating expenses</b>	<b>10,008,438</b>
<b>Operating income</b>	<b>6,133,163</b>
<b>Non-operating income (expense):</b>	
Interest income	1,220,508
Interest expense	(963,992)
Loss on sale of capital assets	(354,957)
<b>Total non-operating income (expense)</b>	<b>(98,441)</b>
<b>Income before transfers</b>	<b>6,034,722</b>
<b>Transfers out</b>	<b>(2,168,600)</b>
<b>Change in net assets</b>	<b>3,866,122</b>
<b>Net assets:</b>	
May 1, 2006	<b>95,470,013</b>
April 30, 2007	<b>\$ 99,336,135</b>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Cash Flows - Enterprise Funds  
Year Ended April 30, 2007

	Business-Type Activities
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 15,559,312
Cash received from developers	110,913
Payments to employees	(2,756,640)
Payments to suppliers	(4,874,973)
<b>Net cash provided by operating activities</b>	<b>8,038,612</b>
<b>Cash flows from non-capital financing activities</b>	
Transfers out	(2,168,600)
<b>Net cash used in non-capital financing activities</b>	<b>(2,168,600)</b>
<b>Cash flows from capital and related financing activities</b>	
Additions to capital assets	(16,679,681)
Proceeds from note payable	13,264,739
Principal payments, general obligation bonds	(1,070,638)
Principal payments, alternate revenue bonds	(360,000)
Interest paid	(980,091)
<b>Net cash used in capital and related financing activities</b>	<b>(5,825,671)</b>
<b>Cash flows from investing activities,</b>	
Cash receipts from interest income	1,220,508
<b>Net increase in cash and cash equivalents</b>	<b>1,264,849</b>
<b>Cash and equivalents:</b>	
May 1, 2006	31,358,081
<b>April 30, 2007</b>	<b>\$ 32,622,930</b>

(continued)

Village of Romeoville, Illinois

Statement of Cash Flows - Enterprise Funds - (Continued)  
Year Ended April 30, 2007

	Business-Type Activities
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 6,133,163
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,110,502
Amortization	18,840
Changes in assets and liabilities	
Accounts receivable	1,169,592
Accounts payable	(768,705)
Accrued liabilities	16,188
Developer advances	(1,639,337)
Deposits	(1,631)
Total adjustments	<u>1,905,449</u>
Net cash provided by operating activities	<u>\$ 8,038,612</u>
Supplemental Schedule of Non-Cash Capital Activities	
Accrued interest capitalized during construction phase	<u>\$ 281,585</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

**Statement of Fiduciary Net Assets**  
**Pension Trust Funds**  
**April 30, 2007**

---

**Assets**

Cash and cash equivalents	\$ 873,747
Investments:	
U.S. government and agency obligations	9,374,229
Local government bonds	152,634
Money market funds	560,835
Mutual funds	2,134,123
Annuity contracts	5,025,103
Accrued interest receivable	47,304
 <b>Total assets</b>	 <u>\$ 18,167,975</u>

**Liabilities and Net Assets**

Liabilities,	\$
accrued liabilities	
Net assets held in trust for employees' benefits	<u>18,167,975</u>
 <b>Total liabilities and net assets</b>	 <u>\$ 18,167,975</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

**Statement of Changes in Fiduciary Net Assets**  
**Pension Trust Funds**  
**Year Ended April 30, 2007**

---

Additions

Contributions:	
Employer	\$ 1,071,735
Employee	480,994
Total contributions	<u>1,552,729</u>
Investment income:	
Net appreciation in fair value of investments	1,387,018
Interest	529,032
Total investment income	<u>1,916,050</u>
Total additions	<u>3,468,779</u>
Deductions	
Benefits	572,572
Administrative expense	8,098
Total deductions	<u>580,670</u>
Change in net assets	<u>2,888,109</u>
Net assets held in trust for employees' pension benefits:	
May 1, 2006	<u>15,279,866</u>
April 30, 2007	<u>\$ 18,167,975</u>

See Notes to Basic Financial Statements.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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**

---

**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, Marquette Center TIF 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.

***Marquette Center TIF Fund*** – This fund is used to account for all other capital projects transactions of the Village not financed through proprietary funds or other capital projects funds.

***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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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 three years. 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 included as part of the capitalized value of assets constructed. The total interest expense incurred by the Village during the current fiscal year was \$1,245,577. Of this amount \$281,585 was included as part of the costs of capital assets under construction in connection with wastewater treatment facilities construction projects.

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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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 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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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.

###### **Capital Contributions**

Capital contributions reported in the governmental and proprietary funds represent capital assets donated from outside parties, principally developers.

###### **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.

###### **New Accounting Pronouncements**

Effective May 1, 2006, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 46, *Net Assets Restricted by Enabling Legislation*. This statement requires that limitations on the use of net assets imposed by legislation be reported as restricted net assets.

Village of Romeoville, Illinois

**Notes to Basic Financial Statements**

---

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

**New Accounting Pronouncements (continued)**

Effective May 1, 2006, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 47, *Accounting for Termination Benefits*, for termination benefits provided through an existing defined benefit OPEB plan.

**Note 2. Budgets**

***Budgetary Information***

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, certain 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.

***Deficit Fund Balances***

As of April 30, 2007, the following funds had deficit fund balances:

<u>Fund</u>	<u>Amount</u>	<u>Intended Financing</u>
Recreation Fund	\$ 265,891	Program revenue
Facility Construction Fund	6,401,372	Long-term debt

Village of Romeoville, Illinois

**Notes to Basic Financial Statements**

---

**Note 3. 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, 2007, none of deposits were exposed to custodial credit risk due to being uninsured and uncollateralized.

**Investments**

As of April 30, 2007, 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	\$ 301,832	\$ -	\$ 103,813	\$ 198,019	\$ -	
U.S. Treasury Strips	2,454,883	299,316	2,128,672	-	-	26,895
U.S. agencies - FFCB	217,461	-	143,077	44,375	-	30,009
U.S. agencies - FHLB	1,381,412	-	700,995	568,695	-	111,722
U.S. agencies - FHLMC	1,076,431	-	198,164	392,642	-	485,625
U.S. agencies - FNMA	2,714,647	-	624,402	695,191	-	1,395,054
U.S. agencies - GNMA	1,227,563	-	-	-	-	1,227,563
Local Government Bonds	152,634	-	39,975	64,325	-	48,334
Illinois Funds *	40,342,267	40,342,267	-	-	-	
Illinois Metropolitan						
Investment Fund *	8,446,249	8,446,249	-	-	-	
Money Market Funds *	560,835	560,835	-	-	-	
<b>Total</b>	<b>\$ 58,876,214</b>	<b>\$ 49,648,667</b>	<b>\$ 3,939,098</b>	<b>\$ 1,963,247</b>	<b>\$ 3,325,202</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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### Note 3. Cash and Investments (continued)

*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 investment policy does not address credit risk.

As of April 30, 2007, investments in Illinois Funds were rated AAA by Standard and Poor's. The FFCB and FHLB were rated Aaa by Moody's Investors Services. The FHLMC, FNMA, and Local Government Bonds were rated Aaa – Aa3 by Moody's Investors Services and AAA by Standard and Poor and Fitch Ratings Services. The Illinois Metropolitan Investment Fund and Money Market Funds are not rated.

*Concentration of Credit Risk* – The Village's investment policy does not restrict the amount of investments in any one issuer. More than 5% of the Village's investments are in Annuities. The investment is 7.6% of the Village's total investments.

*Custodial Credit Risk* – For an investment, this is the risk that, in the event of failure of the counterparty, the Village 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 agent in the Village'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 investment policy does not address custodial credit risk for investments.

#### Note 4. 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 2005 property tax assessment, which was levied in December 2005, is to finance the budget for the fiscal year beginning May 1, 2006 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 5. Capital Assets**

A summary of the changes in capital assets for governmental activities of the Village for the year ended April 30, 2007, is as follows:

	Balance May 1, 2006	Additions	Deletions	Balance April 30, 2007
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 154,015,357	\$ 7,945,318	\$ -	\$ 161,960,675
Construction in progress	3,904,330	4,214,678	2,407,478	5,711,530
<b>Total capital assets being depreciated</b>	<b>157,919,687</b>	<b>12,159,996</b>	<b>2,407,478</b>	<b>167,672,205</b>
<b>Capital assets being depreciated:</b>				
Buildings and property	20,384,462	-	-	20,384,462
Machinery and equipment	2,157,316	466,772	160,148	2,463,940
Furniture and fixtures	1,592,443	-	-	1,592,443
Vehicles	4,289,269	1,188,998	-	5,478,267
Infrastructure	128,987,622	3,164,177	-	132,151,799
<b>Total capital assets being depreciated</b>	<b>157,411,112</b>	<b>4,819,947</b>	<b>160,148</b>	<b>162,070,911</b>
<b>Less accumulated depreciation for:</b>				
Buildings and property	7,180,124	622,432	-	7,802,556
Machinery and equipment	707,490	244,672	142,588	809,574
Furniture and fixtures	596,533	109,758	-	706,291
Vehicles	2,816,856	493,013	-	3,309,869
Infrastructure	42,881,218	3,964,621	-	46,845,839
<b>Total accumulated depreciation</b>	<b>54,182,221</b>	<b>5,434,496</b>	<b>142,588</b>	<b>59,474,129</b>
<b>Total capital assets being depreciated, net</b>	<b>103,228,891</b>	<b>(614,549)</b>	<b>17,560</b>	<b>102,596,782</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 261,148,578</b>	<b>\$ 11,545,447</b>	<b>\$ 2,425,038</b>	<b>\$ 270,268,987</b>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 5. Capital Assets (continued)**

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2007, is as follows:

	Balance May 1, 2006	Additions	Deletions	Balance April 30, 2007
<b>Business-type activities</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 9,328	\$ 11,400	\$ -	\$ 20,728
Construction in progress	4,304,464	16,742,149	4,477,603	16,569,010
<b>Total capital assets being depreciated</b>	<b>4,313,792</b>	<b>16,753,549</b>	<b>4,477,603</b>	<b>16,589,738</b>
<b>Capital assets being depreciated:</b>				
Buildings and property	12,962	2,188,978	-	2,201,940
Machinery and equipment	6,936,694	63,101	1,158,199	5,841,596
Vehicles	694,180	102,101	-	796,281
Infrastructure	106,149,547	2,331,140	-	108,480,687
Other equipment	1,044,258	-	133,717	910,541
<b>Total capital assets being depreciated</b>	<b>114,837,641</b>	<b>4,685,320</b>	<b>1,291,916</b>	<b>118,231,045</b>
<b>Less accumulated depreciation for:</b>				
Building including permanent fixtures	(384)	38,457	-	38,073
Machinery and equipment	4,359,867	449,920	875,378	3,934,409
Vehicles	397,039	74,728	-	471,767
Infrastructure	24,526,441	2,499,584	-	27,026,025
Other equipment	534,018	47,813	61,581	520,250
<b>Total accumulated depreciation</b>	<b>29,816,981</b>	<b>3,110,502</b>	<b>936,959</b>	<b>31,990,524</b>
<b>Total capital assets being depreciated, net</b>	<b>85,020,660</b>	<b>1,574,818</b>	<b>354,957</b>	<b>86,240,521</b>
<b>Business-type activities</b>				
<b>Capital assets, net</b>	<b>\$ 89,334,452</b>	<b>\$ 18,328,367</b>	<b>\$ 4,832,560</b>	<b>\$ 102,830,259</b>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

