

**VILLAGE OF ROMEOVILLE**  
**ROMEO ROAD TIF**  
**FY 2008-2009**

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

<b>Name of Redevelopment Project Area:</b>	Romeo Road Redevelopment
<b>Primary Use of Redevelopment Project Area*:</b>	Retail
<b>If "Combination/Mixed" List Component Types:</b>	
<b>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</b>	
<b>Tax Increment Allocation Redevelopment Act</b> <input checked="" type="checkbox"/>	<b>Industrial Jobs Recovery Law</b> <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	\$	33.00

**Revenue/Cash Receipts Deposited in Fund During Reporting FY:**

			% of Total
Property Tax Increment	\$ -	\$ -	0%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 0	\$ 0	0%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ -	\$ -	0%
Private Sources	\$ 28,578	\$ 28,578	8%
Other - Transfer From Downtown TIF	\$ 234,773	\$ 351,473	92%

**Total Amount Deposited in Special Tax Allocation  
Fund During Reporting Period**

\$ 263,351

**Cumulative Total Revenues/Cash Receipts**

\$ 380,051 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)**

\$ 263,351.08

**Distribution of Surplus**

\$ -

**Total Expenditures/Disbursements**

\$ 263,351

**NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS**

\$ -

**FUND BALANCE, END OF REPORTING PERIOD**

\$ 33

- 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)]**

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Engineering - Turn Lanes Route 53 & 135th St.	30,018	
		\$ 30,018
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)		
Contribution to Developer for Infrastructure & Site Improvements	233,333	
		\$ 233,333
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -



7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		\$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 263,351

### 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.

[illegible]

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		\$	33
		Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations			
Total Amount Designated for Obligations		\$	-
2. Description of Project Costs to be Paid			
Romeo Road TIF Projects		\$	33
Total Amount Designated for Project Costs		\$	33
TOTAL AMOUNT DESIGNATED		\$	33
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.

  X   **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

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
<b>TOTAL:</b>			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 380,018	\$ 21,004	\$ 520,000
Ratio of Private/Public Investment	0		0
<b>Project 1: TIF Administration</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ -	\$ -	\$ 50,000
Ratio of Private/Public Investment	0		0
<b>Project 2: Walgreens Developer Incentive</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 350,000		\$ -
Ratio of Private/Public Investment	0		0
<b>Project 3: Rt 53 &amp; Romeo Road Improvements</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 30,018	\$ 21,004	\$ 470,000
Ratio of Private/Public Investment	0		0
<b>Project 4:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 5:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 6:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 7:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 8:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
<b>Project 9:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
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

<b>Project 17:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 18:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 19:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 20:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 21:</b>			
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Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 22:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 23:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 24:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 25:**

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
2007	\$ 282,000	\$ 282,000

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.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

#### 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 contains 4 parcels at the northeast corner of 135th Street (Romeo Road) and Illinois Route 53 (Independence Blvd). The address of the property is 347 N. Independence Blvd.

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

## TIF Amendment Area (BP Property) - Legal Description

### Parcel 1:

Lot 1 in Unit No. 1 of Mikan's Romeo Estates, a Subdivision of part of the South  $\frac{1}{2}$  of the South  $\frac{1}{2}$  of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof recorded April 19, 1954, in Plat Book 28, Page 32, as Document Number 748172, in Will County, Illinois.

### Parcel 2:

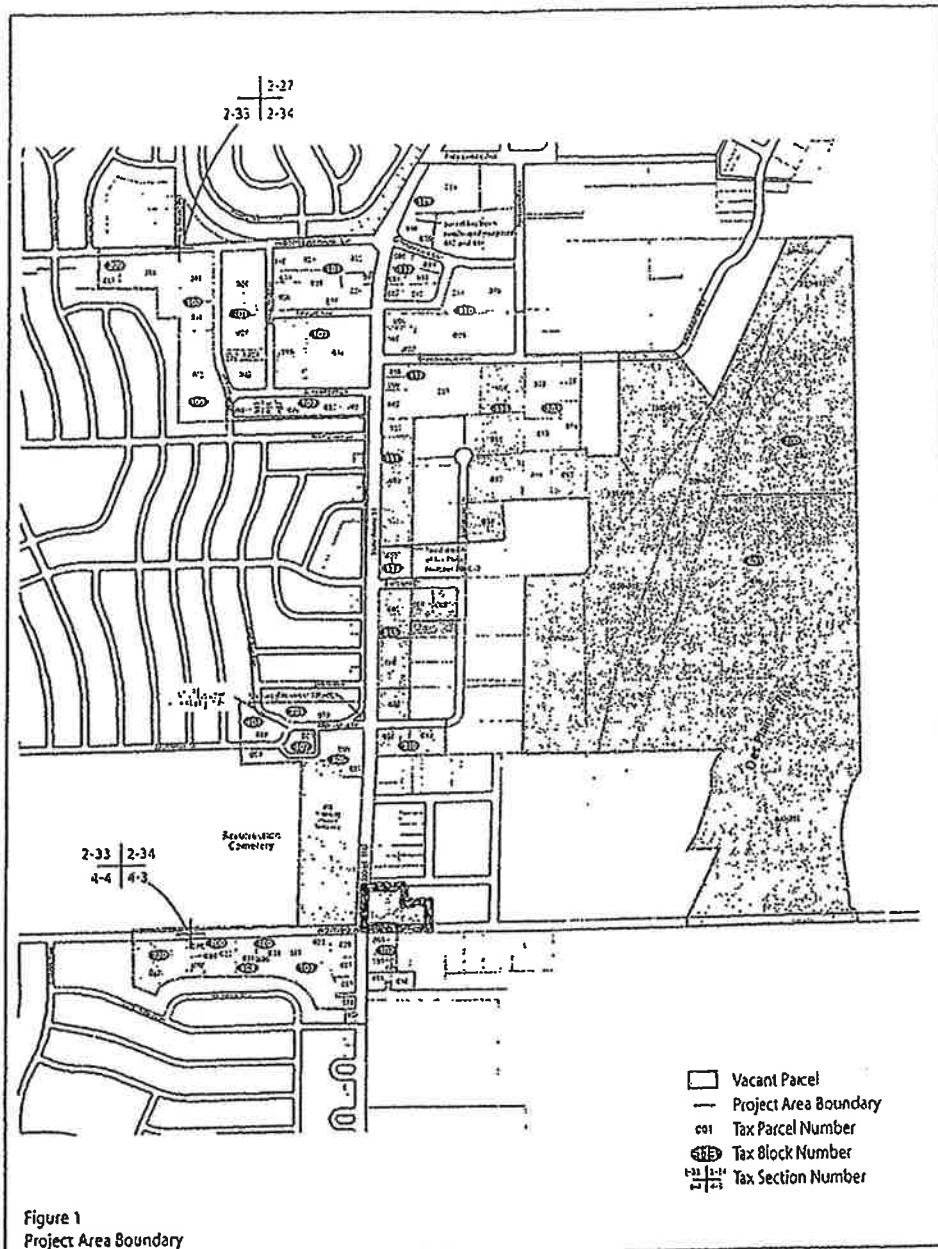
Lot 2 in Unit No. 1 of Mikan's Romeo Estates, a Subdivision of part of the South  $\frac{1}{2}$  of the South  $\frac{1}{2}$  of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof recorded April 19, 1954, in Plat Book 28, Page 32, as Document Number 748172, in Will County, Illinois.

### Parcel 3:

That part of the South  $\frac{1}{2}$  of the South  $\frac{1}{2}$  of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian (except that part dedicated to the County of Will, state of Illinois, for the public road purposes in Document 698507), bounded and described as follows: Beginning at a point on the North right-of-way line of Romeo Road, distant 125.00 feet East of the East right-of-way line of Route #66; thence continuing North .01 degrees 29 minutes 54 seconds East along the last described line, for a distance of 295.00 feet to a point; thence North 89 degrees 37 minutes 54 seconds East, for a distance of 170.20 feet to a point; thence 5.01 degrees 29 minutes 54 seconds West, for a distance of 295.20 feet to a point on the North right-of-way line of said Romeo Road; thence 5.89 degrees 37 minutes 54 seconds West, on the last described line, for a distance of 170.20 feet to the point of beginning, all in Will County, Illinois.

### Parcel 4:

That part of the South  $\frac{1}{2}$  of the South  $\frac{1}{2}$  of Section 34, Township 37 North, Range 10, East of the Third Principal Meridian (except that part dedicated to the County of Will, State of Illinois, for public road purposes in Document 698507), which lies East of the Highway known as U.S. Route 66, bounded and described as follows: Beginning at a point where the East line of U.S. Route 66, distant 30.00 feet North of the North line of the highway known as Romeo Road (said point of beginning also being the Northerly corner of Parcel 003 as shown on Plat of Highways, State of Illinois, Department of Transportation Job R-91-023-95); thence continuing North 01 degrees, 29 minutes, 54 seconds East along said East line of said Route 66, for a distance of 265.20 feet to a point; thence north 89 degrees, 37 minutes, 54 seconds East, for a distance of 125.00 feet to a point; thence south 01 degrees, 29 minutes, 54 seconds West, on a line 125.00 feet East of and parallel with the East right-of-way line of said Route 66, for a distance of 295.02 feet to a point on West, on the last described line, for a distance of 90.00 feet to a point distance 35.00 feet East of the East right-of-way line of said Route 66 (said point also being the Easterly corner of the aforesaid Parcel 003) thence North 48 degrees, 58 minutes, 44 seconds West, along the North easterly line of said Parcel 003, for a distance of 45.35 feet to the point of beginning, in Will County, Illinois.






# ATTACHMENT B

STATE OF ILLINOIS       )  
  ) SS.  
COUNTY OF WILL       )

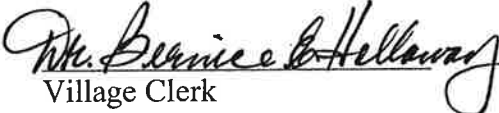
CERTIFICATE OF COMPLIANCE WITH THE TAX  
INCREMENT ALLOCATION REDEVELOPMENT ACT

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, 2009, 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 Romeo Road 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:

  
\_\_\_\_\_  
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  
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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: Romeo Road 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, 2009, 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 Romeo Road 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 08-09**

The projects meet the Romeoville Road TIF General Economic Development Goals and Comprehensive Plan Land Use Goals and Objectives.

The Romeo Road TIF District project area goals and objectives are attached.

### **WALGREENS DEVELOPER INCENTIVE**

The Village entered into an agreement with Lundgren Dowling 180 Farnsworth LLC regarding the development of a Walgreens at the corner of Route 53 and Rome Rd. (135<sup>th</sup> Street). The site was a former Aamco gas station and requires a large amount of site rehabilitation and improvements to be suitable for a Walgreens including improvements to the water and sewer system. The agreement is attached under Section E of this report. \$233,333 was contributed to the developer in FY 08-09. The total incentive is for \$350,000, which has been paid.

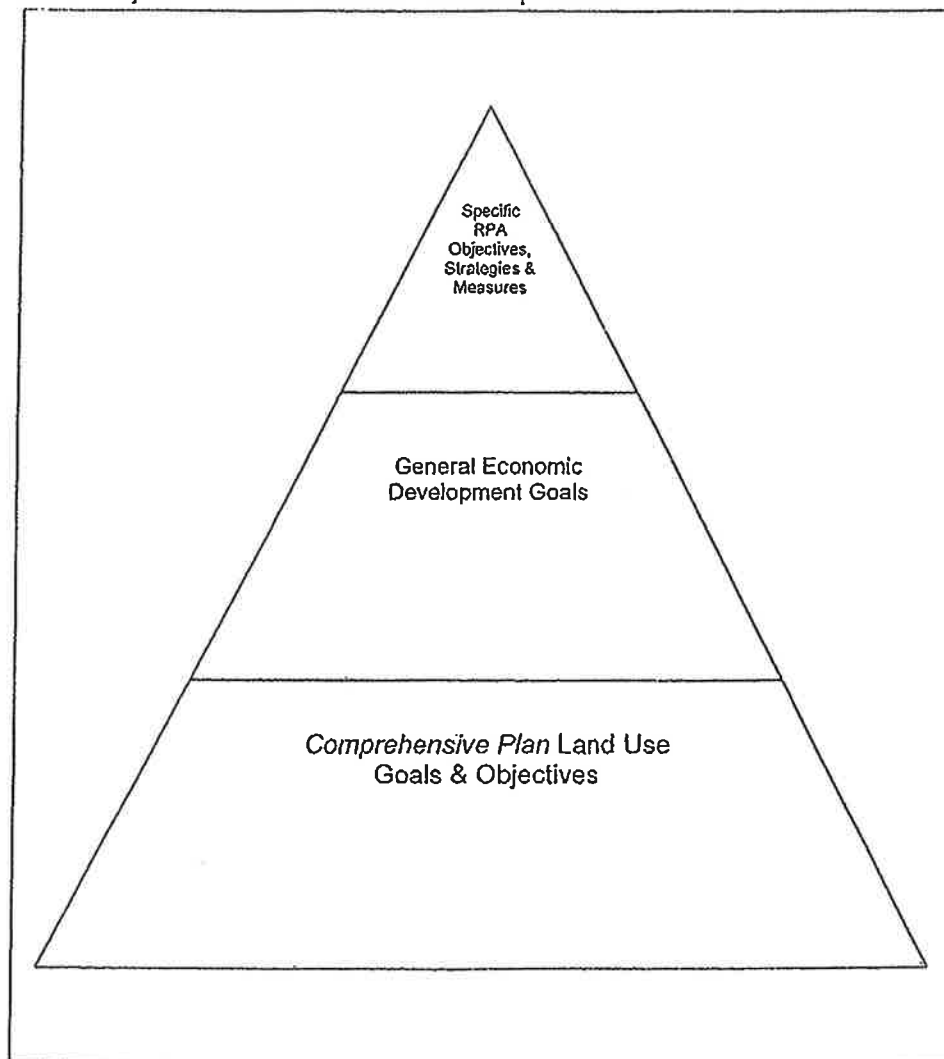
### **ROUTE 53 AND ROMEO ROAD IMPROVEMENTS**

The Village will construct and improve the right turn lanes from 135<sup>th</sup> Street onto North Bound Route 53. The Village spent \$30,018 in engineering fees on the project.

### III. RPA GOALS AND OBJECTIVES

The Village has established a number of economic development goals, objectives, and strategies which would determine the kinds of activities to be undertaken within the proposed Romeo Road TIF District and adjacent districts. These efforts would conform to and promote the achievement of land use objectives in the Village's *Comprehensive Plan*. As indicated in the Exhibit below, the underlying planning document is the *Comprehensive Plan* which describes the overall vision for the Village and is the foundation for Village initiatives such as the proposed Romeo Road TIF District. This overarching planning document influences all other Village planning processes such as the TIF planning process.

Exhibit 1  
Relationship of Land Use and Economic Development Plans



General Economic Development Goals of the Village. Establishment of the proposed Romeo Road RPA supports the following Village-wide goals enunciated in the *Comprehensive Plan* that would either directly determine future economic development activities or influence the parameters of future redevelopment projects. These goals were based upon citizen recommendations collected and incorporated into the *Comprehensive Plan*.

Exhibit 2

Components of *Comprehensive Plan* Applicable to Romeo Road RPA

<b>Economic Development-Related Goals</b>
Encourage transit-capable development along the Weber Road and IL 53 corridors in the Village.
Encourage the design and construction of commercial and industrial development to provide a hospitable pedestrian environment, mixed-use buildings, public amenities, and more visually attractive appearance.
Investigate the community benefits of annexing unincorporated subdivisions in the Village's planning area
Redevelop the IL 53-Joliet Road Corridor, with an eclectic design that facilitates traffic-oriented business.
Develop corridor improvement plans for each of the primary corridors into Romeoville to address building placement, landscaping, signs and general appearance of development and thoroughfare improvements

Source: Village *Comprehensive Plan* as updated in 2003

Specific Objectives and Strategies for the RPA. The general goals for economic development cited above would be supported by specific objectives, strategies and performance measures that would "drive" the redevelopment activities undertaken within the proposed RPA. TIF designation would allow the Village to pursue the following objectives within the RPA:

- Positive environment – Environment that will contribute more positively to the health, safety and welfare of the Village, and preserve and enhance the value of properties within and adjacent to the TIF District
- Active and vital downtown – New destination locations and anchor components, developments, and improvements
- Mitigate blighting factors – Elimination of factors that qualified the TIF District as a Conservation Area (blighting or potentially blighting factors)
- Tax base - Increased real estate tax base
- Assembly of land – Assembly into sufficient shape and size for redevelopment in accordance with the TIF Plan and Comprehensive Plan and contemporary development standards
- Employment base – New industrial/commercial development to expand the employment base

Note that the Romeo Road TIF objectives share the same objectives as those established for the Downtown Area TIF, which is a contiguous TIF primarily situated to the north of the Romeo Road TIF District. Ultimately, the implementation of the Redevelopment Project would contribute to the economic development of the area and provide new employment opportunities for Village residents.

The RPA-specific objectives would be fulfilled by the execution of certain strategies, including but not limited to the following:

- Facilitating the assembly, preparation and marketing of improved and vacant sites, while assisting private developers who would assemble suitable sites for modern development needs;
- Supporting the remediation of environmental problems to provide additional land for new development, as appropriate;
- Fostering the replacement, repair, and/or improvement of infrastructure, including (as needed) sidewalks, streets, curbs, gutters and underground water and sanitary systems to facilitate the construction of new development as well as the rehabilitation of existing properties within the RPA; and
- Facilitating the provision of adequate on- and off-street parking within the RPA;
- Coordinating development in tandem with any transportation system upgrades to make the area more accessible.

The RPA-specific objectives and strategies outlined above could be facilitated by the adoption of certain performance measures that would help the Village track and monitor the projects eventually undertaken within the proposed RPA. The Government Finance Officers Association recommends that municipalities adopting TIF districts evaluate actual against projected performance (e.g., using metrics such as job creation or tax revenue generation). Exhibit 2 below identifies the types of performance measures the Village may consider to track the performance of projects within the RPA. (Section VI of this report discusses the types of projects that the Village may pursue within the RPA, with the proviso that specific projects at this point are only conceptual in nature.)

### Exhibit 3

#### Examples of TIF Performance Measures

Measure	Examples
Input	Public investment (\$) Private investment (\$) Acres of land assembled for TIF Bond proceeds
Output/Workload	Jobs created or retained Number of streetscaping fixtures installed Commercial space created (square feet)
Efficiency	Leverage ratio (private investment / public investment) Cost per square foot of commercial space Public subsidies per job created/retained
Effectiveness	% change in assessed value (AV) in TIF versus AV in rest of Village % change in AV within TIF before and after TIF creation Municipal sales taxes before and after TIF creation
Risk	Debt coverage ratio Credit ratings of anchor tenants Tenant diversification (e.g., percent of total TIF EAV attributable to top 10 tenants in commercial development)

Source: *An Elected Official's Guide to Tax Increment Financing*, Government Finance Officers Association.

# ATTACHMENT I

**SIGNED COPY**

New Issue  
Date of Sale:

Wednesday, May 28, 2008  
Series 2008A Bonds: Between 9:45 and 10:00 A.M., C.D.T.  
Series 2008B Bonds: Between 10:15 and 10:30 A.M., C.D.T.  
(Open Auction Internet Sales)

Investment Ratings:  
Moody's Investors Service ... Aaa  
Fitch Ratings ... AAA  
(Assured Guaranty Insured)

**Official Statement**

*Subject to compliance by the Village with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX EXEMPTION" herein for a more complete discussion.*

**VILLAGE OF ROMEOVILLE**

**Will County, Illinois**

**\$10,800,000 General Obligation Bonds, Series 2008A**

**\$36,200,000\* General Obligation (Capital Appreciation) Bonds, Series 2008B**

Series 2008A Bonds: Dated June 30, 2008  
Series 2008B Bonds: Dated as of Date of Delivery

**Book-Entry  
Due Serially as Detailed Herein**

The \$10,800,000 General Obligation Bonds, Series 2008A (the "Series 2008A Bonds") and the \$36,200,000\* General Obligation (Capital Appreciation) Bonds, Series 2008B (the "Series 2008B Bonds") (collectively, the "Bonds") are being issued by the Village of Romeoville, Will County, Illinois (the "Village"). Interest on Series 2008A Bonds is payable semiannually on June 30 and December 30 of each year, commencing June 30, 2009. The Series 2008A Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Series 2008A Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Series 2008A Bonds will be made to purchasers. The Series 2008A Bonds will mature on December 30 as detailed herein.

The Series 2008B Bonds will be in fully registered form in the denominations of \$5,000 compounded accreted value at maturity and integral multiples thereof in the name of Cede & Company as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments representing the compounded accreted value at maturity on the Series 2008B Bonds will be paid. Individual purchases will be in book-entry only form. Interest on Series 2008B Bonds will be compounded semiannually on June 30 and December 30 of each year on the basis of a 360-day year. Interest will be payable, together with principal, only at maturity or upon prior redemption. Principal and interest representing the compounded accreted value at maturity are payable by the Village's registration and paying agent (the "Registrar" or "Paying Agent"). The compounded accreted value at maturity of the Series 2008B Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Paying Agent.

**OPTIONAL REDEMPTION**

Series 2008A Bonds due December 30, 2009-2018, inclusive, are non-callable. Series 2008A Bonds due December 30, 2019-2020, inclusive, are callable in whole or in part on any date on or after June 30, 2018, at a price of par and accrued interest. If less than all the Series 2008A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION - Series 2008A Bonds" herein.

Series 2008B Bonds are callable at the option of the Village on any June 30 or December 30 on or after June 30, 2018, at a price equal to the then compounded accreted value. See "OPTIONAL REDEMPTION - Series 2008B Bonds" herein.

**BOND INSURANCE**

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a financial guaranty insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY CORP. ("Assured Guaranty"). See APPENDIX C herein. The cost for the bond insurance premium and the related rating fees of Moody's Investors Service and Fitch Ratings will be paid by the Village.

**ASSURED  
GUARANTY**

**PURPOSE, LEGALITY AND SECURITY**

Bond proceeds will be used to finance the construction of a new village hall/police station and two fire stations; the purchase of equipment; to pay for other capital improvements, and to pay the costs of issuance of the Bonds. See "THE PROJECT" herein.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, the Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Village does not intend to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated May 15, 2008, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar". Additional copies may be obtained from Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446, or from the Independent Public Finance Consultants to the Village:

Established 1954

**Speer Financial, Inc.**

INDEPENDENT PUBLIC FINANCE CONSULTANTS  
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60601  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833  
[www.speerfinancial.com](http://www.speerfinancial.com)



\*Subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the Village from time to time (collectively, the "Official Statement"), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the Village.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

Assured Guaranty makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading **APPENDIX C - "BOND INSURANCE"** and **"Financial Guaranty Insurance Policy"**.



## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notices of Sale and the Official Bid Forms, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors. The following descriptions apply equally to the 2008A Bonds and the 2008B Bonds. Other terms specific to each series are provided separately herein.

- Issuer:** Village of Romeoville, Will County, Illinois.
- Authorization:** By vote of the President and Board of Trustees of the Village. The Village is a home-rule unit and under the 1970 Illinois Constitution has no debt limitation.
- Security:** The Bonds are valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount.
- Ratings/Insurance:** Moody's Investors Service and Fitch Ratings have assigned their municipal bond ratings of "Aaa" and "AAA", respectively, to this issue of Bonds with the understanding that upon delivery of the Bonds, a policy guaranteeing the payment when due of the principal of and interest on the Bonds will be issued by Assured Guaranty. See APPENDIX C herein. **The cost for the bond insurance premium and the related rating fees of Moody's Investors Service and Fitch Ratings will be paid by the Village.** The Village's outstanding general obligation bond rating is "A2" from Moody's Investors Service and "A+" from Fitch Ratings. Reviews for the Bonds have been requested.
- Purpose:** Bond proceeds will be used to finance the construction of a new village hall/police station and two fire stations; the purchase of equipment; to pay for other capital improvements, and to pay the costs of issuance of the Bonds. See "THE PROJECT" herein.
- Tax Exemption:** Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the Bonds as discussed under "TAX EXEMPTION" in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
- Bank Qualification:** The Bonds are not "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
- Bond Registrar/Paying Agent:** Amalgamated Bank of Chicago, Chicago, Illinois.
- Book-Entry Form:** The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein.
- Financial Advisor:** Speer Financial, Inc., Chicago, Illinois.

## SERIES 2008A BONDS

**Issue:** \$10,800,000 General Obligation Bonds, Series 2008A.

**Dated Date:** June 30, 2008.

**Interest Due:** Each June 30 and December 30, commencing June 30, 2009.

**Principal Due:** Serially each December 30, commencing December 30, 2009 through 2020, as detailed below.

**Optional Redemption:** Bonds maturing on or after December 30, 2019, are callable at the option of the Village on any date on or after June 30, 2018, at a price of par plus accrued interest. See "OPTIONAL REDEMPTION" herein.

**Denomination:** \$5,000 or integral multiples thereof.

### AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS

Principal Amount	Due Dec. 30	Interest Rate	Yield or Price	Principal Amount	Due Dec. 30	Interest Rate	Yield or Price
\$ 275,000	2009	%	%	\$1,575,000	2015	%	%
475,000	2010	%	%	2,050,000	2016	%	%
400,000	2011	%	%	700,000	2017	%	%
700,000	2012	%	%	1,150,000	2018	%	%
850,000	2013	%	%	1,000,000	2019	%	%
1,175,000	2014	%	%	450,000	2020	%	%

Any consecutive maturities may be aggregated into no more than five term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

## SERIES 2008B BONDS

**Issue:** \$36,200,000\* General Obligation (Capital Appreciation) Bonds, Series 2008B.

**Dated Date:** Date of delivery.

**Interest Due:** Compounded semiannually on June 30 and December 30, commencing December 30, 2008.

**Principal Due:** Serially each December 30, commencing December 30, 2021 through 2037, as detailed below.

**Optional Redemption:** Bonds are callable at the option of the Village on any June 30 or December 30 on or after June 30, 2018, at a price equal to the then compounded accreted value. See "OPTIONAL REDEMPTION" herein.

**Denomination:** Original denominations, or integral multiples thereof, which permit such amounts to accrue to a value at maturity of \$5,000 or an integral multiple thereof.

### AMOUNTS\*, MATURITIES, YIELDS AND PRICES

Compound Accreted Value at Maturity*	Due Dec. 30	Original Principal Amount	Stated Yield	Reoffering Price	Compound Accreted Value at Maturity*	Due Dec. 30	Original Principal Amount	Stated Yield	Reoffering Price
\$6,000,000	2021	\$	%	%	\$6,500,000	2030	\$	%	%
6,000,000	2022		%	%	6,500,000	2031		%	%
6,000,000	2023		%	%	6,500,000	2032		%	%
6,000,000	2024		%	%	6,500,000	2033		%	%
6,500,000	2025		%	%	6,500,000	2034		%	%
6,500,000	2026		%	%	6,500,000	2035		%	%
6,500,000	2027		%	%	6,500,000	2036		%	%
6,500,000	2028		%	%	6,500,000	2037		%	%
6,500,000	2029		%	%					

The Village reserves the right to increase or decrease any or all maturity values, in multiples of \$5,000, in order to result in an original aggregate principal amount of approximately \$36,200,000\*.

\*Subject to change.

**VILLAGE OF ROMEOVILLE**  
**Will County, Illinois**

John Noak  
*Village President*

**Board of Trustees**

Michele Annerino  
Jose Chavez

Andy Goitia

Dr. Edward McCartan  
Linda S. Palmiter

---

**Officials**

Steve Gulden  
*Village Manager*

Raymond E. Holloway  
*Village Clerk*

Kirk Openchowski  
*Finance Director/Treasurer*

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Raymond E. Meader  
*Corporation Counsel*

Speer Financial, Inc.  
*Financial Advisor*

**THE VILLAGE**

The Village of Romeoville (the "Village"), incorporated in 1895, is located in Will County (the "County"), approximately 26 miles southwest of Chicago. The Village encompasses approximately 17 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east; and the City of Lockport to the southeast. Recent annexations have totaled over 2,000 acres, with an expected 300 new housing units over five years. Population at the time of the 2000 Census was 21,153, a 50% increase from the 1990 report of 14,101. In 2006, a Special Census was conducted and the population increased 73% from 2000, now totaling 36,709. The Village estimates its current population at 38,000.

**Home Rule**

The Village acquired home rule status in 2003 when its population exceeded 25,000. Pursuant to the authority granted by Article VII of the 1970 Constitution of the State of Illinois, any municipality which, according to the most recent official U.S. Census, has a population of more than 25,000 is a home rule unit. The Village may exercise broad powers pertaining to its government and affairs.

## Village Organization and Services

The Village has a President and Board of Trustees/Manager form of government. The Village Board is composed of the Village President and six trustees who are elected at large for staggered four year terms. At present there is one vacancy on the Board of Trustees. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

The Village provides police, fire, and paramedic service; water and sewer system services; public works; refuse collection; road and bridge maintenance; and general administrative services. The Village employs approximately 403 persons providing the following services:

	Full-time	Part-time
Police.....	91	27
Fire.....	24	54
Administrative and Other.....	119	88
Total.....	234	169

Of the 91 full-time staff of the Police Department, 69 are sworn officers. Fire department staff includes approximately 72 firefighters, of which 70 are firefighter/paramedics.

Northern Illinois Gas Company and Commonwealth Edison provide gas and electric service for the Village, respectively. The Village provides water and sewer services.

Library services are provided by Fountaindale, Des Plaines Valley, and Plainfield Library Districts. Fountaindale maintains a library facility within the Village.

## Transportation

The Village has accessibility via highway, rail, water and air transportation, serving its residents and its large industrial base. It is situated along Illinois 53. Directly to the north is Interstate 55, which leads to Chicago; three full interchanges serve the Village. The completion of Interstate 355 to Interstate 55 has improved access to the northern and western suburbs. Interstate 355 completed its extension south to Interstate 80 which leads to Indiana to the east and Iowa to the west.

Mass transit services include the Metra Heritage Corridor line in nearby Lockport and Joliet. Passenger service is also available via Amtrak in Joliet and Chicago. The Village is currently working with Metra to develop a station in Romeoville. The Village has agreed to provide land for the station. The Santa Fe, Elgin and Eastern and the Illinois Central Gulf Railroads supply rail freight service.

The Chicago Shipping Canal provides water transportation to Chicago harbors, the Great Lakes and the Illinois-Mississippi River waterways. The Joliet Regional Port District operates the Canal. Air transportation service is available at Chicago's O'Hare International Airport (25 miles) and Midway Airport (15 miles). In addition, the Lewis University Airport, which is located within the Village, is owned and operated by the Joliet Regional Port District and has plans for further expansion.

## Community Life

The Village provides recreation opportunities. O'Hara Woods is an 100-acre nature center with a fishing lake and hiking trails and an adjoining 30-acre recreation center complex with a health club, lighted tennis courts, outdoor ice skating rinks and ball fields. The Village provides a total of 26 parks with 26 playgrounds. Total park space is over 276 acres. The Lockport Township Park District and the Plainfield Township Park District serve part of the Village. Also, in or near the Village are the Romeoville Prairie Nature Preserve (120 acres), Veteran Woods (77 acres) and the Isle a la Cache Museum (40 acres), which are maintained by the Will County Forest Preserve District.

## Education

The Village's public education needs are met by School Districts 92, 202-U, 365-U and High School District Number 205. The Village is located within Community College District Number 525, the Joliet Community College. Lewis University, a privately owned higher educational institution, is located in Romeoville.

## Current Economic Development Programs

The Village is aggressively pursuing economic development to expand its already diverse tax base and to attract jobs for its residents. Key strengths of the Village in attracting development are its location advantages and land availability. The Village is using these strengths to market itself to light manufacturers and small and medium wholesale and service industries.

Interstate 55 with three interchanges, along with Interstate 355, makes the Village accessible to Chicago and its southern and western suburbs by road as well as by rail, water and air transportation as outlined above. The Village was instrumental in gaining cooperation among area governments and developers to fund part of the construction and in succeeding in getting the Illinois Department of Transportation to accelerate the scheduling for the construction of one of these interchanges as part of its list of planned highway improvements.

## Industrial Development Activity

Several industrial developments have reached the point of maturity over the last five years while a few more are just beginning to take shape. The northwestern border of the Village houses Windham Lakes Business Center which is located on the north side of I-55. Most of its construction was finished with the completion of the Offices of Windham Lakes in September 2007. Windham Lakes Southwest Quad on the south side of I-55 has had a very busy year. Sears Logistics opened an 812,000 square foot Midwestern distribution center on Normantown Road joining the \$12 Million Huskies Ice Center's 108,000 square foot private recreation facility and the 415,000 square foot distribution facility occupied by Dandee Display and Kimberly Clark as co-tenants. A 235,000 square foot building (#3) was completed in December 2007 and the final 196,000 square foot building (#5) will start construction in May 2008.

In the center of the Village, Duke Realty developed two 650-725,000 square foot facilities, one of which became home to Kimberly Clark's massive supply of Kleenex, Huggies and soft goods. The Ryan Companies sold a 735,000 square foot spec building in 2007 and Prologis developed a 640,000 square foot distribution facility that is currently available.

Land and Lakes Development built two twin 458,000 square foot distribution facilities in the last 36 months in Bluff Point Business Park on the east side of the Village near I-55. The first building was sold to the Wrigley Companies for \$48 million while the second structure was recently leased to Prairie Packaging. Plans are underway for Land and Lakes to construct its third and final 525,000 square foot distribution facility in 2008.

In the Pinnacle Business Park by Pizzuti, Wilton expanded its building (#2) by 225,000 square feet for a total of 610,000, Home Depot had a 460,000 square foot construction and expansion finished, and OHL purchased a 480,000 square foot distribution center with Sony televisions as the primary tenant. Currently Wilton is expanding another building (#1) by 220,000 square feet.

Pizzuti also sold Triumph Development 50 acres of its 800 acre park on which it built two speculative buildings of 110,000 and 145,000 square feet respectively. In 2008, First American purchased 72 acres of Pizzuti's holdings and began development of the Paragon Business Center projected to contain twelve buildings totaling over 700,000 square feet and ranging in size from 25,000 to 150,000 square feet. The first two structures of 38,000 and 44,000 square feet were finished in late 2007 as well as the new 36 foot wide Belmont Avenue being built by Pizzuti to connect the Hampton Park portion of the Village and Paragon Center.

TCB Development ("TCB") has begun mass grading its newly annexed 80 acre Corporate Center of Romeoville on the south side of Taylor Road opposite First American's Paragon Center. Much like the First American project, TCB's center will contain 13 buildings totaling nearly 600,000 square feet of sizes similar to the Paragon Center. TCB is finalizing plans for a 150,000 square foot facility to house the Metropolitan Pump.

With nearly 4 million square feet still planned for Pinnacle Business Park, Pizzuti has its Pinnacle 23 facility under construction. With nearly 625,000 square feet covering 30 acres and parking for 200 plus semi-trailers, this facility blends the Paragon Corporate Corridors and South Creek Business Parks together at the intersection of Taylor Road and South Creek Parkway.

The South Creek Business Park by Carlson Brothers began development in 2004. Besides assisting with the construction of the \$6 million dollar South Creek Parkway that connects to Airport Road and eventually the new I-55 interchange, Carlson Brothers brought the headquarters and flagship manufacturing plant for Chicago Tube and Iron ("CTI") here. CTI's new 368,000 square foot state of the art steel forming facility opened late in 2005 with 250 employees. Pollman N A, an OEM auto parts manufacturer, opened its 38,000 square foot North American headquarters in 2006. Currently, Great Kitchens is building a 140,000 square foot food processing facility between CTI and Pollman. Great Kitchen's expected 221 new employees will prepare 32,000 twelve inch pizzas during each eight hour shift. With four lots left in the South Creek Park, the Carlson Brothers are preparing to build a 48,000 square foot facility for a metal manufacturing firm scheduled to open in November 2008.

With nearly 23,000,000 square feet of the Village's expected 38,000,000 square feet built in the last seven years, the 27 facilities mentioned here represent well in excess of \$500,000,000 of taxable assets which allow the Village to plan and grow at a manageable and stable pace. With only 50% of Pizzuti's 800 acres developed, and Duke, Prologis, and Land of Lakes on schedule to build at least one 500,000 plus square foot facility each in the next year (2008), jobs, construction and assessed value in the Village should experience increases.

With the addition since 1999 of new large employers and 4,000 homes, the need to develop commercial projects grew in 2006. With only 333,000 square feet of retail development in place at the beginning of 2006 (and approximately 100,000 of that occurring between 2004 and 2006) over 1,350,000 square feet of retail is planned, under construction, or open at the intersection of Airport and Weber Roads. In October 2007, the Target Center opened its 128,000 square foot Target store and the 50,000 adjacent square feet of the Shops of Romeoville opened in February 2008. A 90,000 square foot Kohl's has started construction anticipating a summer 2008 opening.

The second largest Wal-Mart in North America, a 208,000 square foot modern design structure, will open its doors in January 2008. In addition, the rest of Romeoville Crossings will contain at least three restaurants, a 30,000 square foot medical facility and another medium big box store. The Village is currently evaluating 14 "strip centers" that will contain another 300,000 square feet of retail space.

The Village is actively attempting to attract sit down restaurants to complement the ones that are currently located here. Also, several specialty facilities such as the American Sales 60,000 square foot recreation store, Brunswick Zone's 55,000 square foot recreational center, the 108,000 square foot International Ice Center and the 21,000 square foot Crème de la Crème (a children's learning center) opened in the last year.

The Village's housing stock is becoming more varied and increasing in value. With only approximately 1000 homes to be built before the Village reaches total build-out of 42,000 persons and 13,500 houses, the development of higher end housing is a sign of the area's maturity and stabilization. In 2006 Misty Ridge by Beechen and Dill commenced construction of 168 single family homes. With 58 homes closed to date, the average closure price is approximately \$400,000. This is nearly double the median price for the Village. Similarly, Stone Bluff by Charles Sharp sold its first home in 2005 and they are comparable in both size and pricing to Misty Ridge.

Early in 2008, Midwest Living by Dete Development of Monona, Wisconsin, will begin development of a 500 unit senior citizens complex (offering a complete continuum of care for elderly adults) at Grand Haven Boulevard and Weber Roads. This development will be in three phases covering approximately three years.