---

**Note 5. Capital Assets (continued)**

Depreciation was charged to functions/programs as follows:

Governmental activities:

General government	\$ 1,428,150
Public safety	2,300,720
Public works	1,230,263
Culture and recreation	<u>475,363</u>
<b>Total depreciation expense - governmental activities</b>	<b><u>\$ 5,434,496</u></b>

Business-type activities:

Water and Sewer	<u>\$ 3,110,502</u>
-----------------	---------------------

**Note 6. Short-Term Obligations**

The following is a summary of short-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007
Alternate revenue bonds	\$ -	\$ 8,250,000	\$ -	\$ 8,250,000

On December 15, 2006, the Village issued \$8,250,000 in Alternate Revenue Bonds, Series 2006 with an interest rate of 4.0%. The proceeds of \$8,237,000 (net of bond issuance costs of \$13,000) are being used to purchase land and construct the new Village Hall. The bonds mature on December 31, 2007. The bonds were paid off by the Village on December 15, 2007 with proceeds from long-term general obligation issue.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 7. 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, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007	Due Within One Year
General obligation bonds	\$ 22,079,070	\$ -	\$ 684,362	\$ 21,394,708	\$ 739,362
Alternate revenue bonds	3,315,000	-	385,000	2,930,000	400,000
Capital leases	580,646	553,379	174,906	959,119	70,671
Compensated absences	2,030,896	1,131,148	815,000	2,347,044	105,599
Pension obligation *	1,420,674	-	-	1,420,674	-
	<u>\$ 29,426,286</u>	<u>\$ 1,684,527</u>	<u>\$ 2,059,268</u>	<u>\$ 29,051,545</u>	<u>\$ 1,315,632</u>

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

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007	Due Within One Year
General obligation bonds	\$ 12,415,930	\$ -	\$ 1,070,638	\$ 11,345,292	\$ 1,185,486
Alternate revenue bonds	10,985,000	-	360,000	10,625,000	341,312
Note payable	4,295,895	13,264,739	-	17,560,634	-
Deferred gain on refunding	42,746	-	4,422	38,324	-
Unamortized bond issue costs	(243,869)	-	(23,262)	(220,607)	-
	<u>\$ 27,495,702</u>	<u>\$ 13,264,739</u>	<u>\$ 1,411,798</u>	<u>\$ 39,348,643</u>	<u>\$ 1,526,798</u>

An Illinois Environmental Protection Agency Clean Water State Revolving Funds loan agreement was approved September 26, 2005 and provides for a repayment period of 20 years commencing May 11, 2008. The outstanding balance is reported as long-term in the Statement of Net Assets – Enterprise Funds and the debt maturity schedule has been excluded since the payment terms have not been established. The agreement allows for a maximum loan drawdown of \$25,663,790 at an interest rate of 2.50%. In addition, the loan accrues interest of 2.5% that is calculated monthly. As of April 30, 2007, the total outstanding principal and interest is \$17,560,634 and \$281,586 respectively.

Village of Romeoville, Illinois

Notes to Basic Financial Statements

---

**Note 7. Long-Term Obligations (continued)**

Outstanding debt as of April 30, 2007, consists of the following:

General Obligation Bonds:

General Obligation Bonds, Series 2000A, dated June 30, 2000, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$255,000 in 2008, \$305,000 in 2009, \$365,000 in 2010, \$430,000 in 2011, \$445,000 in 2012, \$540,000 in 2013, \$585,000 in 2014 and \$520,000 in 2015. Interest is due on June 30 and December 30 of each year at rates varying from 5.1% to 8.1%.

\$ 3,445,000

General Obligation Refunding Bonds, Series 1997B, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$50,000 in 2008, \$50,000 in 2009, \$55,000 in 2010, \$55,000 in 2011, \$55,000 in 2012, \$60,000 in 2013, \$60,000 in 2014, and \$65,000 in 2015. Interest is due on June 30 and December 30 of each year at rates varying from 4.8% to 5.0%.

450,000

General Obligation Refunding Bonds, Series 2002A, dated September 15, 2002 provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$135,000 in 2008, \$145,000 in 2009, \$150,000 in 2010, \$160,000 in 2011, \$165,000 in 2012, \$175,000 in 2013, \$185,000 in 2014, \$190,000 in 2015, \$200,000 in 2016, \$210,000 in 2017, \$175,000 in 2018. Interest is due on June 30 and December 30 of each year at rates varying from 4.1% to 5.0%.

1,890,000

General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$320,000 in 2008, \$335,000 in 2009, \$1,090,000 in 2010, \$1,280,000 in 2011, \$1,710,000 in 2012, \$1,810,000 in 2013, \$2,050,000 in 2014, \$2,095,000 in 2015, \$2,120,000 in 2016, \$2,205,000 in 2017, \$2,235,000 in 2018, \$1,385,000 in 2019, \$425,000 in 2020, \$445,000 in 2021, \$470,000 in 2022, \$490,000 in 2023, \$515,000 in 2024, \$545,000 in 2025. Interest is due on June 30 and December 30 of each year at rates varying from 2.5% to 5.0%. \$5,915,292 of this balance has been pledged to be repaid by revenue from the water and sewer operations.

21,525,000

General Obligation Refunding Bonds, Series 2005, dated September 15, 2005 provide for the serial retirement of bonds on December 15 of each year in annual amounts of \$1,175,000 in 2008, \$1,175,000 in 2009, \$1,225,000 in 2010, \$285,000 in 2011, \$295,000 in 2012, \$305,000 in 2013, \$315,000 in 2014, \$325,000 in 2015, \$330,000 in 2016. Interest is due on June 15 and December 15 of each year at rates varying from 3.0% to 3.6%.

5,430,000

Deferred gain on refunding 38,324

Unamortized bond issuance costs (135,892)

**Total General Obligation Bonds 32,642,432**

Village of Romeoville, Illinois

Notes to Basic Financial Statements

---

**Note 7. Long-Term Obligations (continued)**

Alternate Revenue Bonds:

General Obligation Bonds (Alternate Revenue Bonds), dated February 2, 1999, provide for the serial retirement of certificates on December 30 of each year in amounts of \$330,000 in 2011, \$325,000 in 2012, \$330,000 in 2013, \$350,000 in 2014, \$375,000 in 2015, \$400,000 in 2016, \$735,000 in 2017, \$775,000 in 2018 and \$1,255,000 in 2019. Interest is due on June 30 and December 30 of each year at rates varying from 4.3% to 4.7%. The Village has pledged revenue from the Water and Sewer Fund operations for the repayment of these bonds.

\$ 4,875,000

General Obligation Bonds (Alternate Revenue Bonds), Series 2001A provide for the serial retirement of certificates on December 30 of each year in the amounts of \$310,000 in 2008, and \$325,000 in 2009. Interest is due on June 30 and December 30 of each year at rate of 4.25%. The Village has pledged revenue from motor fuel tax for the repayment of these bonds.

635,000

General Obligation Bonds (Alternate Revenue Bonds), Series 2001B provide for the serial retirement of certificates on December 30 of each year in the amounts of \$350,000 in 2008, and \$400,000 in 2009. Interest is due on June 30 and December 30 of each year at rate of 4.13%. The Village has pledged revenue from the Water and Sewer Fund operations for the repayment of these bonds.

750,000

General Obligation Bonds (Alternate Revenue Bonds), Refunding Bond Series 1997A provides for the serial retirement of certificates on December 30 of each year in amounts of \$525,000 in 2011, \$550,000 in 2012, \$575,000 in 2013, \$605,000 in 2014, \$635,000 in 2015, \$670,000 in 2016, \$700,000 in 2017 and \$740,000 in 2018. Interest is due on June 30 and December 30 of each year at rates varying from 4.9% to 5.2%. The Village has pledged revenue from the Water and Sewer Fund operations for the repayment of these bonds.

5,000,000

General Obligation Bonds (Alternate Revenue Bonds), Series 2002B, dated September 15, 2002, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$90,000 in 2008, \$115,000 in 2009, \$135,000 in 2010, \$170,000 in 2011, \$525,000 in 2016, \$600,000 in 2017, \$660,000 in 2018. Interest is due on June 30 and December 30 of each year varying from 3.0% to 4.3%.

2,295,000

Unamortized bond issuance costs

(84,715)

**Total Alternate Revenue Bonds**

13,470,285

Village of Romeoville, Illinois

Notes to Basic Financial Statements

---

**Note 7. Long-Term Obligations (continued)**

Capital Leases:

Capital Lease, dated June 25, 2005, provides for the retirement of principal on May 7 of each year in annual amounts of \$51,491 in 2009, \$53,114 in 2010, \$54,788 in 2011, and \$56,514 in 2012. Interest is due on May 7 of each year at 3.15%. Lease is collateralized by equipment with a net book value of \$290,321 at April 30, 2007.

\$ 215,907

Capital Lease, dated June 25, 2005, provides for the retirement of principal on May 7 of each year in annual amounts of \$35,963 in 2009, \$37,235 in 2010, \$38,552 in 2011, \$39,916 in 2012, \$41,329 in 2013, \$42,791 in 2014, and \$44,301 in 2015. Interest is due on May 7 of each year at 3.15%. Lease is collateralized by equipment with a net book value of \$352,970 at April 30, 2007.

280,087

Capital Lease, dated September 11, 2006 provides for the retirement of principal on September 11 of each year in annual amounts of \$26,866 in 2008, \$27,963 in 2009, \$29,105 in 2010, and \$30,293 in 2011. Interest is due on September 11 of each year at 4.083%. Lease is collateralized by equipment with a net book value of \$135,345 at April 30, 2007.

114,227

Capital Lease, dated April 5, 2007, provides for the retirement of principal on April 5 of each year in annual amounts of \$43,805 in 2008, \$45,678 in 2009, \$47,631 in 2010, \$49,668 in 2011, \$51,792 in 2012, \$54,007 in 2013, and \$56,317 in 2014. Interest is due on April of each year at 4.28%. Lease is collateralized by equipment with a net book value of \$378,507 at April 30, 2007.