The Village, in January of 2005, formed a Downtown Area Tax Increment Financing (TIF) Redevelopment Project and Plan. The redevelopment area, 421 acres in size, is in the central part of the Village that radiates from the intersection of Normantown Road and Illinois Route 53. The area contains a mix of uses including the Spartan Square Shopping Center, Romeo Center Plaza and other retail and commercial businesses, industrial uses east of Route 53 and south of Marquette Center Industrial Park, the Village municipal complex, Robert C. Hill Elementary School and the Fountaindale Public Library. The goal of the Downtown TIF District is to revitalize the Village's first commercial and residential district. Revitalization projects, funded solely through TIF dollars and/or tax increment bonds may include storm water improvements, land acquisition, streetscape improvements, road improvements, economic incentive and building renovations. The Village also plans to construct a Community Center in the Downtown Area. The Downtown TIF is contiguous to the Marquette TIF. The Village will be allowed to export funds from the Marquette TIF to the Downtown TIF. In March 2008, the Village purchased ten acres of the downtown property and will have a RFQ for development released in May 2008, and proposals for demolition, purchase and construction will be received in the last quarter of 2008.



## SOCIOECONOMIC INFORMATION

### Employment

Substantial employment is available in surrounding communities and throughout the Chicago metropolitan area. Numerous employers are located within the Village and in surrounding communities.

The following employment data shows a consistently diverse and strong growth trend for employment in Will County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

#### Will County Private, Non-Agricultural Employment Covered by the Illinois Unemployment Insurance Act(1)

	(Data as of March for each Year)				
	2002	2003	2004	2005	2006
Farm and Forestry.....	457	426	409	N/A	318
Mining and Construction.....	13,374	13,050	13,434	13,664	14,987
Manufacturing.....	18,695	18,461	18,630	18,632	19,422
Transportation, Communications, Utilities.....	9,534	9,464	11,427	10,404	11,606
Wholesale Trade.....	7,085	7,818	8,611	9,048	9,483
Retail Trade.....	19,125	19,564	19,933	21,876	23,582
Finance, Insurance, Real Estate.....	4,610	4,832	5,553	6,036	6,167
Services(2).....	47,250	47,259	50,360	53,125	59,657
Total.....	120,130	120,922(2)	128,357	133,432(2)	145,222(2)
Percent Change.....	0.93%(3)	0.66%	6.15%	3.95%	8.84%

- Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Includes unclassified establishments.  
 (3) Percent increase based on 119,021 employment in 2001.

Following are lists of large employers located in the Village and the surrounding areas. Additional employment opportunities are available to Village residents throughout the Chicago metropolitan area.

#### Major Village Employers(1)

Name	Product/Service	Approximate Employment
Valley View Community School District Number 365U.....	Elementary and Secondary Education.....	2,300
Lockport Township High School District Number 205.....	Secondary Education.....	500
Lewis University.....	University.....	500
Village of Romeoville.....	Government.....	331
Kennedy Transportation Co.....	National Trucking Transportation and Logistics Services.....	308
Marquette Property Investment.....	Real Estate Development and Management.....	300
Kehe Food Distributors, Inc.....	Groceries.....	300
Ultra Salon Cosmetics Fragrance, Inc.....	Salon Cosmetics and Fragrances Corporate Office.....	250
Levy Home Entertainment LLC.....	Books, Periodicals, Newspapers.....	300
Florstar Sales, Inc.....	Wholesale Floor Covering Distributor.....	220
Panduit Corp.....	Cable Tie Tools.....	210
Fleetwood, Inc.....	Material Handling and Mechanical Conveyors.....	200
Sharp Electronics Corp.....	Wholesale Electronics.....	200
Midwest Generation, Will County Station.....	Coal Fired Electric Generation.....	175
Chicago Tube and Iron Co.....	Company Headquarters; Tubing; Valves.....	160
Checkpoint Systems, Inc.....	Pressure-Sensitive and Bar Code Labels and Tags.....	150

Note: (1) Source: 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selected telephone survey.

### Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Aurora/Joliet	Caterpillar, Inc.	Heavy Tractors and Earth Moving Equipment	6,000
Naperville	Alcatel Lucent Technologies	Telecommunications	5,000
Argonne	Argonne National Laboratory	Research and Development	3,000
Joliet	Provena St. Joseph Medical Center	Regional Medical Center	2,430
Joliet	State of Illinois(2)	State Government Offices	2,350
Naperville	Nicor Gas	Gas Transmission and Distribution	2,264
Joliet	Empress Casino	Casinos, Hotels, Resorts and Riverboats	2,000
Joliet	Silver Cross Hospital	General Hospital	1,800
Naperville	BP Naperville Complex	Chemical and Petrochemical Research	1,600
Joliet	Will County	County Government	1,600
Naperville	Office Max, Inc.	Stationary and Office Supplies	1,500
Aurora	Rush Copely Medical Center	Hospital	1,400
Naperville	Nalco Co.	Research and Development	1,200
Naperville	Tellabs	Computer Related Services	1,200
Aurora	Dreyer Medical Clinic	Medical Services	1,000
Naperville	Castrol Industrial North America, Inc.	Corporate Headquarters and Lubricating Oil	1,000

Notes: (1) Source: 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selective telephone survey.  
(2) Includes all of Will County.

The following tables show employment by industry and by occupation for the Village, Will County and the State of Illinois as reported by the 2000 Census.

### Employment By Industry(1)

Classification	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting, and Mining	57	0.50%	966	0.39%	66,481	1.14%
Construction	664	5.84%	20,209	8.20%	334,176	5.73%
Manufacturing	2,003	17.62%	38,068	15.45%	931,162	15.96%
Wholesale Trade	538	4.73%	10,521	4.27%	222,990	3.82%
Retail Trade	1,442	12.69%	29,429	11.94%	643,472	11.03%
Transportation and Warehousing, and Utilities	1,035	9.11%	18,441	7.48%	352,193	6.04%
Information	373	3.28%	7,049	2.86%	172,629	2.96%
Finance, Insurance, Real Estate, Rental and Leasing	990	8.71%	19,727	8.01%	462,169	7.92%
Professional, Scientific, Management, Administrative, and Waste Management Services	989	8.70%	23,207	9.42%	590,913	10.13%
Educational, Health and Social Services	1,796	15.80%	43,396	17.61%	1,131,987	19.41%
Arts, Entertainment, Recreation, Accommodation and Food Services	703	6.18%	16,597	6.73%	417,406	7.16%
Other Services (Except Public Administration)	527	4.64%	10,384	4.21%	275,901	4.73%
Public Administration	250	2.20%	8,437	3.42%	231,706	3.97%
Total	11,367	100.00%	246,431	100.00%	5,833,185	100.00%

Note: (1) Source: U. S. Bureau of the Census.

### Employment By Occupation(1)

Classification	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Management, Professional and Related Occupation	3,246	28.56%	83,446	33.86%	1,993,671	34.18%
Service Occupations	1,235	10.86%	29,471	11.96%	813,479	13.95%
Sales and Office	3,581	31.50%	70,006	28.41%	1,609,939	27.60%
Farming, Fishing and Forestry	0	0.00%	369	0.15%	17,862	0.31%
Construction, Extraction, and Maintenance	1,243	10.94%	27,607	11.20%	480,418	8.24%
Production, Transportation, and Material Moving	2,062	18.14%	35,532	14.42%	917,816	15.73%
Total	11,367	100.00%	246,431	100.00%	5,833,185	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Unemployment Rates

Unemployment rates are not available for the Village but are available for Will County and the State of Illinois as shown below.

### Annual Average Unemployment Rates(1)

Calendar Year	Will County	State of Illinois
1997	4.4%	4.7%
1998	4.2%	4.5%
1999	3.9%	4.3%
2000	4.0%	4.4%
2001	5.2%	5.4%
2002	6.4%	6.5%
2003	6.9%	6.7%
2004	5.9%	6.2%
2005	5.5%	5.7%
2006	4.3%	4.5%
2007	4.7%	5.0%
2008(2)	6.0%	6.0%

Notes: (1) Source: Illinois Department of Employment Security.  
(2) Preliminary rate for the month of February 2008.

## Building Permits

Residential building permits have averaged in excess of \$93,000 over the last three full years in the Village, excluding the value of land.

### Village Building Permits(1) (Excludes the Value of Land)

Calendar Year	Single-Family		Multi-Family		Miscellaneous Value	Total Value
	Units	Value	Units	Value		
1998	523	\$ 48,530,716	0	\$ 0	\$ 4,400,559	\$ 52,931,275
1999	932	80,629,232	0	0	27,628,742	108,257,974
2000	1,205	96,430,720	0	0	44,892,548	141,323,268
2001	1,088	106,833,070	0	0	34,694,311	141,527,381
2002	510	50,078,001	0	0	7,268,378	57,346,379
2003	691	58,412,266	0	0	6,953,715	65,365,981
2004	314	27,849,136	116	10,410,344	10,297,147	48,556,743
2005	20	2,213,435	170	15,093,676	12,552,185	29,859,466
2006	32	6,553,429	81	7,034,764	1,929,765	15,518,040
2007	38	9,121,528	18	4,270,373	2,809,854	16,201,774

Note: (1) Source: LaSalle Bank FSB Survey of Building/Bell Federal Savings, and the Village.

## Housing

The 2000 Census reported that the median value of the Village's owner-occupied homes was \$118,100, which compares with \$154,300 for the County and \$130,800 for the State. The 2000 value of specified owner-occupied units for the Village, Will County and the State were as follows:

### Specified Owner-Occupied Units(1)

Value	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	25	0.44%	1,766	1.39%	230,049	9.31%
\$50,000 to \$99,999	1,712	30.15%	21,318	16.76%	651,605	26.38%
\$100,000 to \$149,999	2,144	37.75%	37,351	29.37%	583,409	23.62%
\$150,000 to \$199,999	1,408	24.79%	31,383	24.68%	429,311	17.38%
\$200,000 to \$299,999	338	5.95%	24,066	18.92%	344,651	13.95%
\$300,000 to \$499,999	52	0.92%	9,533	7.50%	163,254	6.61%
\$500,000 to \$999,999	0	0.00%	1,628	1.28%	55,673	2.25%
\$1,000,000 or more	0	0.00%	135	0.11%	12,386	0.50%
Total	5,679	100.00%	127,180	100.00%	2,470,338	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Income

### Per Capita Personal Income for the Ten Highest Income Counties in the State(1)

Rank	2000
1	Lake County ..... \$32,102
2	DuPage County ..... 31,315
3	McHenry County ..... 26,476
4	Kendall County ..... 25,188
5	Will County ..... 24,613
6	Kane County ..... 24,315
7	Cook County ..... 23,227
8	Sangamon County ..... 23,173
9	Monroe County ..... 22,954
10	Grundy County ..... 22,591

Note: (1) Source: U.S. Bureau of the Census.

The following shows a ranking of median family income for the Chicago metropolitan area among the 102 Illinois counties from the 2000 Census.

### Ranking of Median Family Income(1)

Ill. County	Family Income	Ill. Rank
DuPage County	\$79,314	1
Lake County	76,424	2
McHenry County	71,553	3
Will County	69,608	4
Kendall County	69,383	5
Kane County	66,558	6
Cook County	53,784	15

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Village had a median family income of \$63,320. This compares to \$69,608 for Will County and \$55,545 for the State. The following table represents the distribution of family incomes for the Village, Will County and the State at the time of the 2000 Census.

#### Median Family Income(I)

Income	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	33	0.61%	2,866	2.18%	156,205	5.00%
\$10,000 to \$14,999 .....	48	0.89%	2,107	1.60%	105,747	3.38%
\$15,000 to \$24,999 .....	174	3.21%	6,366	4.83%	273,712	8.76%
\$25,000 to \$34,999 .....	425	7.85%	9,542	7.25%	331,907	10.62%
\$35,000 to \$49,999 .....	956	17.66%	17,542	13.32%	506,429	16.20%
\$50,000 to \$74,999 .....	1,991	36.78%	35,024	26.60%	736,897	23.58%
\$75,000 to \$99,999 .....	979	18.08%	25,725	19.54%	445,390	14.25%
\$100,000 to \$149,999 .....	663	12.25%	22,832	17.34%	356,068	11.39%
\$150,000 to \$199,999 .....	123	2.27%	5,565	4.23%	101,955	3.26%
\$200,000 or more .....	22	0.41%	4,105	3.12%	111,008	3.55%
Total .....	5,414	100.00%	131,674	100.00%	3,125,318	100.00%

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Village had a median household income of \$60,737. This compares to \$62,238 for Will County and \$46,590 for the State. The following table represents the distribution of household incomes for the Village, Will County and the State at the time of the 2000 Census.

#### Median Household Income(I)

Income	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	92	1.36%	6,422	3.83%	383,299	8.35%
\$10,000 to \$14,999 .....	108	1.60%	5,034	3.00%	252,485	5.50%
\$15,000 to \$24,999 .....	344	5.08%	12,262	7.32%	517,812	11.27%
\$25,000 to \$34,999 .....	513	7.58%	14,751	8.80%	545,962	11.89%
\$35,000 to \$49,999 .....	1,279	18.89%	23,838	14.22%	745,180	16.23%
\$50,000 to \$74,999 .....	2,444	36.11%	41,658	24.86%	952,940	20.75%
\$75,000 to \$99,999 .....	1,149	16.97%	28,499	17.00%	531,760	11.58%
\$100,000 to \$149,999 .....	695	10.27%	24,652	14.71%	415,348	9.04%
\$150,000 to \$199,999 .....	123	1.82%	5,978	3.57%	119,056	2.59%
\$200,000 or more .....	22	0.33%	4,508	2.69%	128,898	2.81%
Total .....	6,769	100.00%	167,602	100.00%	4,592,740	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Retail Activity

The table below shows the distribution of the municipal portion of the Retailers' Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the Illinois Department of Revenue from retailers within the Village. The table indicates the level of retail activity in the Village.

### Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 15	State Sales Tax Distributions(2)	Annual Percent Change + (-)
1998 .....	\$1,392,910	7.92%(3)
1999 .....	1,638,769	17.65%
2000 .....	2,019,096	23.21%
2001 .....	2,092,017	3.61%
2002 .....	2,402,476	14.84%
2003 .....	2,606,147	8.48%
2004 .....	3,040,327	16.66%
2005 .....	3,606,587	18.62%
2006 .....	3,484,081	(3.40%)
2007 .....	3,513,645	0.85%
Growth from 1998 to 2007 .....		152.25%

- Notes: (1) Source: Illinois Department of Revenue.  
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.  
 (3) The 1998 percentage is based on a 1997 sales tax of \$1,290,720.

## THE PROJECT

The Bond proceeds will be used to finance the construction of a new village hall/police station and two fire stations; the purchase of equipment; to pay for other capital improvements; and to pay the costs of issuance of the Bonds.

## DEBT INFORMATION

After issuance of the Bonds, the Village will have outstanding \$5,600,000 principal amount of general obligation alternate revenue debt and \$97,641,775\* principal amount of general obligation debt.

### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Total Alternate Bonds Outstanding	Total General Obligation Bonds Outstanding	The Bonds		Total Bonded Debt	Cumulative Retirement	
			Series 2008A	Series 2008B (CAB)(2)		Amount	Percent
2008.....	\$ 725,000	\$ 2,125,000	\$ 0	\$ 0	\$ 2,850,000	\$ 2,850,000	2.76%
2009.....	0	3,030,000	275,000	0	3,305,000	6,155,000	5.96%
2010.....	330,000	2,920,000	475,000	0	3,725,000	9,880,000	9.57%
2011.....	325,000	3,230,000	400,000	0	3,955,000	13,835,000	13.40%
2012.....	330,000	3,470,000	700,000	0	4,500,000	18,335,000	17.76%
2013.....	350,000	3,800,000	850,000	0	5,000,000	23,335,000	22.60%
2014.....	375,000	3,785,000	1,175,000	0	5,335,000	28,670,000	27.77%
2015.....	400,000	3,795,000	1,575,000	0	5,770,000	34,440,000	33.36%
2016.....	735,000	3,655,000	2,050,000	0	6,440,000	40,880,000	39.60%
2017.....	775,000	5,745,000	700,000	0	7,220,000	48,100,000	46.59%
2018.....	1,255,000	3,610,000	1,150,000	0	6,015,000	54,115,000	52.42%
2019.....	0	3,925,000	1,000,000	0	4,925,000	59,040,000	57.19%
2020.....	0	4,750,000	450,000	0	5,200,000	64,240,000	62.22%
2021.....	0	1,340,000	0	3,080,340	4,420,340	68,660,340	66.50%
2022.....	0	0	0	2,931,960	2,931,960	71,592,300	69.34%
2023.....	0	0	0	2,790,660	2,790,660	74,382,960	72.05%
2024.....	0	1,550,000	0	2,656,200	4,206,200	78,589,160	76.12%
2025.....	0	0	0	2,738,905	2,738,905	81,328,065	78.77%
2026.....	0	0	0	2,491,970	2,491,970	83,820,035	81.19%
2027.....	0	0	0	2,366,130	2,366,130	86,186,165	83.48%
2028.....	0	0	0	2,246,595	2,246,595	88,432,760	85.66%
2029.....	0	0	0	2,024,360	2,024,360	90,457,120	87.62%
2030.....	0	0	0	1,917,435	1,917,435	92,374,555	89.47%
2031.....	0	0	0	1,816,165	1,816,165	94,190,720	91.23%
2032.....	0	0	0	1,720,290	1,720,290	95,911,010	92.90%
2033.....	0	0	0	1,629,420	1,629,420	97,540,430	94.48%
2034.....	0	0	0	1,543,360	1,543,360	99,083,790	95.97%
2035.....	0	0	0	1,461,850	1,461,850	100,545,640	97.39%
2036.....	0	0	0	1,384,630	1,384,630	101,930,270	98.73%
2037.....	0	0	0	1,311,505	1,311,505	103,241,775	100.00%
Total.....	\$5,600,000	\$50,730,000	\$10,800,000	\$36,111,775	\$103,241,775		

Notes: (1) Source: the Village.  
(2) Subject to change.

### General Obligation Bonded Debt – By Issue(1)

Issue	Amount	Source of Debt Service Payments
Series 1997B	\$ 400,000	Property Taxes
Series 1999(2)	4,875,000	Water and Sewer Revenues, Property Taxes
Series 2000A	3,190,000	Property Taxes
Series 2001A(2)	325,000	Motor Fuel Taxes, Property Taxes
Series 2001B(2)	400,000	Water and Sewer Revenues, Property Taxes
Series 2002A	1,755,000	Property Taxes
Series 2002B	2,205,000	Property Taxes
Series 2004	21,205,000	Property Taxes
Series 2005	4,255,000	Property Taxes
Series 2007A	4,820,000	Water and Sewer Revenues, Property Taxes
Series 2007B	12,900,000	Property Taxes
The Bonds-Series 2008A	10,800,000	Sales Taxes and Property Taxes
The Bonds-Series 2008B(3)	36,111,775	Sales Taxes and Property Taxes
Total Outstanding	\$103,241,775	

- Notes: (1) Source: the Village.  
(2) The Series 1999, Series 2001A and Series 2001B are alternate revenue source bonds and the debt service levy for such bonds is expected to be abated annually and not extended.  
(3) Subject to change.

### Detailed Overlapping Bonded Debt(1)

	Outstanding Debt(2)	Applicable to Village	
		Percent(3)	Amount
<b>Schools:</b>			
School District Number 88-A	\$ 24,509,000	18.60%	\$ 4,558,674
School District Number 92	8,993,031	9.17%	824,661
School District Number 202	391,840,000	9.84%	38,557,056
School District Number 365-U	166,110,115	25.71%	42,706,911
High School District Number 205	15,774,068	4.70%	741,381
Community College District Number 525	860,000	6.81%	58,566
Total Schools			\$87,447,249
<b>Others:</b>			
Will County (Public Building Commission)	\$ 3,300,000	5.53%	\$ 182,490
Will County Forest Preserve District	164,342,609	5.53%	9,088,146
Plainfield Public Library District	475,000	8.26%	39,235
Lemont Park District	1,355,000	2.11%	28,591
Plainfield Park District	7,040,000	6.45%	454,080
Total Others			\$ 9,792,542
Total Schools and Other Overlapping Bonded Debt			\$97,239,790

- Notes: (1) Source: Will County Clerk.  
(2) As of April 17, 2008.  
(3) Overlapping debt percentages based on 2007 EAV, the most current available.



### Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2006 Census 36,709)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2007	\$1,125,909,473	100.00%	33.33%	\$30,671.21
Estimated Actual Value, 2007	\$3,377,728,419	300.00%	100.00%	\$92,013.63
Total Direct Debt(2)	\$ 103,241,775	9.17%	3.06%	\$ 2,812.44
Less: Non-Tax Supported(3)	(5,600,000)	(0.50%)	(0.17%)	(152.55)
Net Direct Debt(2)	\$ 97,641,775	8.67%	2.89%	\$ 2,659.89
Overlapping Bonded Debt(4):				
Schools	\$ 87,447,249	7.77%	2.59%	\$ 2,382.17
Other	9,792,542	0.87%	0.29%	266.76
Total Overlapping Bonded Debt	\$ 97,239,791	8.64%	2.88%	\$ 2,648.94
Total Net Direct and Overlapping Bonded Debt	\$ 194,881,566	17.31%	5.77%	\$ 5,308.82

- Notes: (1) Source: Will County Clerk and the Village.  
(2) Subject to change.  
(3) Includes Series 1999, Series 2001A, and Series 2001B.  
(4) As of April 17, 2008.

### Default History

The Village has never issued any obligations to avoid default; nor has the Village ever defaulted in the payment of any of its corporate obligations.

### PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2007 levy year, the Village's EAV is comprised of approximately 64% residential, 27% industrial, 9% commercial, and less than 1% farm and railroad property valuations.

### Village Equalized Assessed Valuation(1)

Property Class	Levy Years				
	2003	2004	2005	2006	2007
Residential	\$465,037,175	\$520,707,656	\$605,668,990	\$ 674,036,827	\$ 720,554,943
Farm	663,158	490,759	1,540,686	308,888	248,143
Commercial	54,397,814	58,305,845	64,905,424	73,094,888	99,020,817
Industrial	183,293,163	203,508,801	221,990,396	266,180,102	305,945,464
Railroad	160,721	145,549	129,612	131,137	140,106
Total	\$703,552,031	\$783,158,610	\$894,235,108	\$1,013,751,842	\$1,125,909,473
Percent Change +(-)	22.99%(2)	11.31%	14.18%	13.37%	11.06%

- Notes: (1) Source: Will County Clerk.  
(2) Percentage change based on 2002 EAV of \$572,017,019.

### Representative Tax Rates(I) (Per \$100 EAV)

	Levy Years				
	2003	2004	2005	2006	2007
Village Rates:					
Corporate.....	\$0.1781	\$0.1746	\$0.1925	\$0.2163	\$0.2012
Street & Bridge.....	0.0252	0.0246	0.0235	0.0232	0.0227
Special Recreation.....	0.0296	0.0324	0.0300	0.0300	0.0300
Police Protection.....	0.0536	0.0527	0.0504	0.0494	0.0476
Fire Protection.....	0.0512	0.0478	0.0446	0.0420	0.0000
Ambulance.....	0.0964	0.0899	0.0886	0.0891	0.0000
Recreation.....	0.0542	0.0555	0.0665	0.0706	0.0885
Audit.....	0.0069	0.0069	0.0068	0.0065	0.0067
Garbage Disposal.....	0.0505	0.0569	0.0543	0.0533	0.0511
Social Security.....	0.1249	0.1224	0.1158	0.1135	0.1089
Police Pension.....	0.0733	0.0994	0.1028	0.1013	0.1001
Insurance.....	0.1452	0.1423	0.1348	0.1224	0.1174
Bonds & Interest.....	0.1272	0.1160	0.1038	0.0937	0.0890
Firemen Pension.....	0.0134	0.0216	0.0256	0.0277	0.0000
Total Village Rates(2).....	\$1.0297	\$1.0430	\$1.0400	\$1.0390	\$0.8632
Will County.....	0.5814	0.5708	0.5380	0.5154	0.4826
Will County Forest Preserve District.....	0.1266	0.1235	0.0613	0.1369	0.1424
Romeoville Mosquito Abatement District.....	0.0124	0.0120	0.0115	0.0113	0.0108
DuPage Township(3).....	0.0668	0.0705	0.0682	0.0658	0.0637
Fountaindale Public Library.....	0.3217	0.3133	0.3032	0.2900	0.2838
Romeoville Fire Department.....	0.0000	0.0000	0.0000	0.0000	0.1588
Unit School District 365-U.....	4.8579	4.9719	4.3066	4.7837	4.6476
Community College District 525.....	0.2108	0.2142	0.2094	0.1936	0.1901
Total Rates(4).....	\$7.2073	\$7.3192	\$6.5382	\$7.0357	\$6.8430

- Notes: (1) Source: Will County Clerk.  
(2) As a home rule unit, the Village does not have limits on its levies.  
(3) Includes Town Funds, Road Funds and General Assistance.  
(4) Representative tax rates for other government units are from DuPage Township tax code 1208, which represents the largest portion of the Village's 2007 EAV.

### Village Tax Extensions and Collections(I) (Includes Road and Bridge Levy)

Levy Year	Coll. Year	Taxes Extended(2)	Current Collections		Total Collections(3)	
			Amount	Percent	Amount	Percent
2002	2003	\$5,325,138	\$4,889,433	91.82%	\$5,313,662	99.78%
2003	2004	6,111,756	6,100,831	99.82%	6,100,703	99.82%
2004	2005	7,119,888	7,108,905	99.85%	7,109,019	99.85%
2005	2006	8,099,775	8,072,844	99.67%	8,072,958	99.67%
2006	2007	9,164,958	9,151,166	99.85%	9,156,850	99.91%

- Notes: (1) Source: Will County Treasurer and unaudited financial statements of the Village.  
(2) Tax extensions have been adjusted for abatements.  
(3) Total collections include back taxes, taxpayer refunds, interest, etc.

### Principal Village Taxpayers(1)

Taxpayer Name	Business/Service	2007 EAV(2)
PDV Midwest Refining(3)	Refinery-Petroleum Products	\$ 50,138,500
Prologis-Illinois LLC	Real Property	17,394,910
Prudential Ins. Co. of America	Insurance	14,607,935
Pactiv Corp.	Real Property	11,006,200
JRC Remington/Et Al LLC's	Real Property	10,055,705
James Campbell Co. LLC	Real Property	9,300,000
DCT/SPF Pinnacle IX LLC	Real Property	9,203,800
CRP-IILP KCDC LLC	Real Property	9,089,700
Hart 155 Industrial LLC I	Real Property	8,908,000
RREEF Amer REIT II Corp.	Industrial Properties	8,796,000
Total		\$183,210,751
Ten largest as a percent of the Village's 2007 EAV (\$1,125,909,473)		16.27%

- Notes: (1) Source: Will County Clerk.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2007 EAV is the most current available.  
 (3) Previously Citgo.

## REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

### Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

## Exemptions

An annual General Homestead Exemption (the "General Homestead Exemption") provides that the Equalized Assessed Valuation ("EAV") of certain property owned and used for residential purposes ("*Residential Property*") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$3,500 for assessment years prior to assessment year 2004 in counties with less than 3,000,000 inhabitants, and a maximum reduction of \$5,000 for assessment year 2004 through 2007 in all counties. Additionally, the maximum reduction is \$5,500 for assessment year 2008 and the maximum reduction is \$6,000 for assessment year 2009 and thereafter in all counties.

The Homestead Improvement Exemption applies to Residential Properties that have been improved or rebuilt in the 2 years following a catastrophic event. The exemption is limited to \$45,000 through December 31, 2003, and \$75,000 per year beginning January 1, 2004 and thereafter, to the extent the assessed value is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption ("*Senior Citizens Homestead Exemption*") operates annually to reduce the EAV on a senior citizen's home for assessment years prior to 2004 by \$2,000 in counties with less than 3,000,000 inhabitants. For assessment years 2004 and 2005, the maximum reduction is \$3,000 in all counties. For assessment years 2006 and 2007, the maximum reduction is \$3,500 in all counties. In addition, for assessment year 2008 and thereafter, the maximum reduction is \$4,000 for all counties. Furthermore, beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption ("*Senior Citizens Assessment Freeze Homestead Exemption*") freezes property tax assessments for homeowners, who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$35,000 for years prior to 1999; \$40,000 for assessment years 1999 through 2003; \$45,000 for assessment years 2004 and 2005; \$50,000 from assessment years 2006 and 2007 and for assessments year 2008 and after, the maximum income limitation is \$55,000. In general, the Senior Citizens Assessment Freeze Homestead Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. In counties with a population of 3,000,000 or more, the exemption for all assessment years is equal to the EAV of the residence in the assessment year for which application is made less the base amount. Furthermore, for those counties with a population of less than 3,000,000, the Senior Citizens Assessment Freeze Homestead Exemption is as follows: through assessment year 2005 and for assessment year 2007 and later, the exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the Exemption (plus the EAV of improvements since such year). For assessment year 2006, the amount of the Senior Citizens Assessment Freeze Homestead Exemption phases out as the amount of household income increases. The amount of the Senior Citizens Assessment Freeze Homestead Exemption is calculated by using the same formula as above, and then multiplying the resulting value by a ratio that varies according to household income.

Another exemption available to disabled veterans operates annually to exempt up to \$70,000 of the Assessed Valuation of property owned and used exclusively by such veterans or their spouses for residential purposes. Also, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals. However, individuals claiming exemption under the Disabled Persons' Homestead Exemption ("*Disabled Persons' Homestead Exemption*") or the Disabled Veterans Standard Homestead Exemption ("*Disabled Veterans Standard Homestead Exemption*") cannot claim the aforementioned exemption.

Furthermore, beginning with assessment year 2007, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain persons with a disability. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

In addition, the Disabled Veterans Standard Homestead Exemption provides disabled veterans an annual homestead exemption starting with assessment year 2007 and thereafter. Specifically, (i) those veterans with a service-connected disability of 75% are granted an exemption of \$5,000 and (ii) those veterans with a service-connected disability of less than 75%, but at least 50% are granted an exemption of \$2,500. Furthermore, the veteran's surviving spouse is entitled to the benefit of the exemption, provided that the spouse has legal or beneficial title of the homestead, resides permanently on the homestead and does not remarry. Moreover, if the property is sold by the surviving spouse, then an exemption amount not to exceed the amount specified by the current property tax roll may be transferred to the spouse's new residence, provided that it is the spouse's primary residence and the spouse does not remarry. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Persons' Homestead Exemption cannot claim the aforementioned exemption.

Beginning with assessment year 2007, the Returning Veterans' Homestead Exemption ("*Returning Veterans' Homestead Exemption*") is available for property owned and occupied as the principal residence of a veteran in the assessment year the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a homestead exemption of \$5,000, which is applicable in all counties. In order to apply for the Returning Veterans' Homestead Exemption, the individual must pay real estate taxes on the property, own the property or have either a legal or an equitable interest in the property, "or a leasehold interest of land on which a single family residence is located, which is occupied as a principle residence of a veteran returning from an armed conflict involving the armed forces of the United States who has an ownership interest therein, legal, equitable or as a lessee, and on which the veteran is liable for the payment of property taxes." Those individuals eligible for the Returning Veterans' Homestead Exemption may claim the Returning Veterans' Homestead Exemption, in addition to other homestead exemptions, unless otherwise noted.

### **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law (the "Limitation Law") limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies in Cook County, the five collar counties (DuPage, Kane, Lake, McHenry and Will) and several downstate counties.

Home rule units, including the Village, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the Village, the limitations set forth therein will not apply to any taxes levied by the Village to pay the principal of and interest on the Bonds.

## **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

## **FINANCIAL INFORMATION**

### **General**

The accounting policies of the Village conform to generally accepted accounting principles as applicable to governments. The Village accounts for its financial resources on the basis of funds or account groups, each of which is considered a separate accounting entity. The General Fund is the general operation fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expandable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Enterprise Funds are established to account for the financing of self-supporting activities of the Village which render services of a commercial nature on a user-charge basis to the general public. An enterprise fund is used to account for water and sewer service of the Village.

Trust and Agency Funds are established for the purpose of accounting for money and property held by the Village as trustee, custodian or agent.

### **Cash Management**

The Village is authorized by State statute to invest in the following: obligations of the U.S. Treasury, U.S. Government Agencies and instrumentalities and Certificates of Deposit and deposit accounts of banks and savings and loan associations covered by federal depository insurance, and money market accounts.

The Village President and Board of Trustees designate depositories on an annual basis. The Village invests operating funds in certificates of deposits and money market accounts. Each individual fund is responsible for its own businesses.

### **Budgetary Procedures**

The President and Board of Trustees adopt an annual appropriation ordinance for the fiscal year. The appropriation ordinance includes proposed expenditures and the means of financing them for the upcoming year along with estimates for the current year and actual data for the preceding year. In addition, more detailed line item budgets are included for administrative control. The level of control for the detail budgets is at the department head/function level. The budget is prepared on a cash basis.

Monthly reports are issued to the President and Board of Trustees to monitor revenues and expenditures. The Village Manager and department heads receive monthly reports. Department heads may transfer funds between line items within their budgets with the approval of the Village Manager and Treasurer. The President and Board of Trustees may authorize supplemental appropriations or restrict departmental expenditures during the fiscal year. Appropriations lapse at the end of the fiscal year.



## Operating Results and Fund Balances

The Village follows a modified accrual basis of accounting for all governmental funds and expendable trust funds. All proprietary, non-expendable trust and pension trust funds are accounted for using the accrual basis for accounting. See APPENDIX A herein.

## Financial Reports

The Village's financial statements are audited annually by certified public accountants. The Village's financial statements for governmental funds are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See APPENDIX A for more detail.

## Investment Policy

The Village deposits and invests all its monies in investments allowed by State Statutes. The Statutes authorize the Village to make deposits in commercial banks, savings and loan institutions, and make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurers' Investment Pool. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, mutual funds, stocks and life insurance company contracts.

The overall direction of the Village's investment program may be found in the following objectives:

Safety of principal is the foremost objective of the Village. Each investment transaction shall seek first to insure that capital losses are avoided, whether they be from securities default or the erosion of market values.

Liquidity is considered most important to enable the Village to meet all operating requirements.

Maximum rate of return. The Village's investment portfolio shall be designed with the purpose of regularly exceeding the average rate of return on the six month United States Treasury bills. The investment program shall seek to augment returns above this threshold consistent with constraints imposed by its safety objective, cash flow considerations and State statutes.

Diversification. In order to further guarantee asset safety, investments shall be diversified to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions.

Public confidence. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Investment shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs.

Responsibility. In accordance with 65 ILCS 5/3.1-35-50 the responsibility for conducting investment transactions resides with the Village Treasurer. The Treasurer shall direct the investment transactions program operations consistent with this policy and will identify those staff positions having investment responsibility. No person may engage in an investment transaction except as provided under the terms of this policy and procedures developed by the Treasurer. The Treasurer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate staff members.

The standard of prudence to be used by the Village officials and employees responsible for the investment of public funds shall be the "prudent person" standard. Investments shall be made with judgment and care under circumstances then prevailing, which persons knowledgeable on investment practices, and persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the possible income to be derived.

## Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See APPENDIX A for excerpts of the Village's 2007 fiscal year audit.

### Statement of Activities Governmental Activities

#### Net (Expense) Revenue and Changes in Net Assets

	Audited Years Ended April 30			
	2004	2005	2006	2007
<b>Functions/Programs(1):</b>				
General Government.....	\$ (3,266,492)	\$ (4,983,858)	\$ (6,948,334)	\$ (5,544,109)
Public Safety.....	(10,807,656)	(11,244,335)	(11,483,373)	(12,316,174)
Public Works.....	(4,168,540)	2,355,761	(981,329)	(6,161,336)
Culture and Recreation.....	(1,613,235)	(1,100,966)	(1,559,705)	(2,077,232)
Interest and Fees.....	(1,071,373)	(1,618,774)	(1,591,771)	(1,282,222)
Amortization of Costs.....	0	(6,792)	(20,378)	0
<b>Total Governmental Activities.....</b>	<b>\$(20,927,296)</b>	<b>\$(16,598,964)</b>	<b>\$(22,584,890)</b>	<b>\$(27,381,073)</b>
<b>General Revenues:</b>				
Taxes:				
Property.....	\$ 7,909,603	\$ 9,295,716	\$ 10,545,435	\$ 11,719,087
Other.....	9,505,144	14,373,742	17,567,426	18,240,367
Interest.....	149,317	371,156	1,093,578	1,835,921
Miscellaneous.....	49,169	568,035	78,517	159,271
Amortizations of Bond Premiums.....	0	9,522	28,566	0
Transfers.....	1,339,878	1,941,200	2,020,000	2,168,600
<b>Total General Revenues and Transfers.....</b>	<b>\$ 18,953,111</b>	<b>\$ 26,559,371</b>	<b>\$ 31,333,522</b>	<b>\$ 34,123,246</b>
<b>Change in Net Assets.....</b>	<b>(1,974,185)</b>	<b>9,960,407</b>	<b>8,748,632</b>	<b>6,742,173</b>
<b>Net Assets - Beginning.....</b>	<b>239,429,687</b>	<b>237,455,502</b>	<b>247,415,908</b>	<b>256,164,540</b>
<b>Net Assets - Ending.....</b>	<b>\$237,455,502</b>	<b>\$247,415,909</b>	<b>\$256,164,540</b>	<b>\$262,906,713</b>

Note: (1) Expenses less program revenues or Charges for Services and Operating Grants and contributions.