348,898

**Total Capital Leases** 959,119

Note payable 17,560,634

Compensated absences 2,347,044

Pension obligation 1,420,674

**Total Long-Term Debt** \$ 68,400,188

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 7. 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, 2007, including the deferred gain on refunding and bond issuance costs, are as follows:

Fiscal Year	Governmental						Capital Leases
	General Obligation Bonds		Alternate Revenue Bonds				
	Principal	Interest	Principal	Interest	Principal	Interest	
2008	\$ 739,362	\$ 976,922	\$ 400,000	\$ 119,183	\$ 70,671	\$ 19,574	
2009	812,298	939,633	440,000	103,307	161,095	33,328	
2010	1,274,103	857,825	135,000	85,815	167,085	27,338	
2011	1,414,318	767,898	170,000	81,225	173,301	21,122	
2012	1,772,978	738,819	-	75,105	148,222	14,671	
2013-2017	9,518,156	2,419,440	1,125,000	354,000	238,745	16,321	
2018-2022	4,313,493	817,537	660,000	28,380	-	-	
2023-2025	1,550,000	157,750	-	-	-	-	
	<u>\$ 21,394,708</u>	<u>\$ 7,675,824</u>	<u>\$ 2,930,000</u>	<u>\$ 847,015</u>	<u>\$ 959,119</u>	<u>\$ 132,354</u>	

Fiscal Year	Business-type						Total
	General Obligation Bonds		Alternate Revenue Bonds				
	Principal	Interest	Principal	Interest	Principal	Interest	
2008	\$ 1,185,486	\$ 422,749	\$ 341,312	\$ 507,852	\$ 4,783,111		
2009	1,187,550	384,046	391,312	493,415	4,945,984		
2010	1,600,745	384,936	(8,688)	476,915	5,001,074		
2011	785,530	354,753	846,312	476,915	5,091,374		
2012	886,870	278,756	866,312	437,000	5,218,733		
2013-2017	4,783,230	794,773	5,333,725	1,513,830	26,097,220		
2018-2022	818,313	50,708	2,770,000	192,875	9,651,306		
2023-2025	-	-	-	-	1,707,750		
	<u>\$ 11,247,724</u>	<u>\$ 2,670,721</u>	<u>\$ 10,540,285</u>	<u>\$ 4,098,802</u>	<u>\$ 62,496,552</u>		

**Note 8. Pension and Retirement Plan Commitments**

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

**Illinois Municipal Retirement Fund**

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

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### Note 8. Pension and Retirement Plan Commitments (continued)

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

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2007 was 9.85 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 5 years.

For April 30, 2007, the Village's annual pension cost of \$758,465 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2004 and 2005 actuarial valuations using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

#### Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
04/30/2007	\$ 758,465	100%	\$ -
04/30/2006	679,884	100%	-
04/30/2005	566,603	100%	-

#### 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, 2006.

Covered employees are currently required to contribute 9.91% 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, 2006, was 19.70% 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 8. 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, 2006, were as follows:

Annual required contribution	\$ 778,062
Interest on net pension obligation	86,721
Adjustment to annual requirement contribution	<u>(53,945)</u>
Annual pension cost	810,838
Contributions made	<u>777,246</u>
Increase in net pension obligation	33,592
Net pension obligation, beginning of year	<u>1,238,878</u>
Net pension obligation, end of year	<u><u>\$ 1,272,470</u></u>

The annual required contribution for the year ended April 30, 2006, was determined as part of the April 30, 2006, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return, (b) projected salary increases of 5.5%, (c) 3.0% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. 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, 2006, was 27 years.

**Trend Information**

Fiscal Year Ending	Annual Pension Cost (APC) Mad	Annual Contributions e	Percentage of APC Contributed	Net Pension Obligation
04/30/2006	\$ 810,838	\$ 777,246	96%	\$ 1,272,470
04/30/2005	975,598	514,782	53%	1,238,878
04/30/2004	N/A	514,782	N/A	778,062

At April 30, 2006, the Police Pension Plan membership consisted of:

Retirees and beneficiaries receiving benefits	11
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	26
Active non-vested plan members	<u>36</u>
<b>Total members</b>	<b><u>73</u></b>

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### Note 8. Pension and Retirement Plan Commitments (continued)

##### Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are 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 Fire 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, 2006.

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 2006 was 18.61% of covered payroll.

The Village's annual pension cost and net pension obligation to the Plan for the current year were as follows:

Annual required contribution	\$ 116,273
Interest on net pension obligation	10,143
Adjustment to annual requirement contribution	<u>(6,309)</u>
Annual pension cost	120,107
Contributions made	<u>116,802</u>
Increase in net pension obligation	3,305
Net pension obligation, beginning of year	<u>144,899</u>
Net pension obligation, end of year	<u>\$ 148,204</u>

The required contribution for the year ended April 30, 2006, was determined as part of the April 30, 2006, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included a 7.0% investment rate of return and projected salary increases of 5.5%. 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 Firefighters' 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, 2006, was 27 years.

#### Trend Information

Fiscal Year Ending	Annual Pension Cost (APC) Mad	Annual Contributions e	Percentage of APC Contributed	Net Pension Obligation (Asset)
04/30/2006	\$ 120,107	\$ 116,802	97%	\$ 148,204
04/30/2005	95,578	66,952	70%	144,899
04/30/2004	N/A	62,078	N/A	116,273

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 8. Pension and Retirement Plan Commitments (continued)**

At April 30, 2006, 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	3
<b>Total members</b>	<b>9</b>

**Combining Statement of Fiduciary Net Assets**

**Pension Trust Funds**

April 30, 2007

	Firefighters' Pension	Police Pension	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 19,637	\$ 854,110	\$ 873,747
Investments:			
U.S. government and agency obligations	1,390,029	7,984,200	9,374,229
Local government bonds	152,634	-	152,634
Money market funds	50,408	510,427	560,835
Mutual funds	178,600	1,955,523	2,134,123
Annuity contracts	-	5,025,103	5,025,103
Accrued interest receivable	-	47,304	47,304
<b>Total assets</b>	<b>\$ 1,791,308</b>	<b>\$ 16,376,667</b>	<b>\$ 18,167,975</b>
<b>Liabilities and Net Assets</b>			
Liabilities	\$ -	\$ -	\$ -
Net assets held in trust for employees' pension benefits	1,791,308	16,376,667	18,167,975
<b>Total liabilities and net assets</b>	<b>\$ 1,791,308</b>	<b>\$ 16,376,667</b>	<b>\$ 18,167,975</b>

Village of Romeoville, Illinois

Notes to Basic Financial Statements

**Note 8. Pension and Retirement Plan Commitments (continued)**

Combining Statement of Changes in Fiduciary Net Assets

Pension Trust Funds

Year Ended April 30, 2007

	Firefighters' Pension	Police Pension	Total
<b>Additions</b>			
Contributions:			
Employer	\$ 154,872	\$ 916,863	\$ 1,071,735
Employee	88,054	392,940	480,994
<b>Total contributions</b>	<b>242,926</b>	<b>1,309,803</b>	<b>1,552,729</b>
Investment income:			
Net appreciation in fair value of investments	39,646	1,347,372	1,387,018
Interest	77,882	451,150	529,032
<b>Total investment income</b>	<b>117,528</b>	<b>1,798,522</b>	<b>1,916,050</b>
<b>Total additions</b>	<b>360,454</b>	<b>3,108,325</b>	<b>3,468,779</b>
<b>Deductions</b>			
Benefits	-	572,572	572,572
Administrative expense	4,675	3,423	8,098
<b>Total deductions</b>	<b>4,675</b>	<b>575,995</b>	<b>580,670</b>
<b>Change in net assets</b>	<b>355,779</b>	<b>2,532,330</b>	<b>2,888,109</b>
Net assets held in trust for employees' pension benefits:			
May 1, 2006	1,435,529	13,844,337	15,279,866
April 30, 2007	\$ 1,791,308	\$ 16,376,667	\$ 18,167,975

**Notes to Basic Financial Statements**

---

**Note 9. 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 reinsurance through commercial companies for claims in excess of \$250,000 per occurrence for workers' compensation and \$100,000 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 10. Other Fund Disclosures (FFS Level Only)**

Individual fund interfund receivable and payable balances as of April 30, 2007, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
<b>Major Governmental:</b>		
General:		
Recreation	\$ 896,708	\$ -
Downtown TIF	8,711	-
Marquette Center TIF	22,843	2,089,676
Water and Sewer	-	3,019,829
	<u>928,262</u>	<u>5,109,505</u>
Recreation:		
General	-	896,708
Water and Sewer	-	700,000
	<u>-</u>	<u>1,596,708</u>
Marquette Center TIF,		
General	<u>2,089,676</u>	<u>22,843</u>
<b>Major Business-type,</b>		
Water and Sewer:		
General	3,019,829	-
Recreation	700,000	-
	<u>3,719,829</u>	<u>-</u>
<b>Non-Major Governmental Funds:</b>		
Debt Service	-	
2002A Construction		2,392
2002A Construction	2,392	-
Debt Service		
Downtown TIF,	-	8,711
General	<u>2,392</u>	<u>11,103</u>
Total	<u>\$ 6,740,159</u>	<u>\$ 6,740,159</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**

---

**Note 10. Other Fund Disclosures (FFS Level Only) (continued)**

Individual interfund advances receivable and payable balances as of April 30, 2007, are as follows:

<u>Fund</u>	<u>Advances to</u>	<u>Advances from</u>
Major Governmental: General, Recreation	\$ 265,891	\$ -
Recreation, General	-	265,891
Total	\$ 265,891	\$ 265,891

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 10. Other Fund Disclosures (FFS Level Only) (continued)**

Interfund transfers for the year ended April 30, 2007, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
Major Governmental Funds:		
General:		
Recreation	\$ -	\$ 1,314,700
Non-major debt service funds	-	1,990,700
Non-major special revenue funds	27,000	-
Water and Sewer	2,168,600	-
	<u>2,195,600</u>	<u>3,305,400</u>
Recreation:		
General	1,314,700	-
Non-major debt service funds	-	17,718
	<u>1,314,700</u>	<u>17,718</u>
Marquette Center TIF,		
Non-major capital projects funds	-	2,970,376
Major Business-type,		
Water and Sewer,		
General	-	2,168,600
Non-Major Governmental Funds:		
Non-major special revenue funds		
General	-	27,000
Non-major debt service funds		
Recreation	17,718	-
General	1,990,700	-
Non-major debt service funds	38,109	38,109
Non-major capital project funds		
Marquette Center TIF	2,970,376	-
	<u>5,016,903</u>	<u>65,109</u>
Total	\$ 8,527,203	\$ 8,527,203

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.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

---

#### 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, 2007, \$16,129,088 of bonds outstanding are considered defeased.

#### Note 12. Commitments

As of April 30, 2007, the Village had open contracts for the purchase of equipment and services totaling approximately \$8,700,000.

#### 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, 2007 is \$44,555,000.

#### Note 14. New Governmental Accounting Standards

GASB Statement No. 43, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2008. This Statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, will be effective for the Village beginning with its year ending April 30, 2009. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplementary information in the financial reports of state and local governments.

GASB Statement No. 48, *Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, will be effective for the Village beginning with its year ending April 30, 2008. This Statement will establish criteria that governments will use to ascertain whether proceeds received should be reported as revenue or as a liability.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, will be effective for the Village beginning with its year ending April 30, 2009. This statement addresses accounting and financial reporting for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.

GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*, will be effective for the Village beginning with its year ending April 30, 2009. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in the notes to the financial statements or presented as required supplementary information (RSI) by pension plans and by employers providing pension benefits.

**Notes to Basic Financial Statements**

---

**Note 14. New Governmental Accounting Standards (continued)**

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.

Management has not yet determined the impact these statements will have on the financial position and results of operations of the Village.

**Note 15. 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 16. Subsequent Events**

On November 15, 2007, the Village issued \$4,820,000 of General Obligation Refunding Bonds, Series 2007A, with an average interest rate of 4.31% to advance refund \$5,000,000 of General Obligation Bonds (Alternate Revenue Bonds), Refunding Bonds Series 1997A, with an average interest rate of 5.07%. The proceeds of \$5,046,885 (including premium of \$226,885) plus a village contribution of \$126,830 were used to purchase \$5,109,408 of U.S. government securities and pay issuance costs of \$64,307. The U.S. government securities were deposited in an irrevocable trust with an escrow agent to provide for certain future debt service payments on the refunded bonds. On December 30, 2007, the bonds were called and paid in full. The refunding resulted in an economic gain of \$454,556 and had the effect of maintaining the life of the bonds while decreasing the Village's future debt service by \$547,069.