### Statement of Net Assets Governmental Activities

	As of April 30			
	2004	2005	2006	2007
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents .....	\$ 7,539,574	\$ 20,467,648	\$ 27,269,498	\$ 32,844,779
Investments .....	1,283,046	1,842,557	237,448	0
Receivables:				
Property Taxes .....	6,640,395	7,473,219	8,487,777	9,583,166
Accounts .....	613,823	564,069	1,590,607	1,282,921
Other .....	498,921	1,006,470	1,044,345	1,015,796
Prepays .....	0	0	31,685	0
Internal Balances .....	(3,719,829)	(3,585,160)	(3,719,829)	(3,719,829)
Due from Other Governmental Units .....	3,038,410	2,572,496	2,291,969	3,424,011
Total Current Assets .....	\$ 15,894,340	\$ 30,341,299	\$ 37,233,500	\$ 44,430,844
Noncurrent Assets:				
Internal Balances .....	0	(1,027,409)	0	0
Unamortized Bond Costs and Discounts .....	0	400,756	380,378	360,001
Capital Assets, Not Being Depreciated .....	160,442,926	155,454,727	157,919,687	167,672,205
Capital Assets, Net of Accumulated Depreciation .....	91,974,527	102,806,930	103,228,891	102,596,782
Total Assets .....	<u>\$268,311,793</u>	<u>\$287,976,303</u>	<u>\$298,762,456</u>	<u>\$315,059,832</u>
<b>LIABILITIES AND NET ASSETS:</b>				
Current Liabilities:				
General Obligation Bonds .....	\$ 335,000	\$ 374,362	\$ 684,362	\$ 739,362
Alternative Revenue Bonds .....	335,000	375,000	385,000	8,650,000
Capital Leases .....	0	0	0	70,671
Accounts Payable .....	1,170,774	1,333,437	1,754,196	1,416,810
Accrued Liabilities .....	546,173	574,214	537,261	748,032
Accrued Interest .....	0	0	383,100	499,836
Deposits .....	417,085	1,338,343	1,306,896	1,593,660
Compensated Absences .....	145,498	143,000	147,637	105,599
Deferred Revenue .....	6,805,670	7,450,683	8,656,952	10,088,576
Total Current Liabilities .....	\$ 9,755,200	\$ 11,589,039	\$ 13,855,404	\$ 23,912,546
Noncurrent Liabilities:				
General Obligation Bonds .....	\$ 6,520,000	\$ 22,079,070	\$ 21,394,708	\$ 20,655,346
Alternative Revenue Bonds .....	11,950,000	3,315,000	2,930,000	2,530,000
Unamortized Bond Premium .....	0	561,791	533,225	504,660
Capital Leases .....	0	0	580,646	888,448
Pension Obligation .....	1,068,224	1,383,777	1,420,674	1,420,674
Compensated Absences .....	1,562,867	1,631,691	1,883,259	2,241,445
Total Noncurrent Liabilities .....	\$ 21,101,091	\$ 28,971,329	\$ 28,742,512	\$ 28,240,573
Total Liabilities .....	\$ 30,856,291	\$ 40,560,368	\$ 42,597,916	\$ 52,153,119
Net Assets:				
Invested in Capital Assets, Net of Related Debt .....	\$233,277,453	\$231,957,163	\$235,173,862	\$236,735,160
Restricted for Other Purposes .....	7,566,478	16,209,411	10,454,082	1,495,636
Unrestricted (Deficit) .....	(3,388,429)	(750,666)	10,536,596	24,675,917
Total Net Assets .....	<u>\$237,455,502</u>	<u>\$247,415,908</u>	<u>\$256,164,540</u>	<u>\$262,906,713</u>
Total Liabilities and Net Assets .....	<u>\$268,311,793</u>	<u>\$287,976,276</u>	<u>\$298,762,456</u>	<u>\$315,059,832</u>

## General Fund Balance Sheet

Audited as of April 30					
	2003	2004	2005(1)	2006(1)	2007(1)
<b>ASSETS:</b>					
Cash and Cash Equivalents.....	\$ 5,007,004	\$ 2,226,507	\$ 4,808,279	\$11,734,857	\$14,471,700
Investments.....	0	0	1,614,735	839	0
Receivables:					
Property Taxes.....	4,694,069	5,415,364	6,181,560	7,026,102	7,984,914
Accounts.....	539,278	396,412	385,879	442,256	546,290
Other.....	0	477,114	986,654	1,015,212	766,716
Due From Other Governmental Units.....	2,867,003	2,608,028	2,241,103	2,214,377	2,595,120
Prepays.....	0	0	0	31,685	0
Due From Other Funds.....	1,185,442	1,185,442	0	569,898	928,262
Advanced to Other Funds.....	0	0	1,162,599	601,412	265,891
Total Assets.....	<u>\$14,292,796</u>	<u>\$12,308,867</u>	<u>\$17,380,809</u>	<u>\$23,636,638</u>	<u>\$27,558,893</u>
<b>LIABILITIES:</b>					
Accounts Payable.....	\$ 2,246,747	\$ 805,733	\$ 1,008,383	\$ 913,867	\$ 999,746
Accrued Expenses.....	351,530	485,145	507,565	479,486	678,723
Due to Other Funds.....	3,680,118	5,632,105	5,956,716	5,347,962	5,109,505
Deposits.....	334,778	417,085	1,338,343	1,306,847	1,496,788
Deferred Revenue.....	4,601,574	5,580,639	6,162,000	7,195,277	8,320,761
Total Liabilities.....	<u>\$11,214,747</u>	<u>\$12,920,707</u>	<u>\$14,973,007</u>	<u>\$15,243,439</u>	<u>\$16,605,523</u>
<b>FUND EQUITY:</b>					
Reserved.....	\$ 0	\$ 472,279			
Unreserved.....	3,078,049	(1,084,119)			
Total Fund Equity.....	<u>\$ 3,078,049</u>	<u>\$ (611,840)</u>			
Total Liabilities and Fund Equity.....	<u>\$14,292,796</u>	<u>\$12,308,867</u>			
<b>Fund Balances(1):</b>					
Reserved for:					
Advances.....			\$ 1,162,599	\$ 601,412	\$ 265,891
Prepays.....			0	31,685	0
Unreserved (Deficits).....			1,245,203	7,760,102	10,687,479
Total Fund Balances.....			<u>\$ 2,407,802</u>	<u>8,393,199</u>	<u>10,953,370</u>
Total Liabilities and Fund Balances.....			<u>\$17,380,809</u>	<u>\$23,636,638</u>	<u>\$27,558,893</u>

Note: (1) Reporting format changed to fund balances from fund equity.

## General Fund Revenues and Expenditures

	Audited Years Ending April 30				
	2003	2004	2005	2006	2007
<b>REVENUES:</b>					
Property Taxes.....	\$ 4,207,692	\$ 4,919,611	\$ 5,814,154	\$ 6,629,402	\$ 7,520,331
Other Taxes.....	6,303,642	7,425,142	11,519,420	13,885,818	13,197,019
Interest Income.....	313,155	107,263	147,601	509,555	952,543
Fines, Licenses, Permits, and Fees.....	2,563,581	2,048,275	1,357,861	2,086,803	3,219,354
Charges for Services.....	2,997,194	2,643,191	2,799,273	3,731,574	4,256,847
Intergovernmental.....	5,257,660	2,631,860	2,962,412	3,008,954	3,533,386
Other.....	1,481,749	554,504	1,055,625	1,360,875	1,646,494
Total Revenues.....	\$23,124,673	\$20,329,846	\$25,656,346	\$31,212,981	\$34,325,974
<b>EXPENDITURES:</b>					
General Government.....	\$ 4,249,322	\$ 5,129,039	\$ 5,714,031	\$ 6,615,749	\$ 7,017,337
Public Safety.....	8,778,544	9,015,974	9,960,417	10,820,900	12,179,167
Public Works.....	8,775,539	3,923,685	3,693,080	5,275,414	5,891,351
Principal and Interest.....	459,615	468,345	0	194,169	194,421
Capital Outlay.....	0	5,295,001	3,611,192	3,051,051	5,927,106
Total Expenditures.....	\$22,263,020	\$23,832,044	\$22,978,720	\$25,957,283	\$31,209,382
Excess of Revenues Over (Under) Expenditures \$	861,653	\$(3,502,198)	\$ 2,677,626	\$ 5,255,698	\$ 3,116,592
Other Financing Sources (Uses):					
Capital Lease Proceeds.....	\$ 0	\$ 0	\$ 0	\$ 756,199	\$ 553,379
Operating Transfers (In).....	175,000	1,339,878	1,942,433	2,047,000	2,195,600
Operating Transfers (Out).....	(6,212,034)	(1,527,569)	(1,600,417)	(2,073,500)	(3,305,400)
Excess of Revenues and Other Sources					
Over (Under) Expenditures.....	\$(5,175,381)	\$(3,689,889)	\$ 3,019,642	\$ 5,985,397	\$ 2,560,171
Beginning Fund Balance.....	8,253,430	3,078,049	(611,840)	2,407,802	8,393,199
Ending Fund Balance.....	\$ 3,078,049	\$ (611,840)	\$ 2,407,802	\$ 8,393,199	\$10,953,370

## General Fund Budget Financial Information

	Budget Twelve Months Ending 4/30/2008	Unaudited Twelve Months Ending 4/30/2008
<b>REVENUES:</b>		
Property Taxes .....	\$ 8,010,100	\$ 8,197,387
Other Taxes .....	19,957,500	17,428,944
Interest Income .....	900,000	824,914
Fines, Licenses, Permits, and Fees .....	6,546,300	7,492,524
Grants .....	187,000	171,208
Other .....	4,065,700	4,027,928
Total Revenues .....	<u>\$39,666,600</u>	<u>\$38,142,905</u>
<b>EXPENDITURES:</b>		
General Government .....	\$ 8,627,000	\$ 8,258,397
Public Safety .....	14,911,900	14,452,672
Public Works(1) .....	10,792,700	9,142,560
Other .....	5,335,000	5,071,105
Total Expenditures .....	<u>\$39,666,600</u>	<u>\$36,924,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 0	\$ 1,218,171

Note: (1) Includes capital outlay.

## PENSION AND RETIREMENT OBLIGATIONS

See **APPENDIX A** herein.

## REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The Village shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The Village will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any 2008A Bond following the close of business on the first day of the month in which an interest payment date occurs on such 2008A Bond (known as the record date), nor to transfer or exchange any 2008A Bond after notice calling such 2008A Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any 2008A Bonds.

The Bond Registrar shall not be required to transfer or exchange any 2008B Bond following the close of business on the first day of the month next preceding the maturity date of such 2008B Bond (known as the record date), nor to transfer or exchange any 2008B Bond after notice calling such 2008B Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any 2008B Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

#### TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. The Internal Revenue Code of 1986, as amended (the "Code") includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include all tax exempt interest, including interest on the Bonds.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the Issue Price of a maturity of the 2008A Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the 2008A Bonds (the "2008A OID Bonds") and the principal amount payable at maturity is original issue discount.

The Issue Price of a maturity of the 2008B Bonds is less than the amount payable at maturity. The difference between the Issue Price of each maturity of the 2008B Bonds (the "2008B OID Bonds" and, with the 2008A OID Bonds, the "OID Bonds") and the amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the Village as the taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

#### CONTINUING DISCLOSURE

The Village will enter into a continuing disclosure undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under **"THE UNDERTAKING"**.

The Village represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule. A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See **"THE UNDERTAKING - Consequences of Failure of the Village to Provide Information"**. A failure by the Village to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

## THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

### Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to each Nationally Recognized Municipal Securities Information Repository (a "NRMSIR") then recognized by the Securities and Exchange Commission for purposes of the Rule and to the repository, if any, designated by the State of Illinois as the state information depository (the "SID") and recognized as such by the Commission for purposes of the Rule. Annual Financial Information will be provided to each NRMSIR and to the SID, if any, by 210 days after the last day of the Village's fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

"Annual Financial Information" means:

1. The table under the heading of **Retailers' Occupation, Service Occupation and Use Tax** within this Official Statement;
2. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
3. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
4. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

"Audited Financial Statements" means the financial statements of the Village as audited annually by independent certified public accountants. Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

### Material Events Disclosure

The Village covenants that it will disseminate to each NRMSIR or to the Municipal Securities Rulemaking Board (the "MSRB") and to the SID, if any, in a timely manner the disclosure of the occurrence of an Event (as described below) with respect to the Bonds that is material, as materiality is interpreted under the Securities Exchange Act of 1934, as amended. The "Events" are:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the security;
7. Modifications to the rights of security holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities; and
11. Rating changes.



## Contact Person

Financial Information and Notices of material Events can be obtained from: Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446; telephone (815) 886-7200.

## Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to each NRMSIR or to the MSRB and to the SID, if any, of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Village to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order to cause the Village to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

## Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the Village, by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

- (a) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Village, or type of business conducted;
- (b) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds as determined by parties unaffiliated with the Village (such as Bond Counsel), at the time of the amendment.

## Termination of Undertaking

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Village shall give notice to each NRMSIR or MSRB and the SID, if any, in a timely manner if this paragraph is applicable.

## Additional Information

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a material Event, in addition to that which is required by the Undertaking. If the Village chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the Village shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

## Dissemination Agent

The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

So long as such method continues to be approved by the Commission for purposes of the Rule, the Village may satisfy its obligations for all purposes of the Undertaking to provide information or notice to each NRMSIR and to the SID, if any, by sending such information or notice to Disclosure USA (at, as of the date of this Official Statement [www.DisclosureUSA.org](http://www.DisclosureUSA.org)) for submission to each NRMSIR and to the SID, if any.

## OPTIONAL REDEMPTION

### Series 2008A Bonds

Series 2008A Bonds due December 30, 2009-2018, inclusive, are non-callable. Series 2008A Bonds due December 30, 2019-2020, inclusive, are callable in whole or in part on any date on or after June 30, 2018, at a price of par and accrued interest. If less than all the Series 2008A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Series 2008A Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Series 2008A Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Failure to give such notice by mail to any registered owner of the Series 2008A Bonds (or portion thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of other Series 2008A Bonds (or portions thereof). All Series 2008A Bonds (or portions thereof) so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

### Series 2008B Bonds

Series 2008B Bonds are callable at the option of the Village on any June 30 or December 30 on or after June 30, 2018, at a price equal to the then compounded accreted value.

The Bond Registrar will give notice of redemption, identifying the Series 2008B Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Series 2008B Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Failure to give such notice by mail to any registered owner of the Series 2008B Bonds (or portion thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of other Series 2008B Bonds (or portions thereof). All Series 2008B Bonds (or portions thereof) so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

## LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof.

## CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel") who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP, Chicago, Illinois, has, at the request of the Village supplied the information under the headings "TAX EXEMPTION" and "CERTAIN LEGAL MATTERS".

## OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Village, and all expressions of opinion, whether or not so stated, are intended only as such.

## INVESTMENT RATINGS

Fitch Ratings and Moody's Investors Service, have assigned ratings of "AAA" and "Aaa", respectively, to the Bonds, with the understanding that, upon delivery of the Bonds, a bond insurance policy will be issued by Assured Guaranty. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch Ratings, One State Street Plaza, New York, New York 10004; Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

Assured Guaranty Corp. ("Assured Guaranty"), a Maryland-domiciled insurance company, has delivered its financial guaranty insurance policy (the "Policy") with respect to the scheduled payments of principal of and interest on this Bond to Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent on behalf of the holders of the Bonds (the "Paying Agent"). Such Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from Assured Guaranty or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of Assured Guaranty as more fully set forth in the Policy.



**APPENDIX A**

**VILLAGE OF ROMEOVILLE  
WILL COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2007 AUDITED FINANCIAL STATEMENTS**

Village of Romeoville, Illinois

Statement of Net Assets  
April 30, 2007

Assets	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash and cash equivalents	\$ 32,844,779	\$ 32,672,930	\$ 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	220,807	580,808
Capital assets not being depreciated	167,672,205	16,589,738	184,261,943
Capital assets being depreciated, net	102,586,782	86,240,521	188,827,303
Total non-current assets	270,659,868	103,050,866	373,679,854
Total assets	\$ 315,059,832	\$ 140,877,155	\$ 455,936,987

Liabilities and Net Assets

Current Liabilities			
General obligation bonds	\$ 739,362	\$ 1,185,466	\$ 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	105,589	105,123	210,712
Unearned revenue	10,893,576	-	10,893,576
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	10,169,806	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	63,289,333	300,024,493
Restricted for MFT Allotments	1,495,636	-	1,495,636
Unrestricted	24,675,917	38,036,802	62,712,719
Total net assets	262,906,713	99,326,135	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
Governmental activities:						
General government	\$ 9,885,069	\$ 3,551,795	\$ 759,165	\$ -	\$ (5,544,109)	\$ -
Public safety	14,775,858	2,246,766	210,915	-	(12,316,174)	-
Public works	11,498,635	3,139,242	1,076,933	1,122,124	(6,161,336)	-
Culture and recreation	2,971,666	884,973	7,500	1,961	(2,077,232)	-
Interest and fees	1,282,222	-	-	-	(1,282,222)	-
Total governmental activities	40,413,450	9,853,779	2,054,513	1,124,085	(27,381,073)	-
Business-type activities:						
Water and sewer	11,327,387	15,238,456	-	-	-	3,911,049
Total	\$ 51,740,837	\$ 25,092,215	\$ 2,054,513	\$ 1,124,085	(27,381,073)	\$ 3,911,049

General revenues

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	-	-	-	-	1,835,921
Miscellaneous	159,271	-	-	-	-	159,271
Transfers	2,168,600	-	-	-	-	2,168,600
Total general revenues and transfers	34,123,245	-	-	-	(44,927)	34,078,319
Change in net assets	6,742,173	-	-	-	3,865,122	10,608,295
Net assets:						
May 1, 2006	258,164,540	-	-	-	95,470,013	351,634,553
April 30, 2007	\$ 262,906,713	\$ 99,326,135	-	-	\$ 362,242,848	-

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Balance Sheet  
Governmental Funds  
April 30, 2007

Assets	General Fund	Recreation Fund	Marquette Center TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total
Cash and cash equivalents	\$ 14,471,700	\$ 1,559,638	\$ 8,000,671	\$ 2,008,745	\$ 8,404,025	\$ 32,844,779
Receivables:						
Property taxes	7,894,914	687,080	-	-	911,172	9,593,166
Accounts	546,290	108,655	-	-	627,976	1,282,921
Other	765,716	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	265,881	-	-	-	-	265,881
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>\$ 8,850,352</b>	<b>\$ 51,436,894</b>
<b>Liabilities and Fund Balances</b>						
Liabilities						
Accounts payable	999,748	339,727	-	\$ 8,250,000	-	\$ 8,250,000
Accrued liabilities	676,723	68,309	-	25,681	51,658	1,416,610
Accrued interest	-	-	-	134,436	-	134,436
Deposits	1,496,788	96,872	-	-	-	1,593,660
Due to other funds	5,103,505	1,596,708	22,843	-	11,103	6,740,159
Advances from other funds	8,320,761	265,891	-	-	-	265,891
Unearned revenue	825,911	-	-	-	941,904	10,098,676
<b>Total liabilities</b>	<b>\$ 16,605,523</b>	<b>\$ 3,194,418</b>	<b>\$ 22,843</b>	<b>\$ 8,410,117</b>	<b>\$ 1,004,563</b>	<b>\$ 29,237,554</b>
Fund balances:						
Reserved for advances	265,891	-	-	-	-	265,891
Unreserved (deficits):						
General fund	10,687,479	(265,891)	-	-	1,853,866	10,687,479
Special revenue funds	-	-	-	-	803,039	1,597,975
Debt service funds	-	-	10,067,504	(6,401,372)	5,188,814	8,854,946
Capital projects funds	-	-	10,067,504	(6,401,372)	7,845,719	22,199,330
<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>\$ 8,850,352</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 use 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	(21,394,703)
Alleman revenue bonds	(2,530,000)
Pension obligations	(1,420,674)
Compensated absences	(2,347,044)
Capital lease	(958,119)
Net assets of governmental activities	\$ 282,805,713

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	\$ 693,107	\$ 2,559,914	\$ -	\$ 1,046,735	\$ 11,719,087
Other taxes	13,197,019	1,082,255	-	-	839,822	14,917,895
Interest	952,543	60,102	417,463	21,923	383,830	1,835,921
Fees	687,587	-	-	-	-	687,587
Licenses and permits	2,551,767	-	-	-	-	2,551,767
Charges for services	4,256,847	775,800	-	-	-	5,032,647
Intergovernmental	3,533,366	7,500	-	-	1,835,098	5,376,964
Developer contributions	-	1,981	-	-	1,122,124	1,124,085
Other	1,845,494	109,373	-	-	5,382	1,954,249
<b>Total revenues</b>	<b>34,325,974</b>	<b>2,628,898</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	7,556,105
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
Capital service:						
Principal	174,908	-	-	-	1,059,352	1,234,260
Interest and fees	19,515	-	-	134,436	1,141,159	1,355,110
Bond issuance costs	-	-	-	-	-	-
Capital outlay	5,927,106	1,074,954	-	5,805,191	6,350,000	12,757,251
<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>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,116,592</b>	<b>(962,461)</b>	<b>2,970,377</b>	<b>(6,401,372)</b>	<b>(4,224,980)</b>	<b>(5,500,844)</b>
<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	(691,412)	10,867,503	-	7,118,955	24,978,195
April 30, 2007	\$ 10,953,370	\$ (355,891)	\$ 10,867,504	\$ (6,401,372)	\$ 7,845,719	\$ 22,189,330

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 these expenditures over the life of the assets. This is the amount by which capital assets exceeded depreciation expense and loss on disposal in the current period.	\$	14,572,465
Capital outlays	(17,560)	
Loss on disposal	(5,434,498)	9,120,409
Depreciation expense		
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:		(553,379)
Capital leases		
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:	\$	694,352
General obligation bonds	385,000	
Alternate revenue bonds	174,905	1,244,268
Capital leases		
Discount on bonds is recorded as other financing use 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.		28,565
Amortization premium on bonds		
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.		(20,377)
Amortization bond issuance costs		
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	(298,448)
Increase in compensated absences	(316,148)	
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

Assets	Business-Type Activities
Current Assets	
Cash and cash equivalents	\$ 32,622,930
Accounts receivable	1,483,530
Due from other funds	3,719,829
<b>Total current assets</b>	<b>37,826,289</b>
Non-Current Assets	
Unamortized bond costs	220,607
Capital assets not being depreciated	16,589,738
Capital assets being depreciated, net	88,240,521
<b>Total non-current assets</b>	<b>105,050,866</b>
<b>Total assets</b>	<b>\$ 140,877,155</b>
<b>Liabilities and Net Assets</b>	
Current Liabilities	
General obligation bonds	\$ 1,185,486
Alternate revenue bonds	341,312
Accounts payable	1,084,171
Accrued liabilities	101,131
Accrued interest	599,085
Deposits	112,260
Compensated absences	105,123
<b>Total current liabilities</b>	<b>3,498,558</b>
Long-term Liabilities, net of current maturities	
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>	<b>38,042,452</b>
<b>Total liabilities</b>	<b>41,541,020</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	63,293,333
Unrestricted	38,036,802
<b>Total net assets</b>	<b>\$ 99,336,135</b>
<b>Total liabilities and net assets</b>	<b>\$ 140,877,155</b>

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	Business-Type Activities
Operating revenues:	
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>
Operating expenses:	
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>
Non-operating income (expense):	
Interest income	1,220,508
Interest expense	(663,992)
Loss on sale of capital assets	(354,957)
<b>Total non-operating income (expense)</b>	<b>(84,441)</b>
<b>Income before transfers</b>	<b>6,048,722</b>
Transfers out	(2,169,600)
<b>Change in net assets</b>	<b>3,879,122</b>
<b>Net assets:</b>	
May 1, 2006	95,470,013
April 30, 2007	<b>\$ 99,336,135</b>

See Notes to Basic Financial Statements.

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	1,905,449
Net cash provided by operating activities	\$ 8,038,612
Supplemental Schedule of Non-Cash Capital Activities	
Accrued interest capitalized during construction phase	\$ 281,555
See Notes to Basic Financial Statements.	

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

	Business-Type Activities
Cash flows from Operating Activities	
Cash received from customers	\$ 15,558,312
Cash received from developers	110,913
Payments to employees	(2,758,640)
Payments to suppliers	(4,874,573)
Net cash provided by operating activities	8,038,612
Cash flows from non-capital financing activities	
Transfers out	(2,188,600)
Net cash used in non-capital financing activities	(2,188,600)
Cash flows from capital and related financing activities	
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	(380,000)
Interest paid	(980,091)
Net cash used in capital and related financing activities	(5,855,671)
Cash flows from investing activities	
Cash receipts from interest income	1,220,508
Net increase in cash and cash equivalents	1,254,849
Cash and equivalents:	
May 1, 2006	31,355,081
April 30, 2007	\$ 32,609,930

(continued)

Village of Romeoville, Illinois

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

<b>Assets</b>	
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>	<b>\$ 18,167,975</b>

Liabilities and Net Assets

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

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

<b>Additions</b>	
Contributions:	
Employer	\$ 1,071,735
Employee	480,994
<b>Total contributions</b>	<b>1,552,729</b>
Investment income:	
Net appreciation in fair value of investments	1,337,018
Interest	529,032
<b>Total investment income</b>	<b>1,916,050</b>
<b>Total additions</b>	<b>3,468,779</b>
Deductions:	
Benefits	572,572
Administrative expenses	8,098
<b>Total deductions</b>	<b>580,670</b>
<b>Change in net assets</b>	<b>2,888,109</b>
<b>Net assets held in trust for employees' pension benefits:</b>	
May 1, 2005	15,279,866
April 30, 2007	<b>\$ 18,167,975</b>

See 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.

**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.

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.

Expenses 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.

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 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 asset's lives are not capitalized.

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:

	Estimated Useful Lives
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.

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. 48, *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.

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:

- 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.
- Public hearings are conducted by the Village to obtain taxpayer comments.
- Subsequently, the budget is legally enacted through passage of an ordinance.
- 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.
- Budgets for those funds were adopted on a basis consistent with generally accepted accounting principles.
- Budgetary authority lapses at the year-end.
- 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.
- Budget amounts are as originally adopted.

Deficit Fund Balances

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

Fund	Amount	Intended Financing
Recreation Fund	\$ 285,891	Program revenue
Facility Construction Fund	6,401,372	Long-term debt

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	Less Than 1	Investment Maturities (in Years)				More Than 10
			1-5	6-10			
U.S. Treasury Notes	\$ 301,832	\$ -	\$ 103,813	\$ 198,019	\$ -		
U.S. Treasury Bills	2,454,883	299,316	2,129,872	-	-		26,895
U.S. agencies - FFCB	217,461	-	143,077	44,375	-		30,009
U.S. agencies - FHLM	1,381,412	-	700,995	588,695	-		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	-	-	-	-		48,334
Illinois Funds *	40,342,267	40,342,267	39,975	64,325	-		-
Illinois Metropolitan Investment Fund *	8,446,249	8,446,249	-	-	-		-
Money Market Funds *	560,835	560,835	-	-	-		-
Total	\$ 58,876,214	\$ 49,648,667	\$ 3,939,098	\$ 1,963,247	\$ -		\$ 3,325,202

\* 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 FHLBC, 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>				
Capital assets not being depreciated:				
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</b>	<b>157,919,687</b>	<b>12,159,996</b>	<b>2,407,478</b>	<b>167,672,205</b>
Capital assets being depreciated:				
Buildings and property	20,384,462	-	-	20,384,462
Machinery and equipment	2,157,316	486,772	180,148	2,463,940
Furniture and fixtures	1,592,443	-	-	1,592,443
Vehicles	4,289,289	1,188,988	-	5,478,267
Infrastructure	128,937,622	3,184,177	-	132,151,799
<b>Total capital assets</b>	<b>157,411,112</b>	<b>4,819,947</b>	<b>180,148</b>	<b>162,070,911</b>
Less accumulated depreciation for:				
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	595,533	105,758	-	706,291
Vehicles	2,816,856	493,013	-	3,309,869
Infrastructure	42,881,218	3,954,821	-	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>17,580</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)

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	475,363
	<u>\$ 5,434,496</u>
Total depreciation expense - governmental activities	<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
Allstate revenue bonds	\$ -	\$ 8,250,000	\$ -	\$ 8,250,000

On December 15, 2006, the Village issued \$8,250,000 in Allstate 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 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
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 9,328	\$ 11,400	\$ -	\$ 20,728
Construction in progress	4,304,464	16,742,149	4,477,603	16,569,010
Total capital assets being depreciated	4,313,792	16,753,549	4,477,603	16,589,738
Capital assets being depreciated:				
Buildings and property	12,962	2,188,978	-	2,201,940
Machinery and equipment	6,936,684	63,101	1,158,199	5,841,586
Vehicles	694,160	102,101	-	796,261
Infrastructure	106,149,547	2,331,140	-	108,480,687
Other equipment	1,044,258	-	133,717	910,541
Total capital assets being depreciated	114,837,641	4,685,320	1,291,916	118,231,045
Less accumulated depreciation for:				
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
Total accumulated depreciation	29,816,981	3,110,502	936,959	31,990,524
Total capital assets being depreciated, net	85,020,660	1,574,818	354,957	86,240,521
Business-type activities Capital assets, net	\$ 89,334,452	\$ 18,328,367	\$ 4,832,560	\$ 102,830,259

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	\$ -	\$ 884,362	\$ 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	-
	\$ 29,426,286	\$ 1,684,527	\$ 2,059,268	\$ 29,051,545	\$ 1,315,632

\*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)	-
	\$ 27,495,702	\$ 13,264,739	\$ 1,411,798	\$ 39,348,643	\$ 1,526,798

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 \$25,663,760 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, \$385,000 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
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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
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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, \$2,085,000 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%. \$5,915,282 of this balance has been pledged to be repaid by revenue from the water and sewer operations.	21,525,000
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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, \$295,000 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
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Deferred gain on refunding	38,324
Unamortized bond issuance costs	(135,892)
<b>Total General Obligation Bonds</b>	<b>32,642,432</b>

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 \$300,000 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 \$80,000 in 2008, \$115,000 in 2009, \$135,000 in 2010, \$170,000 in 2011, \$225,000 in 2016, \$600,000 in 2017, \$680,000 in 2018. Interest is due on June 30 and December 30 of each year varying from 3.0% to 4.3%.

2,295,000

(64,715)

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, 2008 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 2009, \$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

## 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			
	General Obligation Bonds		Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 739,362	\$ 976,922	\$ 400,000	\$ 119,183
2009	812,298	939,633	440,000	103,307
2010	1,274,103	857,825	135,000	85,815
2011	1,414,318	767,898	170,000	81,225
2012	1,772,978	738,819	-	75,105
2013-2017	9,518,156	2,419,440	1,125,000	354,000
2018-2022	4,313,493	817,537	660,000	20,380
2023-2025	1,550,000	157,750	-	-
	\$ 21,394,708	\$ 7,675,824	\$ 2,930,000	\$ 847,015
			\$ 959,119	\$ 132,354

Fiscal Year	Business-type			
	General Obligation Bonds		Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 1,165,486	\$ 422,749	\$ 341,312	\$ 507,852
2009	1,187,550	384,048	391,312	493,415
2010	1,600,745	384,936	(8,688)	476,915
2011	785,530	354,753	846,312	476,915
2012	886,870	278,758	866,312	437,000
2013-2017	4,783,230	794,773	5,333,725	1,513,830
2018-2022	818,313	50,708	2,770,000	192,875
2023-2025	-	-	-	-
	\$ 11,247,724	\$ 2,670,721	\$ 10,540,285	\$ 4,098,802
			\$ 62,496,552	

## 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/subs.htm](http://www.imrf.org/subs.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60521.

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 8.85 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/mileage, 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.

## 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	(53,945)
Annual pension cost	810,838
Contributions made	777,246
Increase in net pension obligation	33,592
Net pension obligation, beginning of year	1,238,878
Net pension obligation, end of year	\$ 1,272,470

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)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
04/30/2005	\$ 810,838	\$ 777,246	96%	\$ 1,272,470
04/30/2006	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	26
Active vested plan members	36
Active non-vested plan members	
<b>Total members</b>	<b>73</b>

## 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 13.61% 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	(6,309)
Annual pension cost	120,107
Contributions made	116,802
Increase in net pension obligation	3,305
Net pension obligation, beginning of year	144,899
Net pension obligation, end of year	\$ 148,204

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)	Annual Contributions Made	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  
Active non-vested plan members

Total members 9

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

Assets	Firefighters' Pension	Police Pension	Total
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	176,600	1,955,523	2,134,123
Annuity contracts		5,025,103	5,025,103
Accrued interest receivable		47,304	47,304
Total assets	\$ 1,791,308	\$ 16,376,667	\$ 18,167,975

Liabilities and Net Assets

Liabilities	\$ -	\$ -	\$ -
Net assets held in trust for employees' pension benefits	1,791,308	16,376,667	18,167,975
Total liabilities and net assets	\$ 1,791,308	\$ 16,376,667	\$ 18,167,975

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
Additions			
Contributions:			
Employer	\$ 154,872	\$ 916,863	\$ 1,071,735
Employee	88,054	392,940	480,994
Total contributions	242,926	1,309,803	1,552,729
Investment income:			
Net appreciation in fair value of investments	39,846	1,347,372	1,387,018
Interest	77,882	451,150	529,032
Total investment income	117,528	1,798,522	1,916,050
Total additions	360,454	3,108,325	3,468,779
Deductions			
Benefits	-	572,572	572,572
Administrative expenses	4,675	3,423	8,098
Total deductions	4,675	575,995	580,670
Change in net assets	355,779	2,532,330	2,888,109
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

Village of Romeoville, Illinois

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 reinsure 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:

Fund	Due from	Due to
Major Governmental:		
General:		
Recreation	\$ 886,708	\$ -
Downtown TIF	8,711	-
Marquette Center TIF	22,843	2,089,676
Water and Sewer	-	3,019,829
	928,262	5,109,505
Recreation:		
General	-	886,708
Water and Sewer	-	700,000
	-	1,586,708
Marquette Center TIF,		
General	2,089,676	22,843
Major Business-type,		
Water and Sewer:		
General	3,019,829	-
Recreation	700,000	-
	3,719,829	-
Non-Major Governmental Funds:		
Debt Service		
2002A Construction	-	2,392
2002A Construction		
Debt Service	2,392	-
Downtown TIF,		
General	-	8,711
	2,392	11,103
Total	\$ 6,740,159	\$ 6,740,159

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:

Fund	Advances to	Advances from
Major Governmental:		
General	\$ 265,891	\$ -
Recreation	-	265,891
Recreation, General		
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:

Fund	Transfer From	Transfer To
Major Governmental Funds:		
General:	\$ -	\$ 1,314,700
Recreation	-	1,990,700
Non-major debt service funds	27,000	-
Non-major special revenue funds	2,188,600	-
Water and Sewer	2,195,600	3,305,400
Recreation:		
General:	1,314,700	-
Non-major debt service funds	-	17,718
Non-major capital projects funds	1,314,700	17,718
Marquette Center TIF,		
Non-major capital projects funds	-	2,970,376
Major Business-type,		
Water and Sewer,		
General	-	2,188,600
Non-Major Governmental Funds:		
Non-major special revenue funds	-	27,000
General		
Non-major debt service funds	17,718	-
Recreation	1,990,700	-
General	38,109	38,109
Non-major debt service funds	-	-
Non-major capital projects funds	2,970,376	-
Marquette Center TIF	5,016,903	65,109
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.



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, 2008. 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 (Allemaire Revenue Bonds), Refunding Bonds Series 1997A, with an average interest rate of 5.07%. The proceeds of \$5,048,885 (including premium of \$28,885) plus a village contribution of \$128,830 were used to purchase \$5,109,408 of U.S. government securities and pay issuance costs of \$84,307. 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 \$547,063.

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%.

## APPENDIX B

### DESCRIBING BOOK-ENTRY ONLY ISSUANCE

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other bond transactions in deposited bonds, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of bond certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. bond brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Village or Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Village or the Bond Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Village may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

## APPENDIX C

### BOND INSURANCE

The following information is not complete and reference is made to **APPENDIX C** for a specimen of the financial guaranty insurance policy (the "Policy") of Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer").

#### The Insurance Policy

Assured Guaranty has made a commitment to issue the Policy relating to the Bonds, effective as of the date of issuance of such Bonds. Under the terms of the Policy, Assured Guaranty will unconditionally and irrevocably guarantee to pay that portion of principal of and interest on the Bonds that becomes Due for Payment but shall be unpaid by reason of Nonpayment (the "Insured Payments"). Insured Payments shall not include any additional amounts owing by the Village solely as a result of the failure by the Trustee or the Paying Agent to pay such amount when due and payable, including without limitation any such additional amounts as may be attributable to penalties or to interest accruing at a default rate, to amounts payable in respect of indemnification, or to any other additional amounts payable by the Trustee or the Paying Agent by reason of such failure. The Policy is non-cancelable for any reason, including without limitation the non-payment of premium.

"Due for Payment" means, when referring to the principal of the Bonds, the stated maturity date thereof, or the date on which such Bonds shall have been duly called for mandatory sinking fund redemption, and does not refer to any earlier date on which payment is due by reason of a call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless Assured Guaranty in its sole discretion elects to make any principal payment, in whole or in part, on such earlier date) and, when referring to interest on such Bonds, means the stated dates for payment of interest.

"Nonpayment" means the failure of the Village to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all principal and interest Due for Payment on the Bonds. It is further understood that the term Nonpayment in respect of a Bond also includes any amount previously distributed to the Holder (as such term is defined in the Policy) of such Bond in respect of any Insured Payment by or on behalf of the Village, which amount has been recovered from such Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction that such payment constitutes an avoidable preference with respect to such Holder. Nonpayment does not include nonpayment of principal or interest caused by the failure of the Trustee or the Paying Agent to pay such amount when due and payable.

Assured Guaranty will pay each portion of an Insured Payment that is Due for Payment and unpaid by reason of Nonpayment, on the later to occur of (i) the date such principal or interest becomes Due for Payment, or (ii) the business day next following the day on which Assured Guaranty shall have received a completed notice of Nonpayment therefor in accordance with the terms of the Policy.

Assured Guaranty shall be fully subrogated to the rights of the Holders of the Bonds to receive payments in respect of the Insured Payments to the extent of any payment by Assured Guaranty under the Policy.

The Policy is not covered by any insurance or guaranty fund established under New York, California, Connecticut or Florida insurance law.

## The Insurer

Assured Guaranty Corp. ("Assured Guaranty") is a Maryland-domiciled insurance company regulated by the Maryland Insurance Administration and licensed to conduct financial guaranty insurance business in all fifty states of the United States, the District of Columbia and Puerto Rico. Assured Guaranty commenced operations in 1988. Assured Guaranty is a wholly owned, indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, structured finance and mortgage markets. Neither AGL nor any of its shareholders is obligated to pay any debts of Assured Guaranty or any claims under any insurance policy issued by Assured Guaranty.

Assured Guaranty is subject to insurance laws and regulations in Maryland and in New York (and in other jurisdictions in which it is licensed) that, among other things, (i) limit Assured Guaranty's business to financial guaranty insurance and related lines, (ii) prescribe minimum solvency requirements, including capital and surplus requirements, (iii) limit classes and concentrations of investments, (iv) regulate the amount of both the aggregate and individual risks that may be insured, (v) limit the payment of dividends by Assured Guaranty, (vi) require the maintenance of contingency reserves, and (vii) govern changes in control and transactions among affiliates. Certain state laws to which Assured Guaranty is subject also require the approval of policy rates and forms.

Assured Guaranty's financial strength is rated "AAA" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), "AAA" by Fitch, Inc. ("Fitch") and "Aaa" by Moody's Investors Service, Inc. ("Moody's"). Each rating of Assured Guaranty should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of any security guaranteed by Assured Guaranty. Assured Guaranty does not guaranty the market price of the securities it guarantees, nor does it guaranty that the ratings on such securities will not be revised or withdrawn.