On November 15, 2007, the Village issued \$12,900,000 of General Obligation Bonds, Series 2007B, for the purpose of paying off short-term debt obligations and pay costs related to the new Village Hall and fire station. Interest rates range from 4.00% to 4.375%.

**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)	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
			Unfunded AAL (b-a)	Funded Ratio (a/b)			
12/31/2006	\$ 13,189,931	\$ 14,375,684	\$ 1,185,753	91.75 %	\$ 7,460,413		15.89 %
12/31/2005	11,350,959	12,802,691	1,451,732	88.66	6,937,844		20.92
12/31/2004	10,035,860	11,472,182	1,436,322	87.48	6,368,885		22.55

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$14,131,403. On a market basis, the funded ratio would be 98.30%.

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

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

Village of Romeoville, Illinois

Police Pension Fund  
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial			Unfunded			UAAL as a Percentage of		
	Actuarial Value of Assets (a)	Accrued Liability (AAL) Entry Age (b)	AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Covered Payroll ((b-a)/c)			
04/30/2006	\$ 13,872,790	\$ 22,844,950	\$ 8,972,160	60.73 %	\$ 3,946,282	227.36 %			
04/30/2005	12,922,591	20,533,524	7,610,933	62.93	3,675,642	207.06			
04/30/2004	12,148,022	18,048,435	5,900,413	67.31	3,273,964	180.22			
04/30/2003	10,894,529	15,217,745	4,323,216	71.59	2,762,209	156.51			
04/30/2002	10,526,451	14,786,261	4,259,810	71.19	2,542,368	167.55			
04/30/2001	10,617,170	13,111,519	2,494,349	80.98	2,322,741	107.39			

Village of Romeoville, Illinois

Firefighters' Pension Fund  
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (b-a)		Funded Ratio (a/b)	Covered Payroll (c)	(Overfunded) Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
			Unfunded AAL (b-a)	(Overfunded)			
04/30/2006	\$ 1,435,528	\$ 2,399,068	\$ 963,540	59.84 %	\$ 627,673	153.51 %	
04/30/2005	1,228,017	2,003,836	775,819	61.28	536,198	144.69	
04/30/2004	1,065,633	1,734,363	668,730	61.44	375,680	178.01	
04/30/2003	950,828	1,235,436	284,608	76.96	333,374	85.37	
04/30/2002	799,870	1,098,676	298,806	72.80	351,151	85.09	
04/30/2001	692,489	601,809	(90,680)	115.07	307,719	(29.47)	

**Village of Romeoville, Illinois**

**Schedule of Employer Contributions  
Police Pension Fund**

<b>Fiscal Year</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2006	\$ 778,062	99.90 %
2005	954,062	53.96
2004	N/A	N/A
2003	428,724	87.61
2002	393,876	78.90
2001	314,016	87.35

Village of Romeoville, Illinois

**Schedule of Employer Contributions**  
**Fire Pension Fund**

Fiscal Year		Annual Required Contribution	Percentage Contributed	%
2006		\$ 116,273	100.45	
2005		92,360	89.04	
2004		N/A	N/A	
2003		74,679	73.50	
2002		77,513	67.41	
2001		66,759	71.32	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 General Fund  
 Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 7,088,800	\$ 7,520,331	\$ 431,531
Other taxes	15,351,000	13,197,019	(2,153,981)
Interest	400,000	952,543	552,543
Fines	363,000	667,587	304,587
Licenses and permits	1,453,500	2,551,767	1,098,267
Charges for services	3,546,600	4,256,847	710,247
Intergovernmental	3,150,500	3,533,386	382,886
Other	1,913,500	1,646,494	(267,006)
<b>Total revenues</b>	<b>33,266,900</b>	<b>34,325,974</b>	<b>1,059,074</b>
<b>Expenditures:</b>			
Current:			
General government	7,321,200	7,017,337	303,863
Public safety	12,538,600	12,179,167	359,433
Public works	6,314,400	5,891,351	423,049
Miscellaneous	1,090,900	-	1,090,900
Debt service:			
Principal	135,600	174,906	(39,306)
Interest and fees	29,800	19,515	10,285
Capital outlay	4,726,600	5,927,106	(1,200,506)
<b>Total expenditures</b>	<b>32,157,100</b>	<b>31,209,382</b>	<b>947,718</b>
Excess (deficiency) of revenues over (under) expenditures	1,109,800	3,116,592	2,006,792
<b>Other financing sources (uses):</b>			
Capital lease proceeds	-	553,379	553,379
Transfer in	2,195,600	2,195,600	-
Transfer (out)	(3,305,400)	(3,305,400)	-
<b>Total other financing sources (uses)</b>	<b>(1,109,800)</b>	<b>(556,421)</b>	<b>553,379</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>2,560,171</b>	<b>\$ 2,560,171</b>
<b>Fund balance:</b>			
May 1, 2006		8,393,199	
April 30, 2007		<b>\$ 10,953,370</b>	

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, 2007

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 554,400	\$ 593,107	\$ 38,707
Other taxes	860,000	1,082,255	222,255
Interest	10,000	60,102	50,102
Charges for services	840,300	775,600	(64,700)
Intergovernmental	205,000	7,500	(197,500)
Developer contributions	196,400	1,961	(194,439)
Other	107,000	109,373	2,373
<b>Total revenues</b>	<b>2,773,100</b>	<b>2,629,898</b>	<b>(143,202)</b>
<b>Expenditures:</b>			
Current, culture and recreation:			
Operations:			
Salaries	384,800	303,453	81,347
Contractual	69,500	55,790	13,710
Commodities	24,000	16,586	7,414
Other	10,000		10,000
Recreation programs:			
Salaries	592,200	648,356	(56,156)
Contractual	219,000	185,202	33,798
Commodities	243,500	213,174	30,326
Park maintenance:			
Salaries	420,300	321,585	98,715
Contractual	341,000	215,725	125,275
Commodities	49,500	36,266	13,234
Recreation center:			
Salaries	310,200	326,149	(15,949)
Contractual	176,000	155,891	20,109
Commodities	46,000	38,218	7,782
Capital outlay	1,473,000	1,074,964	398,036
<b>Total expenditures</b>	<b>4,359,000</b>	<b>3,591,359</b>	<b>767,641</b>
Excess (deficiency) of revenues over (under) expenditures	(1,585,900)	(961,461)	624,439
Other financing sources (uses):			
Transfer in	1,314,700	1,314,700	
Transfer (out)	(17,800)	(17,718)	82
<b>Total other financing sources (uses)</b>	<b>1,296,900</b>	<b>1,296,982</b>	<b>82</b>
<b>Change in fund balance</b>	<b>\$ (289,000)</b>	<b>335,521</b>	<b>\$ 624,521</b>
Fund balance (deficit):			
May 1, 2006		(601,412)	
April 30, 2007		\$ (265,891)	

See Note to Required Supplementary Information.

**Village of Romeoville, Illinois**

**Note to Required Supplementary Information**

---

**Note 1. Budgetary Basis of Accounting**

The General Fund and Recreation Fund budgets are adopted on a basis consistent with generally accepted accounting principles.

## **Supplementary Information**

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>Property taxes:</b>			
Corporate tax levy	\$ 1,383,000	\$ 1,716,888	\$ 333,888
Fire protection levy	262,000	269,817	7,817
Police protection levy	443,700	449,512	5,812
Ambulance levy	493,000	536,004	43,004
Special recreation levy	254,000	267,567	13,567
Audit tax levy	58,000	60,649	2,649
Social security levy	1,030,400	1,032,808	2,408
Street levy	414,200	428,787	14,587
Refuse disposal levy	479,000	484,296	5,296
Tort immunity levy	1,198,000	1,202,268	4,268
Police pension levy	918,600	916,863	(1,737)
Fire pension levy	154,900	154,872	(28)
<b>Total property taxes</b>	<b>7,088,800</b>	<b>7,520,331</b>	<b>431,531</b>
<b>Other taxes:</b>			
Sales tax	4,400,000	3,444,242	(955,758)
Use tax	410,000	468,283	58,283
Utility tax:			
Electric	2,475,000	2,516,519	41,519
Gas	850,000	830,887	(19,113)
Telephone	1,810,000	1,447,401	(362,599)
Water	255,000	238,658	(16,342)
Fire Insurance tax	26,000	25,702	(298)
Automobile rental tax	5,000	4,267	(733)
Homerule sales tax	3,520,000	2,747,369	(772,631)
Homerule gas tax	950,000	638,621	(311,379)
Real estate transfer tax	650,000	835,070	185,070
<b>Total other taxes</b>	<b>15,351,000</b>	<b>13,197,019</b>	<b>(2,153,981)</b>
<b>Interest</b>	<b>400,000</b>	<b>952,543</b>	<b>552,543</b>
<b>Fines:</b>			
Court fines	295,000	334,928	39,928
Administrative tickets	8,000	10,625	2,625
Parking tickets	24,000	32,502	8,502
Dog/animal fines	6,000	6,249	249
Forfeiture of cash police department	6,000	20,408	14,408
False alarm fines	24,000	23,375	(625)
Vehicle impound fees	-	239,500	239,500
<b>Total fines</b>	<b>363,000</b>	<b>667,587</b>	<b>304,587</b>
<b>Licenses and permits:</b>			
Business licenses	90,000	58,199	(31,801)
Liquor licenses	3,000	42,675	39,675
Business permits	60,000	82,725	22,725
Solicitor permits	2,000	2,900	900
Building permits	1,240,000	2,006,190	766,190
Garage sale permits	2,500	3,360	860
Inspection permits	55,000	354,994	299,994
Animal tags	1,000	724	(276)
<b>Total licenses and permits</b>	<b>1,453,500</b>	<b>2,551,767</b>	<b>1,098,267</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)  
Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Charges for services:			
Cable TV franchise fee	\$ 270,000	\$ 304,646	\$ 34,646
Ambulance fees	330,000	350,974	20,974
Rental income	2,200	9,476	7,276
NSF check charges	200	685	485
Administration fees	1,500	5,363	3,863
Zoning board maps/variance	220,000	190,372	(29,628)
Code books	3,000	85	(2,915)
Rental inspection fees	9,000	65,020	56,020
Construction reinspection fees	20,000	42,118	22,118
Sprint rental fees	21,700	22,594	894
Engineering fees	450,000	935,682	485,682
Fire prevention service fees	10,000	12,590	2,590
Fire academy	175,600	181,279	5,679
Rubbish collection fees	2,033,000	2,134,176	101,176
Development administration fees		875	875
Portable sign/pennant permit	400	912	512
<b>Total charges for services</b>	<b>3,546,600</b>	<b>4,256,847</b>	<b>710,247</b>
Intergovernmental:			
State income tax	2,760,000	3,153,839	393,839
Replacement tax	140,000	168,632	28,632
Auto theft	61,000	60,805	(195)
Federal grants	182,000	147,867	(34,133)
D.A.R.E. program revenue	7,500	-	(7,500)
Traffic grants	-	2,243	2,243
<b>Total intergovernmental</b>	<b>3,150,500</b>	<b>3,533,386</b>	<b>382,886</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)  
Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Other:			
Police special detail	\$ 45,000	\$ 110,792	\$ 65,792
Training reimbursement	15,000	19,128	4,128
Liaison officer	27,000	-	(27,000)
Reimbursement of legal fees	20,000	(252)	(20,252)
Reimbursement of engineering fees	140,000	3,542	(136,458)
Community development reimbursement	150,000	169,622	19,622
Workers compensation reimbursement	50,000	43,815	(6,185)
Street improvement reimbursements	-	47,347	47,347
Other reimbursements	120,000	76,077	(43,923)
Police/accident reports	8,000	8,932	932
Fire reports	1,000	485	(515)
Good neighbor donations	3,500	-	(3,500)
Safety town donations	-	400	400
Waste station transfer fee	250,000	-	(250,000)
Bolingbrook shared revenue	30,000	-	(30,000)
Lockport Fire agreement	775,000	889,402	114,402
Cobra retiree contribution	20,000	18,671	(1,329)
Health insurance contributions	85,300	79,549	(5,751)
Sale of property	8,000	8,613	613
Fingerprinting	500	100	(400)
Miscellaneous income	15,000	10,018	(4,982)
MSC guarantee	10,000	17,500	7,500
General donations	-	2,375	2,375
Hazardous material reimbursements	-	8,502	8,502
Marquette TIF distribution	76,500	73,895	(2,605)
Tree escrow	25,000	-	(25,000)
Developer's breakfast	7,200	8,900	1,700
D.A.R.E Program	-	7,500	7,500
Will County Regional Council	-	22,981	22,981
Mosquito abatement	30,000	17,495	(12,505)
Advertising	1,500	1,105	(395)
<b>Total other</b>	<b>1,913,500</b>	<b>1,646,494</b>	<b>(267,006)</b>
<b>Total revenues</b>	<b>\$ 33,266,900</b>	<b>\$ 34,325,974</b>	<b>\$ 1,059,074</b>