### *Capitalization of Assured Guaranty Corp.*

As of December 31, 2007, Assured Guaranty had total admitted assets of \$1,361,538,502 (unaudited), total liabilities of \$961,967,238 (unaudited), total surplus of \$399,571,264 (unaudited) and total statutory capital (surplus plus contingency reserves) of \$982,045,695 (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. As of December 31, 2006, Assured Guaranty had total admitted assets of \$1,248,270,663 (audited), total liabilities of \$962,316,898 (audited), total surplus of \$285,953,765 (audited) and total statutory capital (surplus plus contingency reserves) of \$916,827,559 (audited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. The Maryland Insurance Administration recognizes only statutory accounting practices for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maryland Insurance Code, and for determining whether its financial condition warrants the payment of a dividend to its stockholders. No consideration is given by the Maryland Insurance Administration to financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") in making such determinations.



### *Incorporation of Certain Documents by Reference*

The portions of the following documents relating to Assured Guaranty are hereby incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- The Annual Report on Form 10-K of AGL for the fiscal year ended December 31, 2007 (which was filed by AGL with the Securities and Exchange Commission (the "SEC") on February 29, 2008);
- The Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2008 (which was filed by AGL with the SEC on May 9, 2008); and
- The Current Reports on Form 8-K filed by AGL with the SEC, as they relate to Assured Guaranty.

All consolidated financial statements of Assured Guaranty and all other information relating to Assured Guaranty included in documents filed by AGL with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this Official Statement and prior to the termination of the offering of the Bonds shall be deemed to be incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such consolidated financial statements.

Any statement contained in a document incorporated herein by reference or contained herein under the heading **"APPENDIX C - BOND INSURANCE - The Insurer"** shall be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any subsequently filed document which is incorporated by reference herein also modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

Copies of the consolidated financial statements of Assured Guaranty incorporated by reference herein and of the statutory financial statements filed by Assured Guaranty with the Maryland Insurance Administration are available upon request by contacting Assured Guaranty at 1325 Avenue of the Americas, New York, New York 10019 or by calling Assured Guaranty at (212) 974-0100. In addition, the information regarding Assured Guaranty that is incorporated by reference in this Official Statement that has been filed by AGL with the SEC is available to the public over the Internet at the SEC's web site at <http://www.sec.gov> and at AGL's web site at <http://www.assuredguaranty.com>, from the SEC's Public Reference Room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the office of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Assured Guaranty makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading **"APPENDIX C - BOND INSURANCE"**.



## Specimen Financial Guaranty Insurance Policy

Assured Guaranty Corp.  
1325 Avenue of the Americas  
New York, NY 10019  
t. 212.974.0100  
www.assuredguaranty.com

### Financial Guaranty Insurance Policy

Issuer:

Policy No.:

Obligations:

Premium:

Effective Date:

Assured Guaranty Corp., a Maryland corporation ("Assured Guaranty"), in consideration of the payment of the Premium and on the terms and subject to the conditions of this Policy (which includes each endorsement hereto), hereby unconditionally and irrevocably agrees to pay to the trustee (the "Trustee") or the paying agent (the "Paying Agent") for the Obligations (as set forth in the documentation providing for the issuance of and securing the Obligations) for the benefit of the Holders that portion of the Insured Payments which shall become Due for Payment but shall be unpaid by reason of Nonpayment.

Assured Guaranty will make such Insured Payments to the Trustee or the Paying Agent on the later to occur of (i) the date applicable principal or interest becomes Due for Payment, or (ii) the Business Day next following the day on which Assured Guaranty shall have Received a completed Notice of Nonpayment. If a Notice of Nonpayment by Assured Guaranty is incomplete or does not in any instance conform to the terms and conditions of this Policy, it shall be deemed not Received, and Assured Guaranty shall promptly give notice to the Trustee or the Paying Agent. Upon receipt of such notice, the Trustee or the Paying Agent may submit an amended Notice of Nonpayment. The Trustee or the Paying Agent will disburse the Insured Payments to the Holders only upon receipt by the Trustee or the Paying Agent in form reasonably satisfactory to it of (i) evidence of the Holder's right to receive such payments, and (ii) evidence, including without limitation any appropriate instruments of assignment, that all of the Holder's rights to payment of such principal or interest Due for Payment shall thereupon vest in Assured Guaranty. Upon and to the extent of such disbursement, Assured Guaranty shall become the Holder of the Obligations, any appurtenant coupon thereto and right to receipt of payment of principal thereof or interest thereon, and shall be fully subrogated to all of the Holder's right, title and interest thereunder, including without limitation the right to receive payments in respect of the Obligations. Payment by Assured Guaranty to the Trustee or the Paying Agent for the benefit of the Holders shall discharge the obligation of Assured Guaranty under this Policy to the extent of such payment.

This Policy is non-cancelable by Assured Guaranty for any reason. The Premium on this Policy is not refundable for any reason. This Policy does not insure against loss of any prepayment premium or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Assured Guaranty, nor against any risk other than Nonpayment.

Except to the extent expressly modified by any endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Avoided Payment" means any amount previously distributed to a Holder in respect of any Insured Payment by or on behalf of the Issuer, which amount has been recovered from such Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction that such payment constitutes an avoidable preference with respect to such Holder. "Business Day" means any day other than (i) a Saturday or Sunday, (ii) any day on which the offices of the Trustee, the Paying Agent or Assured Guaranty are closed, or (iii) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the City of New York or in the State of Maryland. "Due for Payment" means (i) when referring to the principal of an Obligation, the stated maturity date thereof, or the date on which such Obligation shall have been duly called for mandatory sinking fund redemption, and does not refer to any earlier date on which payment is due by reason of a call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless Assured Guaranty in its sole discretion elects to make any principal payment, in whole or in part, on such earlier date) and (ii) when referring to interest on an Obligation, the stated date for payment of such interest. "Holder" means, in respect of any Obligation, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Obligation to payment of principal or interest thereunder, except that Holder shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Obligations. "Insured Payments" means that portion of the principal of and interest on the Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment. Insured Payments shall not include any additional amounts owing by the Issuer solely as a result of the failure by the Trustee or the Paying Agent to pay such amount when due and payable, including without limitation any such additional amounts as may be attributable to penalties or to interest accruing at a default rate, to amounts payable in respect of indemnification, or to any other additional amounts payable by the Trustee or the Paying Agent by reason of such failure. "Nonpayment" means, in respect of an Obligation, the failure of the Issuer to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all principal and interest Due for Payment on such Obligation. It is further understood that the term "Nonpayment" in respect of an Obligation includes any Avoided Payment. "Receipt" or "Received" means actual receipt or notice of or, if notice is given by overnight or other delivery service, or by certified or registered United States mail, by a delivery receipt signed by a person authorized to accept delivery on behalf of the person to whom the notice was given. Notices to Assured Guaranty may be mailed by registered mail or personally delivered or telecopied to it at 1325 Avenue of the Americas, New York, New York 10019, Telephone Number: (212) 974-0100, Facsimile Number: (212) 581-3268, Attention: Risk Management Department - Public Finance Surveillance, with a copy to the General Counsel, or to such other address as shall be specified by Assured Guaranty to the Trustee or the Paying Agent in writing. A Notice of Nonpayment will be deemed to be Received by Assured Guaranty on a given Business Day if it is Received prior to 12:00 noon (New York City time) on such Business Day; otherwise it will be deemed Received on the

next Business Day. "Term" means the period from and including the Effective Date until the earlier of (i) the maturity date for the Obligations, or (ii) the date on which the Issuer has made all payments required to be made on the Obligations.

At any time during the Term of this Policy, Assured Guaranty may appoint a fiscal agent (the "Fiscal Agent") for purposes of this Policy by written notice to the Trustee or the Paying Agent, specifying the name and notice address of such Fiscal Agent. From and after the date of Receipt of such notice by the Trustee or the Paying Agent, copies of all notices and documents required to be delivered to Assured Guaranty pursuant to this Policy shall be delivered simultaneously to the Fiscal Agent and to Assured Guaranty. All payments required to be made by Assured Guaranty under this Policy may be made directly by Assured Guaranty or by the Fiscal Agent on behalf of Assured Guaranty. The Fiscal Agent is the agent of Assured Guaranty only, and the Fiscal Agent shall in no event be liable to the Trustee or the Paying Agent for any acts of the Fiscal Agent or any failure of Assured Guaranty to deposit, or cause to be deposited, sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, Assured Guaranty hereby waives, in each case for the benefit of the Holders only, all rights and defenses of any kind (including, without limitation, the defense of fraud in the inducement or in fact or any other circumstance that would have the effect of discharging a surety, guarantor or any other person in law or in equity) that may be available to Assured Guaranty to deny or avoid payment of its obligations under this Policy in accordance with the express provisions hereof. Nothing in this paragraph will be construed (i) to waive, limit or otherwise impair, and Assured Guaranty expressly reserves, Assured Guaranty's rights and remedies, including, without limitation, its right to assert any claim or to pursue recoveries (based on contractual rights, securities law violations, fraud or other causes of action) against any person or entity, in each case, whether directly or acquired as a subrogee, assignee or otherwise, subsequent to making any payment to the Trustee or the Paying Agent, in accordance with the express provisions hereof, and/or (ii) to require payment by Assured Guaranty of any amounts that have been previously paid or that are not otherwise due in accordance with the express provisions of this Policy.

This Policy (which includes each endorsement hereto) sets forth in full the undertaking of Assured Guaranty with respect to the subject matter hereof, and may not be modified, altered or affected by any other agreement or instrument, including, without limitation, any modification thereto or amendment thereof. **THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.** This Policy will be governed by, and shall be construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, Assured Guaranty has caused this Policy to be affixed with its corporate seal, to be signed by its duly authorized officer, and to become effective and binding upon Assured Guaranty by virtue of such signature.

ASSURED GUARANTY CORP.

(SEAL)

By:

[Insert Authorized Signatory Name]  
[Insert Authorized Signatory Title]

Signature attested to by:

Counsel



## APPENDIX D

### PROPOSED FORM OF OPINION OF BOND COUNSEL

{LETTERHEAD OF CHAPMAN AND CUTLER LLP}

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined a certified copy of the proceedings (the "Proceedings") had by the President and Board of Trustees of the Village of Romeoville, Will County, Illinois (the "Village"), passed preliminary to the issuance by the Village of its fully registered General Obligation Bonds, Series 2008A (the "2008A Bonds"), to the amount of \$\_\_\_\_,000, dated June 30, 2008, of the denomination of \$5,000 and integral multiples thereof, and due serially on December 30 of the years and in the amounts and bearing interest at the rates per cent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)	YEAR	AMOUNT (\$)	RATE (%)
2009	,000		2015	,000	
2010	,000		2016	,000	
2011	,000		2017	,000	
2012	,000		2018	,000	
2013	,000		2019	,000	
2014			2020	,000	

The 2008A Bonds coming due on and after December 30, 2019, are subject to redemption prior to maturity at the option of the Village, from any available moneys, on June 30, 2018, and any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the Village and within any maturity by lot, at a redemption price of par plus accrued interest to the date fixed for redemption.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the 2008A Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the Village and, except that the rights of the owners of the 2008A Bonds and the enforceability of the 2008A Bonds may be limited by bankruptcy, reorganization, moratorium, insolvency and other similar laws relating to creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion, is payable from ad valorem property taxes levied against all of the taxable property within the Village without limitation as to rate or amount.

It is our opinion that, subject to compliance by the Village with certain covenants, under present law, interest on the 2008A Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants could cause interest on the 2008A Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2008A Bonds. Ownership of the 2008A Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2008A Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the 2008A Bonds.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts within the Village's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined a certified copy of the proceedings (the "*Proceedings*") had by the President and Board of Trustees of the Village of Romeoville, Will County, Illinois (the "*Village*"), passed preliminary to the issuance by the Village of its fully registered General Obligation (Capital Appreciation) Bonds, Series 2008B (the "*2008B Bonds*"), to the aggregate original principal amount of \$\_\_\_\_\_, dated the date of delivery thereof, being \_\_\_\_\_, 2008, and due serially on December 30 of the years and in the amounts and shall have Yields to Maturity as follows:

YEAR	OPM (\$)	YTM (%)	CAVM (\$)
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			

The 2008B Bonds are not subject to redemption prior to maturity.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the 2008B Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the Village and, except that the rights of the owners of the 2008B Bonds and the enforceability of the 2008B Bonds may be limited by bankruptcy, reorganization, moratorium, insolvency and other similar laws relating to creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion, is payable from ad valorem property taxes levied against all of the taxable property within the Village without limitation as to rate or amount.

It is our opinion that, subject to compliance by the Village with certain covenants, under present law, interest on the 2008B Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants could cause interest on the 2008B Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2008B Bonds. Ownership of the 2008B Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2008B Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the 2008B Bonds.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts within the Village's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

PMCurtnerJKKelly:mls

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**SERIES 2008A  
OFFICIAL BID FORM  
(OPEN AUCTION INTERNET SALE)**

Village of Romeoville  
13 Montrose Drive  
Romeoville, Illinois 60441-1329

May 28, 2008  
Speer Financial, Inc.

President and Board of Trustees:

For the \$10,800,000 General Obligation Bonds, Series 2008A, of the Village of Romeoville, Will County, Illinois, as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$\_\_\_\_\_ (no less than par) plus accrued interest from June 30, 2008, to the date of delivery for Series 2008A Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

**MATURITIES - DECEMBER 30**

\$275,000 ... 2009 _____ %	\$ 850,000 ... 2013 _____ %	\$ 700,000 ... 2017 _____ %
475,000 ... 2010 _____ %	1,175,000 ... 2014 _____ %	1,150,000 ... 2018 _____ %
400,000 ... 2011 _____ %	1,575,000 ... 2015 _____ %	1,000,000 ... 2019 _____ %
700,000 ... 2012 _____ %	2,050,000 ... 2016 _____ %	450,000 ... 2020 _____ %

*Any consecutive maturities may be aggregated into no more than five term bonds at the option of the bidder in which case the mandatory redemption provisions shall be on the same schedule as above.*

Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_  
Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_

The Series 2008A Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Series 2008A Bonds with the CUSIP numbers as entered on the Series 2008A Bonds.

As evidence of our good faith, we enclose herewith a check or Surety Bond payable to the order of the Treasurer of the Village in the amount of **TWO PERCENT OF PAR** (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

**Form of Deposit**

Check One:

Certified/Cashier's Check ☐  
Financial Surety Bond ☐

Amount: \$216,000  
The above Certified/Cashier's  
Check was returned and received

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

Check Number: \_\_\_\_\_

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

The foregoing bid was accepted and the Series 2008A Bonds sold pursuant to an ordinance of the Village passed on May 21, 2008, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF ROMEOVILLE, WILL COUNTY, ILLINOIS

\_\_\_\_\_  
President

\*Subject to change.

NOT PART OF THE BID  
(Calculation of true interest cost)

Gross Interest	\$
Less Premium/Plus Discount	\$
True Interest Cost	\$
True Interest Rate	%
TOTAL BOND YEARS	83,550.00
AVERAGE LIFE	7.736 Years

**OFFICIAL NOTICE OF SALE**  
**\$10,800,000**  
**VILLAGE OF ROMEOVILLE**  
**Will County, Illinois**  
**General Obligation Bonds, Series 2008A**

The Village of Romeoville, Will County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$10,800,000 General Obligation Bonds, Series 2008A (the "Series 2008A Bonds"), on an all or none basis between 9:45 A.M. and 10:00 A.M., C.D.T., Wednesday, May 28, 2008. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2008A Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2008A Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Series 2008A Bonds and the enforceability of the Series 2008A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

**Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Series 2008A Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). No telephone, telefax or personal delivery bids will be accepted. The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

**Rules of SpeerAuction**

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

**Rules**

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2008A Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.
- (2) Neither the Village, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2008A Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Series 2008A Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2008A Bonds to winning bidder at settlement, neither the Village, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2008A Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2008A Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Series 2008A Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Series 2008A Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the Series 2008A Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 30 and December 30 of each year commencing June 30, 2009, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the "Bond Registrar"). The Series 2008A Bonds are dated June 30, 2008.

#### MATURITIES - DECEMBER 30

\$275,000 ... 2009	\$ 850,000 ... 2013	\$ 700,000 ... 2017
475,000 ... 2010	1,175,000 ... 2014	1,150,000 ... 2018
400,000 ... 2011	1,575,000 ... 2015	1,000,000 ... 2019
700,000 ... 2012	2,050,000 ... 2016	450,000 ... 2020

*Any consecutive maturities may be aggregated into no more than five term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

Series 2008A Bonds due December 30, 2009-2018, inclusive, are non-callable. Series 2008A Bonds due December 30, 2019-2020, inclusive, are callable in whole or in part and on any date on or after June 30, 2018, at a price of par and accrued interest. If less than all the Series 2008A Bonds are called, they shall be redeemed in any order of maturity as determined by the Village and within any maturity by lot.

The scheduled payment of principal of and interest on the Series 2008A Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2008A Bonds by Assured Guaranty Corp. The premium for such insurance policy and the related rating of Moody's Investors Service and Fitch Ratings will be paid by the Village. Additional ratings are at the cost of the purchaser of the Series 2008A Bonds.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed one percent (1%). All bids must be for all of the Series 2008A Bonds, must be for not less than par plus accrued interest from the dated date to the date of delivery.

Award of the Series 2008A Bonds: The Series 2008A Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2008A Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Series 2008A Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Series 2008A Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Financial Advisor, which determination shall be conclusive and binding on all bidders; provided, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Financial Advisor will notify the bidder to whom the Series 2008A Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Series 2008A Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

Prior to submitting a bid, each bidder shall provide a certified or cashier's check on a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Village as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Village pending delivery of the Series 2008A Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2008A Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2008A Bonds. The Financial Surety Bond must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer Financial, Inc., prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. The winning bidder is required to submit its Deposit to the Village in the form of a certified or cashier's check or wire transfer as instructed by Speer Financial, Inc., or the Village not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Village to satisfy the Deposit requirement. No interest on the Deposit will accrue to the purchaser.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Series 2008A Bonds on or before the date of delivery of the Series 2008A Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Village represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule.



The Underwriter's obligation to purchase the Series 2008A Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Series 2008A Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Series 2008A Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2008A Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about June 30, 2008. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2008A Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2008A Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Series 2008A Bonds, as that term is defined in the Rule. By awarding the Series 2008A Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2008A Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Series 2008A Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2008A Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Series 2008A Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2008A Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Series 2008A Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2008A Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the Series 2008A Bonds are lawful and enforceable obligations of the Village in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Village without limitation as to rate or amount, except that the rights of the owners of the Series 2008A Bonds and the enforceability of the Series 2008A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the Series 2008A Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Series 2008A Bonds; and (3) a no litigation certificate by the Village.

The Village does not intend to designate the Series 2008A Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Series 2008A Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the Village, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **KIRK OPENCHOWSKI**  
Finance Director  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

/s/ **JOHN NOAK**  
Village President  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

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**SERIES 2008B BONDS  
OFFICIAL BID FORM  
(OPEN AUCTION INTERNET SALE)**

Village of Romeoville  
13 Montrose Drive  
Romeoville, Illinois 60441-1329

May 28, 2008  
Speer Financial, Inc.