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual  
Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>General government:</b>			
<b>Mayor:</b>			
Salaries	\$ 50,900	\$ 50,063	\$ 837
Contractual	16,000	9,467	6,533
Commodities	9,000	6,792	2,208
<b>Total mayor</b>	<b>75,900</b>	<b>66,322</b>	<b>9,578</b>
<b>General Village Board:</b>			
Contractual	68,500	55,872	12,628
Commodities	192,500	132,782	59,718
<b>Total general village board</b>	<b>261,000</b>	<b>188,654</b>	<b>72,346</b>
<b>Board of Trustees:</b>			
Salaries	126,600	132,433	(5,833)
Contractual	21,000	8,376	12,624
Commodities	1,000	-	1,000
<b>Total board of trustees</b>	<b>148,600</b>	<b>140,809</b>	<b>7,791</b>
<b>Village administration:</b>			
Salaries	439,400	378,551	60,849
Contractual	599,000	570,519	28,481
Commodities	39,200	31,340	7,860
Other	280,000	271,267	8,733
<b>Total village administration</b>	<b>1,357,600</b>	<b>1,251,677</b>	<b>105,923</b>
<b>Personnel:</b>			
Salaries	118,500	109,265	9,235
Contractual	61,000	40,965	20,035
Commodities	5,000	5,803	(803)
<b>Total personnel</b>	<b>184,500</b>	<b>156,033</b>	<b>28,467</b>
<b>Operations:</b>			
Contractual	2,178,000	2,234,471	(56,471)
Other	60,000	8,136	51,864
<b>Total operations</b>	<b>2,238,000</b>	<b>2,242,607</b>	<b>(4,607)</b>
<b>Support Services:</b>			
Salaries	5,000	2,891	2,109
Other	45,000	44,659	341
<b>Total support services</b>	<b>50,000</b>	<b>47,550</b>	<b>2,450</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
General government: (continued)			
Economic development:			
Contractual	\$ 12,000	\$ 13,655	\$ (1,655)
Village clerk:			
Salaries	128,600	132,125	(3,525)
Contractual	33,000	29,351	3,649
Commodities	1,000	284	716
Total village clerk	162,600	161,760	840
Finance department:			
Administration:			
Salaries	485,900	461,214	24,686
Contractual	5,000	3,197	1,803
Commodities	60,500	53,945	6,555
Total administration	551,400	518,356	33,044
General services:			
Salaries	30,000	2,627	27,373
Contractual	286,500	295,815	(9,315)
Commodities	21,000	16,778	4,222
Other	-	10,237	(10,237)
Total general services	337,500	325,457	12,043
Information services:			
Salaries	219,900	193,697	26,203
Contractual	298,100	266,655	31,445
Commodities	38,500	35,110	3,390
Total information services	556,500	495,462	61,038
Total finance department	1,445,400	1,339,275	106,125
Community services and development:			
Administration:			
Salaries	680,700	600,699	80,001
Contractual	76,000	37,211	38,789
Commodities	26,000	21,258	4,742
Total administration	782,700	659,168	123,532

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>General government: (continued)</b>			
<b>Community services and development: (continued)</b>			
<b>Inspectional services:</b>			
Salaries	\$ 439,900	\$ 498,145	\$ (58,245)
Contractual	159,300	248,658	(89,358)
Commodities	3,700	3,024	676
<b>Total inspectional services</b>	<b>602,900</b>	<b>749,827</b>	<b>(146,927)</b>
<b>Total community services and development</b>	<b>1,385,600</b>	<b>1,408,995</b>	<b>(23,395)</b>
<b>Total general government</b>	<b>7,321,200</b>	<b>7,017,337</b>	<b>303,863</b>
<b>Public safety:</b>			
<b>Police and fire commission:</b>			
Salaries	10,700	19,267	(8,567)
Contractual	74,000	72,749	1,251
Commodities	3,000	1,030	1,970
<b>Total police and fire commission</b>	<b>87,700</b>	<b>93,046</b>	<b>(5,346)</b>
<b>Police department:</b>			
<b>Administration:</b>			
Salaries	1,648,200	1,654,200	(6,000)
Contractual	13,000	5,514	7,486
Commodities	4,000	2,034	1,966
<b>Total administration</b>	<b>1,665,200</b>	<b>1,661,748</b>	<b>3,452</b>
<b>Operations:</b>			
Salaries	5,655,400	5,421,874	233,526
Contractual	309,900	277,532	32,368
Commodities	132,000	122,585	9,415
Other	12,500	6,227	6,273
<b>Total operations</b>	<b>6,109,800</b>	<b>5,828,218</b>	<b>281,582</b>
<b>Support services:</b>			
Salaries	862,500	921,797	(59,297)
Contractual	22,000	15,013	6,987
Commodities	8,000	2,979	5,021
<b>Total support services</b>	<b>892,500</b>	<b>939,789</b>	<b>(47,289)</b>
<b>Total police department</b>	<b>8,667,500</b>	<b>8,429,755</b>	<b>237,745</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>Public safety: (continued)</b>			
Fire and ambulance department:			
Administration:			
Salaries	\$ 3,018,000	\$ 2,915,352	\$ 102,648
Contractual	368,700	358,145	10,555
Commodities	139,300	133,396	5,904
<b>Total fire and ambulance department</b>	<b>3,526,000</b>	<b>3,406,893</b>	<b>119,107</b>
Fire academy:			
Administration:			
Salaries	31,600	50,297	(18,697)
Contractual	102,200	93,408	8,792
Commodities	33,900	37,574	(3,674)
<b>Total fire academy</b>	<b>167,700</b>	<b>181,279</b>	<b>(13,579)</b>
Romeoville emergency management agency:			
Administration:			
Salaries	19,200	17,291	1,909
Contractual	6,000	3,556	2,444
Commodities	7,500	4,839	2,661
<b>Total administration</b>	<b>32,700</b>	<b>25,686</b>	<b>7,014</b>
Operations:			
Contractual	37,000	30,509	6,491
Commodities	9,500	5,122	4,378
<b>Total operations</b>	<b>46,500</b>	<b>35,631</b>	<b>10,869</b>
Communications:			
Contractual	10,500	6,877	3,623
<b>Total Romeoville emergency management agency</b>	<b>89,700</b>	<b>68,194</b>	<b>21,506</b>
<b>Total public safety</b>	<b>12,538,600</b>	<b>12,179,167</b>	<b>359,433</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Public works:			
Administration:			
Salaries	\$ 413,800	\$ 403,499	\$ 10,301
Buildings and grounds:			
Salaries	931,000	838,945	92,055
Contractual	385,500	309,338	76,162
Commodities	77,000	72,073	4,927
Total buildings and grounds	1,393,500	1,220,356	173,144
Motor pool:			
Salaries	285,200	283,718	1,482
Contractual	205,200	92,867	112,333
Commodities	204,500	307,237	(102,737)
Total motor pool	694,900	683,822	11,078
Streets and sanitation:			
Salaries	979,500	886,864	92,636
Contractual	2,642,700	2,572,883	69,817
Commodities	190,000	123,927	66,073
Total streets and sanitation	3,812,200	3,583,674	228,526
Total public works	6,314,400	5,891,351	423,049
Miscellaneous	1,090,900	-	1,090,900
Debt service:			
Principal	135,600	174,906	(39,306)
Interest and fees	29,800	19,515	10,285
Total debt service	165,400	194,421	(29,021)
Capital outlay:			
General government	289,200	319,005	(29,805)
Public safety	625,900	1,210,415	(584,515)
Public works	3,811,500	4,397,686	(586,186)
Total capital outlay	4,726,600	5,927,106	(1,200,506)
Total expenditures	\$ 32,157,100	\$ 31,209,382	\$ 947,718

**Non-major Governmental Funds  
Combining Statements**

Village of Romeoville, Illinois

Combining Balance Sheet

Non-Major Governmental Funds

April 30, 2007

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 1,729,258	\$ 805,431	\$ 3,869,336	\$ 6,404,025
Receivables:				
Property taxes	-	911,172	-	911,172
Accounts	2,976	-	625,000	627,976
Other	75,926	-	-	75,926
Due from other funds	-	-	2,392	2,392
Due from other governmental units	87,226	-	741,665	828,891
<b>Total assets</b>	<b>\$ 1,895,386</b>	<b>\$ 1,716,603</b>	<b>\$ 5,238,393</b>	<b>\$ 8,850,382</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 10,788	\$ -	\$ 40,868	\$ 51,656
Due to other funds	-	2,392	8,711	11,103
Unearned revenue	30,732	911,172	-	941,904
<b>Total liabilities</b>	<b>41,520</b>	<b>913,564</b>	<b>49,579</b>	<b>1,004,663</b>
Fund balances, unreserved, reported in:				
Special revenue funds	1,853,866	-	-	1,853,866
Debt service funds	-	803,039	-	803,039
Capital projects funds	-	-	5,188,814	5,188,814
<b>Total fund balances</b>	<b>1,853,866</b>	<b>803,039</b>	<b>5,188,814</b>	<b>7,845,719</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,895,386</b>	<b>\$ 1,716,603</b>	<b>\$ 5,238,393</b>	<b>\$ 8,850,382</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

Year Ended April 30, 2007

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ -	\$ 925,782	\$ 122,953	\$ 1,048,735
Other taxes	638,622	-	-	638,622
Interest	104,283	38,525	241,082	383,890
Intergovernmental	1,076,933	-	759,165	1,836,098
Developer contributions	350,000	-	772,124	1,122,124
Other	-	5,382	-	5,382
<b>Total revenues</b>	<b>2,169,838</b>	<b>969,689</b>	<b>1,895,324</b>	<b>5,034,851</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	68,100	68,100
Public works	621,210	-	-	621,210
Debt service:				
Principal	-	1,069,362	-	1,069,362
Interest and fees	-	1,141,159	-	1,141,159
Capital outlay	847,365	-	5,512,635	6,360,000
<b>Total expenditures</b>	<b>1,468,575</b>	<b>2,210,521</b>	<b>5,580,735</b>	<b>9,259,831</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>701,263</b>	<b>(1,240,832)</b>	<b>(3,685,411)</b>	<b>(4,224,980)</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	2,046,527	2,970,376	5,016,903
Transfers (out)	(27,000)	(38,109)	-	(65,109)
<b>Total other financing sources (uses)</b>	<b>(27,000)</b>	<b>2,008,418</b>	<b>2,970,376</b>	<b>4,951,794</b>
<b>Change in fund balance</b>	<b>674,263</b>	<b>767,586</b>	<b>(715,035)</b>	<b>726,814</b>
<b>Fund balances:</b>				
May 1, 2006	1,179,603	35,453	5,903,849	7,118,905
April 30, 2007	<b>\$ 1,853,866</b>	<b>\$ 803,039</b>	<b>\$ 5,188,814</b>	<b>\$ 7,845,719</b>

Village of Romeoville, Illinois

Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 April 30, 2007

	Motor Fuel Tax	Local Gas Tax	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 1,416,222	\$ 313,036	\$ 1,729,258
Receivables:			
Accounts	2,976	-	2,976
Other	-	75,926	75,926
Due from other governmental units	87,226	-	87,226
<b>Total assets</b>	<b>\$ 1,506,424</b>	<b>\$ 388,962</b>	<b>\$ 1,895,386</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 10,788	\$ -	\$ 10,788
Unearned revenue	-	30,732	30,732
<b>Total liabilities</b>	<b>10,788</b>	<b>30,732</b>	<b>41,520</b>
<b>Fund balances, unreserved</b>	<b>1,495,636</b>	<b>358,230</b>	<b>1,853,866</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,506,424</b>	<b>\$ 388,962</b>	<b>\$ 1,895,386</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
 Non-Major Special Revenue Funds  
 Year Ended April 30, 2007

	Motor Fuel Tax	Local Gas Tax	Total
<b>Revenues:</b>			
Other taxes	\$ -	\$ 638,622	\$ 638,622
Interest	90,077	14,206	104,283
Intergovernmental	1,076,933	-	1,076,933
Developer contributions	-	350,000	350,000
<b>Total revenues</b>	<b>1,167,010</b>	<b>1,002,828</b>	<b>2,169,838</b>
<b>Expenditures:</b>			
Current, public works	621,210	-	621,210
Capital outlay	202,767	644,598	847,365
<b>Total expenditures</b>	<b>823,977</b>	<b>644,598</b>	<b>1,468,575</b>
Excess (deficiency) of revenues over (under) expenditures	343,033	358,230	701,263
Other financing uses, transfers (out)	(27,000)	-	(27,000)
<b>Change in fund balance</b>	<b>316,033</b>	<b>358,230</b>	<b>674,263</b>
<b>Fund balances:</b>			
May 1, 2006	1,179,603	-	1,179,603
April 30, 2007	<b>\$ 1,495,636</b>	<b>\$ 358,230</b>	<b>\$ 1,853,866</b>

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual

Motor Fuel Tax Fund

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ 30,000	\$ 90,077	\$ 60,077
Intergovernmental, motor fuel tax allotments	1,039,000	1,076,933	37,933
<b>Total revenues</b>	<b>1,069,000</b>	<b>1,167,010</b>	<b>98,010</b>
<b>Expenditures:</b>			
Current, public works:			
Contractual	506,000	432,671	73,329
Commodities	200,000	188,539	11,461
Capital outlay	336,000	202,767	133,233
<b>Total expenditures</b>	<b>1,042,000</b>	<b>823,977</b>	<b>218,023</b>
Excess (deficiency) of revenues over (under) expenditures	27,000	343,033	316,033
Other financing uses, transfers (out)	(27,000)	(27,000)	-
<b>Change in fund balance</b>	<b>\$ -</b>	<b>\$ 316,033</b>	<b>\$ 316,033</b>
<b>Fund balance:</b>			
May 1, 2006			<u>1,179,603</u>
April 30, 2007			<u>\$ 1,495,636</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, 2007**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Other taxes, home rule gas tax	\$ 950,000	\$ 638,622	\$ (311,378)
Interest	-	14,206	14,206
Developer contributions	-	350,000	350,000
Other	90,000	-	(90,000)
<b>Total revenues</b>	<b>1,040,000</b>	<b>1,002,828</b>	<b>(37,172)</b>
<b>Expenditures,</b> <b>capital outlay</b>			
	<b>1,040,000</b>	<b>644,598</b>	<b>395,402</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>\$ 358,230</b>	<b>\$ 358,230</b>
<b>Fund balance:</b>			
May 1, 2006			
April 30, 2007		<b>\$ 358,230</b>	

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Non-Major Debt Service Funds  
Year Ended April 30, 2007

	Debt Service Funds	2004 General Obligation Bonds	2002A General Obligation Bonds	2002B General Obligation Bonds	2001A Alternate Revenue Bonds	2000A&B General Obligation Bonds	1997B General Obligation Bonds	Total
Revenues:								
Property taxes	\$ 925,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 925,782
Interest	35,869	1,342	155	514	124	361	160	38,525
Other	5,382	-	-	-	-	-	-	5,382
<b>Total revenues</b>	<b>967,033</b>	<b>1,342</b>	<b>155</b>	<b>514</b>	<b>124</b>	<b>361</b>	<b>160</b>	<b>969,689</b>
Expenditures, debt service:								
Principal	1,069,362	-	-	-	-	-	-	1,069,362
Interest and fees	1,141,159	-	-	-	-	-	-	1,141,159
<b>Total expenditures</b>	<b>2,210,521</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,210,521</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(1,243,488)</b>	<b>1,342</b>	<b>155</b>	<b>514</b>	<b>124</b>	<b>361</b>	<b>160</b>	<b>(1,240,832)</b>
Other financing sources (uses):								
Transfers in	2,046,527	-	(21,974)	(3,102)	(1,408)	(1,836)	(6,923)	(2,866)
Transfers (out)	-							(38,109)
<b>Total other financing sources (uses)</b>	<b>2,046,527</b>	<b>(21,974)</b>	<b>(3,102)</b>	<b>(1,408)</b>	<b>(1,836)</b>	<b>(6,923)</b>	<b>(2,866)</b>	<b>2,046,527</b>
Change in fund balance	803,039	(20,632)	(2,947)	(894)	(1,712)	(6,562)	(2,706)	767,586
Fund balances: May 1, 2006	-	20,632	2,947	894	1,712	6,562	2,706	35,453
April 30, 2007	\$ 803,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 803,039

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 Debt Service Fund  
 Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 927,900	\$ 925,782	\$ (2,118)
Interest	4,900	35,869	30,969
Other	-	5,382	5,382
<b>Total revenues</b>	<b>932,800</b>	<b>967,033</b>	<b>34,233</b>
 <b>Expenditures,</b>			
<b>debt service:</b>			
Principal	1,513,400	1,069,362	444,038
Interest	1,427,900	1,141,159	286,741
<b>Total expenditures</b>	<b>2,941,300</b>	<b>2,210,521</b>	<b>730,779</b>
 <b>Excess (deficiency) of revenues</b>			
<b>over (under) expenditures</b>	<b>(2,008,500)</b>	<b>(1,243,488)</b>	<b>765,012</b>
 <b>Other financing sources,</b>			
<b>transfers in</b>	<b>2,008,500</b>	<b>2,046,527</b>	<b>38,027</b>
 <b>Change in fund balance</b>	<b>\$ -</b>	<b>\$ 803,039</b>	<b>\$ 803,039</b>
 <b>Fund balance:</b>			
May 1, 2006			
April 30, 2007		<b>\$ 803,039</b>	

Village of Romeoville, Illinois

Combining Balance Sheet  
 Non-Major Capital Project Funds  
 April 30, 2007

	Road Improvements Fund	Downtown TIF Fund	2004 Construction Fund	2002A Construction Fund	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 846,574	\$ 829,376	\$ 1,156,509	\$ 1,036,877	\$ 3,869,336
Accounts receivable	-	625,000	-	-	625,000
Due from other funds	-	-	-	2,392	2,392
Due from other governmental units	-	-	741,665	-	741,665
<b>Total assets</b>	<b>\$ 846,574</b>	<b>\$ 1,454,376</b>	<b>\$ 1,898,174</b>	<b>\$ 1,039,269</b>	<b>\$ 5,238,393</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 6,084	\$ 3,665	\$ 31,119	\$ 40,868
Due to other funds	-	8,711	-	-	8,711
<b>Total liabilities</b>	<b>-</b>	<b>14,795</b>	<b>3,665</b>	<b>31,119</b>	<b>49,579</b>
Fund balances, unreserved	846,574	1,439,581	1,894,509	1,008,150	5,188,814
<b>Total liabilities and fund balances</b>	<b>\$ 846,574</b>	<b>\$ 1,454,376</b>	<b>\$ 1,898,174</b>	<b>\$ 1,039,269</b>	<b>\$ 5,238,393</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
 Non-Major Capital Projects Funds  
 Year Ended April 30, 2007

	Road Improvements Fund	Downtown TIF Fund	2004 Construction Fund	2002A Construction Fund	Total
<b>Revenues:</b>					
Property taxes	\$ -	\$ 122,953	\$ -	\$ -	\$ 122,953
Interest	38,487	1,560	152,342	48,693	241,082
Intergovernmental	-	-	759,165	-	759,165
Developer contributions	772,124	-	-	-	772,124
<b>Total revenues</b>	<b>810,611</b>	<b>124,513</b>	<b>911,507</b>	<b>48,693</b>	<b>1,895,324</b>
<b>Expenditures:</b>					
Current, general government, contractual	-	68,100	-	-	68,100
Capital outlay	169,567	2,321,434	2,813,669	207,965	5,512,635
<b>Total expenditures</b>	<b>169,567</b>	<b>2,389,534</b>	<b>2,813,669</b>	<b>207,965</b>	<b>5,580,735</b>
Excess (deficiency) of revenues over (under) expenditures	641,044	(2,265,021)	(1,902,162)	(159,272)	(3,685,411)
Other financing sources, transfers in	-	2,970,376	-	-	2,970,376
<b>Change in fund balance</b>	<b>641,044</b>	<b>705,355</b>	<b>(1,902,162)</b>	<b>(159,272)</b>	<b>(715,035)</b>
<b>Fund balances:</b>					
May 1, 2006	205,530	734,226	3,796,671	1,167,422	5,903,849
April 30, 2007	<b>\$ 846,574</b>	<b>\$ 1,439,581</b>	<b>\$ 1,894,509</b>	<b>\$ 1,008,150</b>	<b>\$ 5,188,814</b>

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual

Road Improvements Fund

Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ 125,000	\$ 38,487	\$ (86,513)
Developer contribution	-	772,124	772,124
<b>Total revenues</b>	<b>125,000</b>	<b>810,611</b>	<b>685,611</b>
Expenditures, capital outlay	1,640,000	169,567	1,470,433
<b>Change in fund balance</b>	<b>\$ (1,515,000)</b>	<b>641,044</b>	<b>\$ 2,156,044</b>
Fund balance:			
May 1, 2006		205,530	
April 30, 2007		<b>\$ 846,574</b>	

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, 2007

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ -	\$ 122,953	\$ 122,953
Interest	-	1,560	1,560
<b>Total revenues</b>	<b>-</b>	<b>124,513</b>	<b>124,513</b>
<b>Expenditures:</b>			
Current, general government, contractual	1,412,000	68,100	1,343,900
Capital outlay	17,908,000	2,321,434	15,586,566
<b>Total expenditures</b>	<b>19,320,000</b>	<b>2,389,534</b>	<b>16,930,466</b>
Excess (deficiency) of revenues over (under) expenditures	(19,320,000)	(2,265,021)	17,053,419
<b>Other financing sources:</b>			
Bond proceeds	17,079,000	-	(17,079,000)
Transfers in	2,241,000	2,970,376	729,376
<b>Total other financing sources</b>	<b>19,320,000</b>	<b>2,970,376</b>	<b>(16,349,624)</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>705,355</b>	<b>\$ 703,795</b>
<b>Fund balance:</b>			
May 1, 2006		734,226	
April 30, 2007		<b>\$ 1,439,581</b>	

Village of Romeoville, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
2004 Construction Fund  
Year Ended April 30, 2007**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ 152,342	\$ 152,342	
Intergovernmental, state grants	780,000	759,165	(20,835)
<b>Total revenues</b>	<u>780,000</u>	<u>911,507</u>	<u>131,507</u>
 <b>Expenditures,</b>			
<b>capital outlay</b>	<u>3,204,000</u>	<u>2,813,669</u>	<u>390,331</u>
 <b>Change in fund balance</b>	<u><u>\$ (2,424,000)</u></u>	<u><u>(1,902,162)</u></u>	<u><u>\$ 521,838</u></u>
 <b>Fund balance:</b>			
<b>May 1, 2006</b>		<u>3,796,671</u>	
<b>April 30, 2007</b>		<u><u>\$ 1,894,509</u></u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 2002 A Construction Fund  
 Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Revenues, interest	\$ -	\$ 48,693	\$ 48,693
Expenditures, capital outlay	<u>1,205,000</u>	207,965	997,035
Change in fund balance	<u>\$ (1,205,000)</u>	<u>(159,272)</u>	<u>\$ 1,045,728</u>
Fund balance: May 1, 2006		<u>1,167,422</u>	
April 30, 2007		<u>\$ 1,008,150</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, 2007**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 2,665,000	\$ 2,556,914	\$ (108,086)
Interest	328,000	417,463	89,463
<b>Total revenues</b>	<b>2,993,000</b>	<b>2,974,377</b>	<b>(18,623)</b>
 <b>Expenditures,</b> current, general government, contractual	 752,000	4,000	748,000
 Excess (deficiency) of revenues over (under) expenditures	 2,241,000	2,970,377	729,377
 Other financing uses, transfers (out)	 (2,241,000)	(2,970,376)	(729,376)
 <b>Change in fund balance</b>	 <b>\$ -</b>	<b>1</b>	<b>\$ 1</b>
 <b>Fund balance:</b>			
May 1, 2006	10,067,503		
April 30, 2007	<b>\$ 10,067,504</b>		

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 Facility Construction Fund  
 Year Ended April 30, 2007

	Original and Final Budget	Actual	Variance
Revenues, interest	\$ -	\$ 21,923	\$ 21,923
Expenditures:			
Current, general government, contractual	2,000,000	470,668	1,529,332
Debt service:			
Interest	-	134,436	(134,436)
Bond issuance costs	-	13,000	(13,000)
Capital outlay	7,000,000	5,805,191	1,194,809
Total expenditures	9,000,000	6,423,295	2,576,705
Excess (deficiency) of revenues over (under) expenditures	(9,000,000)	(6,401,372)	2,598,628
Other financing sources, bond proceeds	9,000,000	-	(9,000,000)
Change in fund balance	\$ -	\$ (6,401,372)	\$ (6,401,372)
Fund balance (deficit):			
May 1, 2006			
April 30, 2007		\$ (6,401,372)	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Net Assets  
 Budget and Actual - Water and Sewer Fund  
 Year Ended April 30, 2007

	Budget	Actual
<b>Operating revenues:</b>		
Charges for services:		
Water sales	\$ 5,105,000	\$ 5,278,062
Sewer sales	6,465,000	6,644,064
Fines and fees:		
Late charges	335,000	98,774
Other fees	-	3,094
Tap on fees	1,900,000	1,286,815
Reconnection fees	40,000	17,563
NSF Charges	8,000	6,112
Developer contributions	-	1,751,881
Reimbursements	888,600	152,071
Other	20,030,000	903,165
<b>Total operating revenues</b>	<b>34,771,600</b>	<b>16,141,601</b>
<b>Operating expenses:</b>		
Finance administration:		
Salaries	297,900	303,469
Contractual	125,800	142,377
Commodities	12,000	6,348
Other	2,500	1,030
<b>Total finance administration</b>	<b>438,200</b>	<b>453,224</b>
Public works administration:		
Contractual	1,048,500	594,442
Commodities	14,000	12,976
Capital outlay	65,000	22,163
Other	100,000	-
<b>Total public works administration</b>	<b>1,227,500</b>	<b>629,581</b>
Public works water distribution:		
Salaries	1,147,200	1,127,072
Contractual	1,570,000	1,186,652
Commodities	808,500	528,806
Capital outlay	5,432,700	2,009,004
<b>Total public works water distribution</b>	<b>8,958,400</b>	<b>4,851,534</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, 2007

	Budget	Actual
<b>Operating expenses: (continued)</b>		
Public works sewage treatment:		
Salaries	\$ 780,100	\$ 726,284
Contractual	1,309,000	719,051
Commodities	182,000	118,960
Capital outlay	<u>20,063,500</u>	<u>14,132,002</u>
<b>Total public works sewage treatment</b>	<u>22,334,600</u>	<u>15,696,297</u>
Public works sewage collection:		
Salaries	658,800	616,003
Contractual	822,000	568,798
Commodities	73,000	45,063
Capital outlay	<u>1,346,000</u>	<u>698,277</u>
<b>Total public works sewage collection</b>	<u>2,899,800</u>	<u>1,928,141</u>
<b>Total</b>	<u>35,858,500</u>	<u>23,558,777</u>
Less capitalized items		
<b>Total operating expenses</b>	<u>35,858,500</u>	<u>6,879,096</u>
<b>Operating income (loss) before depreciation and amortization</b>	<u>(1,086,900)</u>	<u>9,262,505</u>
Depreciation	-	3,110,502
Amortization	<u>105,000</u>	<u>18,840</u>
<b>Operating income (loss)</b>	<u>(1,191,900)</u>	<u>6,133,163</u>
Non-operating income (expense):		
Interest income	450,000	1,220,508
Interest expense	<u>(2,431,454)</u>	<u>(963,992)</u>
Loss on sale of capital assets	-	(354,957)
<b>Total non-operating income (expense)</b>	<u>(1,981,454)</u>	<u>(98,441)</u>
<b>Income (loss) before transfers</b>	<u>(3,173,354)</u>	<u>6,034,722</u>
Transfers out		
<b>Change in net assets</b>	<u>\$ (5,341,954)</u>	<u>3,866,122</u>
Net assets:		
May 1, 2006		95,470,013
April 30, 2007	<u>\$ 99,336,135</u>	

Village of Romeoville, Illinois

**Schedule of Debt Service Requirements**

April 30, 2007

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Series 2000A	2008	\$ 255,000	\$ 215,378	\$ 470,378
Dated June 30, 2000	2009	305,000	194,723	499,723
Interest due on June 30 and December 30 at rates ranging from 5.1% to 8.1%	2010	365,000	170,018	535,018
	2011	430,000	140,453	570,453
	2012	445,000	106,590	551,590
	2013	540,000	83,895	623,895
	2014	585,000	56,355	641,355
	2015	520,000	26,520	546,520
		<b>\$ 3,445,000</b>	<b>\$ 993,932</b>	<b>\$ 4,438,932</b>
<b>General Obligation Refunding Bonds:</b>				
Series 1997B	2008	\$ 50,000	\$ 22,245	\$ 72,245
Dated November 15, 1997	2009	50,000	19,845	69,845
Interest due on June 30 and December 30 at rates ranging from 4.8% to 5%	2010	55,000	17,445	72,445
	2011	55,000	14,750	69,750
	2012	55,000	12,000	67,000
	2013	60,000	9,250	69,250
	2014	60,000	6,250	66,250
	2015	65,000	3,250	68,250
		<b>\$ 450,000</b>	<b>\$ 105,035</b>	<b>\$ 555,035</b>

(continued)

Village of Romeoville, Illinois

**Schedule of Debt Service Requirements (Continued)**

April 30, 2007

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Series 2002A	2008	\$ 135,000	\$ 89,320	\$ 224,320
Dated September 15, 2002	2009	145,000	82,570	227,570
Interest due on June 30 and December 30 at rates ranging from 4.1% to 5%	2010	150,000	75,320	225,320
	2011	160,000	67,820	227,820
	2012	165,000	59,820	224,820
	2013	175,000	51,570	226,570
	2014	185,000	42,820	227,820
	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>\$ 1,890,000</u>	<u>\$ 551,225</u>	<u>\$ 2,441,225</u>
<b>General Obligation Bonds:</b>				
Dated September 15, 2004	2008	\$ 320,000	\$ 896,723	\$ 1,216,723
Refunding Series 2004	2009	335,000	888,723	1,223,723
Interest due on June 30 and December 30 at rates of 2.5% to 5%	2010	1,090,000	880,348	1,970,348
	2011	1,280,000	836,748	2,116,748
	2012	1,710,000	785,548	2,495,548
	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>\$ 21,525,000</u>	<u>\$ 8,053,273</u>	<u>\$ 29,578,273</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

April 30, 2007

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Dated September 15, 2005	2008	\$ 1,175,000	\$ 176,005	\$ 1,351,005
Refunding series 2005	2009	1,175,000	137,818	1,312,818
Interest due on June 15 and December 15 at rates of 3% to 3.6%	2010	1,225,000	99,630	1,324,630
	2011	285,000	62,880	347,880
	2012	295,000	53,617	348,617
	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
		<b>\$ 5,430,000</b>	<b>\$ 643,080</b>	<b>\$ 6,073,080</b>
<b>Alternate Revenue Bonds:</b>				
Dated February 2, 1999	2008	\$ -	\$ 223,255	\$ 223,255
Refunding Bonds Series 1999	2009	-	223,255	223,255
Interest due on June 30 and December 30 at rates of 4.3% to 4.7%	2010	-	223,255	223,255
	2011	330,000	223,255	553,255
	2012	325,000	209,065	534,065
	2013	330,000	194,765	524,765
	2014	350,000	180,245	530,245
	2015	375,000	164,495	539,495
	2016	400,000	147,620	547,620
	2017	735,000	129,220	864,220
	2018	775,000	95,410	870,410
	2019	1,255,000	58,985	1,313,985
		<b>\$ 4,875,000</b>	<b>\$ 2,072,825</b>	<b>\$ 6,947,825</b>

(continued)

Village of Romeoville, Illinois

**Schedule of Debt Service Requirements (Continued)**

April 30, 2007

	Year Ending	Principal	Interest	Total
Alternate Revenue Bonds				
Dated June 30, 2001	2008	\$ 310,000	\$ 26,988	\$ 336,988
Refunding Series 2001A	2009	325,000	13,812	338,812
Interest due on June 30 and December 30 at rate of 4.25%		\$ 635,000	\$ 40,800	\$ 675,800
Alternate Revenue Bonds				
Dated June 30, 2001	2008	\$ 350,000	\$ 30,937	\$ 380,937
Refunding Series 2001B	2009	400,000	16,500	416,500
Interest due on June 30 and December 30 at rate of 4.13%		\$ 750,000	\$ 47,437	\$ 797,437
Alternate Revenue Bonds:				
Dated November 25, 1997	2008	\$ -	\$ 253,660	\$ 253,660
Refunding Bonds Series 1997A	2009	-	253,660	253,660
Interest due on June 30 and December 30 at rates of 4.9% to 5.2%	2010	-	253,660	253,660
	2011	525,000	253,660	778,660
	2012	550,000	227,935	777,935
	2013	575,000	200,435	775,435
	2014	605,000	171,685	776,685
	2015	635,000	141,435	776,435
	2016	670,000	109,050	779,050
	2017	700,000	74,880	774,880
	2018	740,000	38,480	778,480
		\$ 5,000,000	\$ 1,978,540	\$ 6,978,540

(continued)

Village of Romeoville, Illinois

**Schedule of Debt Service Requirements (Continued)**

April 30, 2007

	Year Ending	Principal	Interest	Total
Alternate Revenue Bonds	2008	\$ 90,000	\$ 92,195	\$ 182,195
Dated September 15, 2002	2009	115,000	89,495	204,495
Refunding Series 2002B	2010	135,000	85,815	220,815
Interest due on June 30 and December 30 at rates of 3% to 4.3%	2011	170,000	81,225	251,225
	2012	-	75,105	75,105
	2013	-	75,105	75,105
	2014	-	75,105	75,105
	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>\$ 2,295,000</u>	<u>\$ 806,215</u>	<u>\$ 3,101,215</u>
Capital Lease	2009	\$ 51,491	\$ 6,805	\$ 58,296
Dated June 25, 2005	2010	53,114	5,182	58,296
2006 Pierce Pumper	2011	54,788	3,508	58,296
Principal and Interest due on May 7 at rates of 3.15%	2012	56,514	1,782	58,296
		<u>\$ 215,907</u>	<u>\$ 17,277</u>	<u>\$ 233,184</u>
Capital Lease	2009	\$ 35,963	\$ 9,909	\$ 45,872
Dated June 25, 2005	2010	37,235	8,637	45,872
2006 Pierce Heavy Duty Fire Vehicle	2011	38,552	7,320	45,872
Principal and Interest due on May 7 at rates of 3.15%	2012	39,916	5,956	45,872
	2013	41,329	4,543	45,872
	2014	42,791	3,081	45,872
	2015	44,301	1,571	45,872
		<u>\$ 280,087</u>	<u>\$ 41,017</u>	<u>\$ 321,104</u>

(continued)

Village of Romeoville, Illinois

**Schedule of Debt Service Requirements (Continued)**

April 30, 2007

	Year Ending	Principal	Interest	Total
Capital Lease	2008	\$ 26,866	\$ 4,664	\$ 31,530
Dated September 11, 2006	2009	27,963	3,567	31,530
2007 Street Sweeper	2010	29,105	2,425	31,530
Principal and Interest due on September 11 at rates of 4.083%	2011	30,293	1,237	31,530
		<u>\$ 114,227</u>	<u>\$ 11,893</u>	<u>\$ 126,120</u>
Capital Lease	2008	\$ 43,805	\$ 14,910	\$ 58,715
Dated April 5, 2007	2009	45,678	13,047	58,725
2007 Pierce Pumper	2010	47,631	11,094	58,725
Principal and Interest due on April 5 at rates of 4.28%	2011	49,668	9,057	58,725
	2012	51,792	6,933	58,725
	2013	54,007	4,718	58,725
	2014	56,317	2,408	58,725
		<u>\$ 348,898</u>	<u>\$ 62,167</u>	<u>\$ 411,065</u>

# ATTACHMENT L

**McGladrey & Pullen**

Certified Public Accountants

**Village of Romeoville  
Marquette Center Redevelopment  
Tax Incremental Financing District**

Financial and Compliance Report

Year Ended April 30, 2007

## Contents

---

<u>Independent Auditor's Report</u>	1
<b>Financial Statements</b>	
Balance Sheet	2
Statement of Revenues, Expenditures and Changes in Fund Balance	3
Notes to Financial Statements	4 – 5
<b>Independent Auditor's Report on Compliance Based on an Audit of</b> <b>Financial Statements Performed in Accordance with Auditing Standards</b> <b>Generally Accepted in the United States of America</b>	<b>6</b>

---

# McGladrey & Pullen

Certified Public Accountants

## Independent Auditor's Report

To the Honorable Village President and  
Members of the Board of Trustees  
Village of Romeoville, Illinois

We have audited the accompanying financial statements of the Marquette Center Redevelopment Tax Incremental Financing District of the Village of Romeoville, Illinois, as of and for the year ended April 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 1, the financial statements present only the Marquette Center Redevelopment Tax Incremental Financing District and do not purport to, and do not, present fairly the financial position of the Village of Romeoville, Illinois, as of April 30, 2007, and changes in its financial position or, where applicable, its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Marquette Center Redevelopment Tax Incremental Financing District of the Village of Romeoville, Illinois, as of April 30, 2007, and changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We have also issued a report dated May 12, 2008, on our consideration of the Marquette Center Redevelopment Tax Incremental Financing District's compliance with laws, regulations, contracts and grants.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
May 12, 2008

Village of Romeoville, Illinois  
Marquette Center Redevelopment  
Tax Incremental Financing District

Balance Sheet  
April 30, 2007

---

**Assets**

Cash and cash equivalents	\$ 8,000,671
Due from Village's general fund	<u>2,089,676</u>
<b>Total assets</b>	<b><u>\$ 10,090,347</u></b>

**Liabilities and Fund Balance**

Liabilities, due to Village's general fund	\$ 22,843
Fund Balance, unreserved	<u>10,067,504</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 10,090,347</u></b>

See Notes to Financial Statements.

---

Village of Romeoville, Illinois  
Marquette Center Redevelopment  
Tax Incremental Financing District

Statement of Revenues, Expenditures and Changes in Fund Balance  
Year Ended April 30, 2007

---

Revenues:	
Property taxes	\$ 2,556,914
Interest	417,463
Total revenues	<hr/> 2,974,377
Expenditures, current, general government, contractual	<hr/> 4,000
Excess (deficiency) of revenues over (under) expenditures	2,970,377
Other financing uses, transfer out	<hr/> (2,970,376)
Change in fund balance	1
Fund balance:	
May 1, 2006	<hr/> 10,067,503
April 30, 2007	<hr/> \$ 10,067,504

See Notes to Financial Statements.

Village of Romeoville, Illinois  
Marquette Center Redevelopment  
Tax Incremental Financing District

**Notes to Financial Statements**

---

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

The operations of Marquette Center Redevelopment Tax Incremental Financing District are accounted for through a capital projects fund and debt service fund of the Village of Romeoville, Illinois. It applies the following policies:

**Basis of Accounting:** The financial statements are prepared on the modified accrual basis of accounting under which revenue is recognized when it becomes both measurable and available, and expenditures generally are recognized when the liability is incurred.

**Creation of Funds:** The funds were created to account for transactions related to the Marquette Center Redevelopment Project Area established by Village Ordinance No. 2009-89 on June 6, 1989.

The Village intends to finance the various costs of the redevelopment plan and retire any debt issued under the plan through incremental property tax revenue and interest earnings.

**Cash and Cash Equivalents:** For purposes of reporting cash flows, all highly liquid investments with original maturities of three months or less when purchased are considered to be cash and cash equivalents.

**Note 2. Cash and Investments**

***Deposits***

***Custodial Credit Risk – Deposits***

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. As of April 30, 2007 the carrying amount of the District's deposits was \$745,864, with bank balances totaling \$745,864.

***Investments***

As of April 30, 2007, the District has the following investments:

Investment Type	Fair Value	Investment Maturity (in Years)	Less than 1
Illinois Funds	\$ 7,254,807	\$ 7,254,807	

The Illinois Funds and Money Market Funds are shown as maturing in less than one year because the weighted average maturity of the fund is less than one year.

Village of Romeoville, Illinois  
Marquette Center Redevelopment  
Tax Incremental Financing District

**Notes to Financial Statements**

---

**Note 2. Cash and Investments (continued)**

*Interest Rate Risk* – The District's investment policy does not limit the District's investment portfolio to specific maturities.

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.

*Credit Risk* – State statutes authorize the District 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. The District's investment policy does not address credit risk. As of April 30, 2007, investments in Illinois Funds were rated AAA by Standard and Poor's.

*Concentration of Credit Risk* - The District's investment policy does not restrict the amount of investments in any one issuer.

*Custodial Credit Risk* – For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Illinois Funds held by the District are not subject to custodial credit risk. The District's investment policy does not address custodial credit risk for investments.

**Note 3. Interfund Receivable, Payable, and Transfer**

As of April 30, 2007, the District was owed \$2,089,676 from the Village's General Fund and owed the Village's General Fund \$22,843.

The District transferred \$2,970,376 to the Village's Downtown Tax Incremental Financing District.

# McGladrey & Pullen

Certified Public Accountants

## Independent Auditor's Report on Compliance Based on an Audit of Financial Statements Performed in Accordance With Auditing Standards Generally Accepted in the United States of America

The Honorable Village President and  
Members of the Board of Trustees  
Village of Romeoville, Illinois

We have audited the financial statements of the Marquette Center Redevelopment Tax Incremental Financing District of the Village of Romeoville, Illinois, as of and for the year ended April 30, 2007, and have issued our report thereon dated May 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

### Compliance

Compliance with laws, regulations, contracts, and grants applicable to the Financing District is the responsibility of the Village of Romeoville's management. As part of obtaining reasonable assurance about whether financial statements are free of material misstatement, we performed tests of the Village's compliance with certain provisions of laws, regulations, contracts and grants applicable to the Financing District, including the Village's compliance with subsection (q) of Section 11-74.4-3 of the State of Illinois Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance with the provisions referred to in the preceding paragraph.

This report is intended for the information of the members of the Village Board and management, and is not intended to be used and should not be used by anyone other than these specified parties.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
May 12, 2008



ANNUAL TAX INCREMENT FINANCE REPORT  
OFFICE OF ILLINOIS COMPTROLLER DANIEL W. HYNES

Name of Municipality: Village of Namaquville  
County: will  
Unit Code:

Reporting Fiscal Year: **2007**  
Fiscal Year End: *04 / 30 /2007*

TIE Administrator Contact Information

First Name: Kivik Last Name: Openchowski  
Address: 1050 W. Romeo Rd. Title: Village Treasures  
Telephone: (815) 886-5250 City: Romeoville Zip: 60446  
E-Mail: Kopenchowski@romeville.org

I attest to the best of my knowledge, this report of the redevelopment project areas in:

**City/Village of Romeoville is complete and accurate at the end of this reporting  
Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.]  
Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]**

Phil Orenstein

6-20-12

Date \_\_\_\_\_

**Section 1** (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)\*)

**FILL OUT ONLY ONCE (PER MUNICIPALITY). ADD ADDITIONAL ROWS AS NECESSARY**

\*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]