President and Board of Trustees:

For the \$36,200,000\* General Obligation (Capital Appreciation) Bonds, Series 2008B, of Village of Romeoville, Will County, Illinois, as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ \_\_\_\_\_ for the Series 2008B Bonds bearing interest as follows. Underwriting discount in this bid is subject to adjustment allowing the same \$ \_\_\_\_\_ profit per \$1,000 current principal value as is computed in our bid.

**COMPUTATION OF PRICE BID FOR CAPITAL APPRECIATION BONDS**

Due Dec. 30	Compounded Accreted Value At Maturity(1)	Reoffering Yield(2)	Due Dec. 30	Compounded Accreted Value At Maturity(1)	Reoffering Yield(2)
2021 .....	\$6,000,000	_____ %	2030 .....	\$6,500,000	_____ %
2022 .....	6,000,000	_____ %	2031 .....	6,500,000	_____ %
2023 .....	6,000,000	_____ %	2032 .....	6,500,000	_____ %
2024 .....	6,000,000	_____ %	2033 .....	6,500,000	_____ %
2025 .....	6,500,000	_____ %	2034 .....	6,500,000	_____ %
2026 .....	6,500,000	_____ %	2035 .....	6,500,000	_____ %
2027 .....	6,500,000	_____ %	2036 .....	6,500,000	_____ %
2028 .....	6,500,000	_____ %	2037 .....	6,500,000	_____ %
2029 .....	6,500,000	_____ %			

Discount.....\$ \_\_\_\_\_  
Price Bid for the Series 2008B Bonds.....\$ \_\_\_\_\_  
True Interest Rate(3).....%

- (1) The Village reserves the right to increase or decrease any or all maturity values, in multiples of \$5,000, in order to result in an original principal amount of approximately \$36,200,000\*.  
(2) State interest rate for Compounded Amount At Maturity.  
(3) True interest rate assuming a June 30, 2008, delivery date.

The Series 2008B Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to apply for CUSIP numbers within 24 hours and pay the fee charged by the CUSIP Service Bureau and will accept the Series 2008B Bonds with the CUSIP numbers as entered on the Series 2008B Bonds.

As evidence of our good faith, we enclose herewith a check or Surety Bond payable to the order of the Treasurer of the Village in the amount of **TWO PERCENT OF PAR** (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

**Form of Deposit**

Check One:

Certified/Cashier's Check ☐  
Financial Surety Bond ☐

Amount: \$724,000  
The above Certified/Cashier's  
Check was returned and received

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

Check Number: \_\_\_\_\_

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

The foregoing bid was accepted and the Series 2008B Bonds sold pursuant to an ordinance of the Village passed on May 21, 2008, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

**VILLAGE OF ROMEOVILLE, WILL COUNTY, ILLINOIS**

\_\_\_\_\_  
President

**OFFICIAL NOTICE OF SALE**  
**\$36,200,000\***  
**VILLAGE OF ROMEOVILLE**  
**Will County, Illinois**  
**General Obligation (Capital Appreciation) Bonds, Series 2008B**

The Village of Romeoville, Will County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$36,200,000\* General Obligation (Capital Appreciation) Bonds, Series 2008B (the "Series 2008B Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.D.T., Wednesday, May 28, 2008. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2008B Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2008B Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Series 2008B Bonds and the enforceability of the Series 2008B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

**Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Series 2008B Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). No telephone, telefax or personal delivery bids will be accepted. The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

**Rules of SpeerAuction**

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

**Rules**

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2008B Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.
- (2) Neither the Village, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2008B Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Series 2008B Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2008B Bonds to winning bidder at settlement, neither the Village, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

\*Subject to change.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2008B Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2008B Bonds will be in fully registered form in the denominations of \$5,000 compound accreted value at maturity (or at redemption) and integral multiples thereof registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments representing the compound accreted value at maturity (or at redemption) on the Series 2008B Bonds will be paid. Individual purchases will be in book-entry form only. Interest on the Series 2008B Bonds will be compounded on December 30, 2008, and semiannually thereafter on June 30 and December 30 of each year on the basis of a 360-day year of twelve 30-day months. Interest will be payable, together with principal, only at maturity (or at redemption) or upon prior redemption. Principal and interest representing the compound accreted value at maturity (or at redemption) are payable by the Village's registration and paying agent Amalgamated Bank of Chicago, Chicago, Illinois (the "Paying Agent"). The compound accreted value at maturity (or at redemption) of the Series 2008B Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Paying Agent.

#### COMPOUNDED AMOUNT AT MATURITY - DECEMBER 30

Amount at Maturity*	Due Dec. 30	Amount at Maturity*	Due Dec. 30
\$6,000,000 .....	2021	\$6,500,000 .....	2030
6,000,000 .....	2022	6,500,000 .....	2031
6,000,000 .....	2023	6,500,000 .....	2032
6,000,000 .....	2024	6,500,000 .....	2033
6,500,000 .....	2025	6,500,000 .....	2034
6,500,000 .....	2026	6,500,000 .....	2035
6,500,000 .....	2027	6,500,000 .....	2036
6,500,000 .....	2028	6,500,000 .....	2037
6,500,000 .....	2029		

*The Village reserves the right to increase or decrease any or all maturity values, in multiples of \$5,000, in order to result in an original principal amount of approximately \$36,200,000\*.*

Series 2008B Bonds are callable at the option of the Village on any June 30 and December 30 on or after June 30, 2018, at a price equal to the then compounded value.

The scheduled payment of principal of and interest on the Series 2008B Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2008B Bonds by Assured Guaranty Corp. The premium for such insurance policy and the related rating of Moody's Investors Service and Fitch Ratings will be paid by the Village. Additional ratings are at the cost of the purchaser of the Series 2008B Bonds.

The bids must state a reoffering price or yield (stated interest rate for each compound accreted value at maturity). The Series 2008B Bonds will be awarded on the basis of true interest cost, determined in the following manner. The lowest true interest cost will be the annual interest rate (compounded on December 30, 2008, and semiannually thereafter) necessary to discount the debt service payments on the Series 2008B Bonds from the payment dates thereof to the dated date (assumed to be June 30, 2008) and to the bid price. For the purpose of calculating true interest cost, the Series 2008B Bonds shall be deemed to become due in the compound accreted values at maturity and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Series 2008B Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2008B Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Financial Advisor will notify the bidder to whom the Series 2008B Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Series 2008B Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

\*Subject to change.

Prior to submitting a bid, each bidder shall provide a certified or cashier's check on a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Village as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Village pending delivery of the Series 2008B Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2008B Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2008B Bonds. The Financial Surety Bond must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer Financial, Inc., prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. The winning bidder is required to submit its Deposit to the Village in the form of a certified or cashier's check or wire transfer as instructed by Speer Financial, Inc., or the Village not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Village to satisfy the Deposit requirement. No interest on the Deposit will accrue to the purchaser.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Series 2008B Bonds on or before the date of delivery of the Series 2008B Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Village represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule.

The Underwriter's obligation to purchase the Series 2008B Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Series 2008B Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Series 2008B Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2008B Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about June 30, 2008. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2008B Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2008B Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Series 2008B Bonds, as that term is defined in the Rule. By awarding the Series 2008B Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2008B Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Series 2008B Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2008B Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Series 2008B Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.


By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2008B Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Series 2008B Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2008B Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, that the Series 2008B Bonds are lawful and enforceable obligations of the Village in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Village without limitation as to rate or amount, except that the rights of the owners of the Series 2008B Bonds and the enforceability of the Series 2008B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the Series 2008B Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Series 2008B Bonds; and (3) a no litigation certificate by the Village.

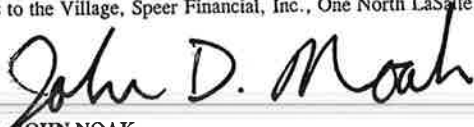
The Village intends **does not intend** to designate the Series 2008B Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Series 2008B Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the Village, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/

  
KIRK OPENCOWSKI  
Finance Director  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

/s/

  
JOHN NOAK  
Village President  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

NEW ISSUE

**SIGNED COPY**

Investment Rating:  
Moody's Investors Service ... Aaa  
Fitch Ratings ... AAA  
(Assured Guaranty Insured)

Underlying Ratings:  
Moody's Investors Service ... A2  
Fitch Ratings ... A+

ADDENDUM DATED JUNE 11, 2008

OFFICIAL STATEMENT DATED MAY 15, 2008

**\$10,800,000**  
**CITY OF ROMEOVILLE**  
Will County, Illinois  
General Obligation Bonds, Series 2008A

**AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS**

Principal Amount	Due Dec. 30	Interest Rate	Yield	Principal Amount	Due Dec. 30	Interest Rate	Yield
\$ 275,000	2009	3.250%	2.100%	\$1,575,000	2015	3.750%	3.550%
475,000	2010	3.250%	2.450%	2,050,000	2016	4.000%	3.700%
400,000	2011	3.375%	2.900%	700,000	2017	4.000%	3.850%
700,000	2012	3.500%	3.100%	1,150,000	2018	4.000%	4.000%
850,000	2013	3.500%	3.250%	1,000,000	2019*	4.000%	4.100%
1,175,000	2014	3.625%	3.400%	450,000	2020*	4.125%	4.220%

*\*These maturities have been priced to call.*

The Official Statement of the Village dated May 15, 2008 (the "Official Statement") with respect to the Series 2008A Bonds is incorporated by reference herein and made a part hereof. The "Final Official Statement" of the Village with respect to the Series 2008A Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission shall be comprised of the following:

1. Official Statement dated May 15, 2008; and
2. This Addendum dated June 11, 2008.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Series 2008A Bonds other than as contained in the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Final Official Statement may be obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE THEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE DATE THEREOF.

The Village has authorized preparation of the Final Official Statement containing pertinent information relative to the Series 2008A Bonds and the Village. Copies of that Final Official Statement can be obtained from the Underwriter, as defined herein. Additional information may also be obtained from the Village or from the independent public finance consultants to the Village:

Established 1954

***Speer Financial, Inc.***

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**  
ONE NORTH LASALLE STREET • SUITE 4100 • CHICAGO, ILLINOIS 60602  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833



## ADDITIONAL INFORMATION

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request.

## DEBT INFORMATION

### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Total Alternate Bonds Outstanding	Total General Obligation Bonds Outstanding	The Bonds		Total Bonded Debt	Cumulative Retirement	
			Series 2008A	Series 2008B (CAB)		Amount	Percent
2008 .....	\$ 725,000	\$ 2,125,000	\$ 0	\$ 0	\$ 2,850,000	\$ 2,850,000	2.75%
2009 .....	0	3,030,000	275,000	0	3,305,000	6,155,000	5.95%
2010 .....	330,000	2,920,000	475,000	0	3,725,000	9,880,000	9.55%
2011 .....	325,000	3,230,000	400,000	0	3,955,000	13,835,000	13.37%
2012 .....	330,000	3,470,000	700,000	0	4,500,000	18,335,000	17.72%
2013 .....	350,000	3,800,000	850,000	0	5,000,000	23,335,000	22.55%
2014 .....	375,000	3,785,000	1,175,000	0	5,335,000	28,670,000	27.71%
2015 .....	400,000	3,795,000	1,575,000	0	5,770,000	34,440,000	33.29%
2016 .....	735,000	3,655,000	2,050,000	0	6,440,000	40,880,000	39.51%
2017 .....	775,000	5,745,000	700,000	0	7,220,000	48,100,000	46.49%
2018 .....	1,255,000	3,610,000	1,150,000	0	6,015,000	54,115,000	52.30%
2019 .....	0	3,925,000	1,000,000	0	4,925,000	59,040,000	57.06%
2020 .....	0	4,750,000	450,000	0	5,200,000	64,240,000	62.09%
2021 .....	0	1,340,000	0	2,779,425	4,119,425	68,359,425	66.07%
2022 .....	0	0	0	2,846,160	2,846,160	71,205,585	68.82%
2023 .....	0	0	0	2,675,040	2,675,040	73,880,625	71.41%
2024 .....	0	1,550,000	0	2,506,740	4,056,740	77,937,365	75.33%
2025 .....	0	0	0	2,545,205	2,545,205	80,482,570	77.79%
2026 .....	0	0	0	2,390,830	2,390,830	82,873,400	80.10%
2027 .....	0	0	0	2,243,605	2,243,605	85,117,005	82.27%
2028 .....	0	0	0	2,103,400	2,103,400	87,220,405	84.30%
2029 .....	0	0	0	1,974,180	1,974,180	89,194,585	86.21%
2030 .....	0	0	0	1,851,460	1,851,460	91,046,045	88.00%
2031 .....	0	0	0	1,739,010	1,739,010	92,785,055	89.68%
2032 .....	0	0	0	1,640,210	1,640,210	94,425,265	91.26%
2033 .....	0	0	0	1,546,740	1,546,740	95,972,005	92.76%
2034 .....	0	0	0	1,458,275	1,458,275	97,430,280	94.17%
2035 .....	0	0	0	1,374,620	1,374,620	98,804,900	95.50%
2036 .....	0	0	0	1,295,515	1,295,515	100,100,415	96.75%
2037 .....	0	0	0	1,220,765	1,220,765	101,321,180	97.93%
2038 .....	0	0	0	1,136,460	1,136,460	102,457,640	99.03%
2039 .....	0	0	0	1,008,244	1,008,244	103,465,884	100.00%
Total ...	\$5,600,000	\$50,730,000	\$10,800,000	\$36,335,884	\$103,465,884		

Note: (1) Source: the Village.



## General Obligation Bonded Debt – By Issue(1)

Issue	Amount	Source of Debt Service Payments
Series 1997B .....	\$ 400,000	Property Taxes
Series 1999(2) .....	4,875,000	Water and Sewer Revenues, Property Taxes
Series 2000A .....	3,190,000	Property Taxes
Series 2001A(2) .....	325,000	Motor Fuel Taxes, Property Taxes
Series 2001B(2) .....	400,000	Water and Sewer Revenues, Property Taxes
Series 2002A .....	1,755,000	Property Taxes
Series 2002B .....	2,205,000	Property Taxes
Series 2004 .....	21,205,000	Property Taxes
Series 2005 .....	4,255,000	Property Taxes
Series 2007A .....	4,820,000	Water and Sewer Revenues, Property Taxes
Series 2007B .....	12,900,000	Property Taxes
The Bonds-Series 2008A .....	10,800,000	Property Taxes
The Bonds-Series 2008B .....	36,335,884	Property Taxes
Total Outstanding .....	\$103,465,884	

- Notes: (1) Source: the Village.  
(2) The Series 1999, Series 2001A and Series 2001B are alternate revenue source bonds and the debt service levy for such bonds is expected to be abated annually and not extended.

## Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2006 Census 36,709)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2007 .....	\$1,125,909,473	100.00%	33.33%	\$30,671.21
Estimated Actual Value, 2007 .....	\$3,377,728,419	300.00%	100.00%	\$92,013.63
Total Direct Debt .....	\$ 103,465,884	9.19%	3.06%	\$ 2,818.54
Less: Non-Tax Supported(2) .....	(5,600,000)	(0.50%)	(0.17%)	(152.55)
Net Direct Debt .....	\$ 97,865,884	8.69%	2.90%	\$ 2,845.36
Overlapping Bonded Debt(3):				
Schools .....	\$ 87,447,249	7.77%	2.59%	\$ 2,382.17
Other .....	9,792,542	0.87%	0.29%	266.76
Total Overlapping Bonded Debt .....	\$ 97,239,791	8.64%	2.88%	\$ 2,648.94
Total Net Direct and Overlapping Bonded Debt .....	\$ 195,105,675	17.33%	5.78%	\$ 5,314.93

- Notes: (1) Source: Will County Clerk and the Village.  
(2) Includes Series 1999, Series 2001A, and Series 2001B.  
(3) As of April 17, 2008.

## INVESTMENT RATINGS

Moody's Investors Service, Inc., has assigned the Series 2008A Bonds a rating of "Aaa". Fitch Investors Service, L.P., has assigned the Series 2008A Bonds a rating of "AAA". These ratings are conditioned upon the delivery by Assured Guaranty Corp. of its standard form of Municipal Bond Insurance Policy. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Series 2008A Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. The Village has furnished to the rating agencies certain information and materials relating to the Series 2008A Bonds and the Village, including certain information and materials which may not have been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2008A Bonds. The Village and the Underwriter have undertaken no responsibility either to bring to the attention of the registered owners of the Series 2008A Bonds any proposal change in or withdrawal of such ratings or to oppose any such revision or withdrawal.


## UNDERWRITING

The Series 2008A Bonds were offered for sale by the Village at a public, competitive sale on June 11, 2008. The best bid submitted at the sale was submitted by Griffin, Kubik, Stephens & Thompson, Inc., Chicago, Illinois (the "Underwriter"). The Village awarded the contract for sale of the Series 2008A Bonds to the Underwriter at a price of \$10,800,000.00, plus accrued interest. The Underwriter has represented to the Village that the Series 2008A Bonds have been subsequently re-offered to the public initially at the yields set forth in this Addendum.

## AUTHORIZATION

The Official Statement dated May 15, 2008, and this Addendum dated June 11, 2008, for the \$10,800,000 General Obligation Bonds, Series 2008A, have been prepared under the authority of the Village and have been authorized for distribution by the Village.

/s/   
**KIRK OPENCHOWSKI**  
*Finance Director*  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

/s/   
**JOHN NOAK**  
*Village President*  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

NEW ISSUE

**SIGNED COPY**

Investment Rating:  
Moody's Investors Service ... Aaa  
Fitch Ratings ... AAA  
(Assured Guaranty Insured)

Underlying Ratings:  
Moody's Investors Service ... A2  
Fitch Ratings ... A+

ADDENDUM DATED JUNE 11, 2008

OFFICIAL STATEMENT DATED MAY 15, 2008

**\$36,335,884**  
**CITY OF ROMEOVILLE**  
**Will County, Illinois**  
**General Obligation (Capital Appreciation) Bonds, Series 2008B**

**AMOUNTS, MATURITIES, YIELDS AND PRICES**

Compound Accreted Value at Maturity	Due Dec. 30	Original Principal Amount	Stated Yield	Reoffering Price	Compound Accreted Value at Maturity	Due Dec. 30	Original Principal Amount	Stated Yield	Reoffering Price
\$5,500,000	2021	\$5,500,000	5.120%	50.535%	\$6,500,000	2031	\$6,500,000	5.690%	26.754%
6,000,000	2022	6,000,000	5.210%	47.436%	6,500,000	2032	6,500,000	5.700%	25.234%
6,000,000	2023	6,000,000	5.280%	44.584%	6,500,000	2033	6,500,000	5.710%	23.796%
6,000,000	2024	6,000,000	5.360%	41.779%	6,500,000	2034	6,500,000	5.720%	22.435%
6,500,000	2025	6,500,000	5.430%	39.157%	6,500,000	2035	6,500,000	5.730%	21.148%
6,500,000	2026	6,500,000	5.480%	36.782%	6,500,000	2036	6,500,000	5.740%	19.931%
6,500,000	2027	6,500,000	5.530%	34.517%	6,500,000	2037	6,500,000	5.750%	18.781%
6,500,000	2028	6,500,000	5.580%	32.360%	6,500,000	2038	6,500,000	5.800%	17.484%
6,500,000	2029	6,500,000	5.620%	30.372%	6,200,000	2039	6,200,000	5.850%	16.262%
6,500,000	2030	6,500,000	5.660%	28.484%					

The Official Statement of the Village dated May 15, 2008 (the "Official Statement") with respect to the Series 2008B Bonds is incorporated by reference herein and made a part hereof. The "Final Official Statement" of the Village with respect to the Series 2008B Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission shall be comprised of the following:

1. Official Statement dated May 15, 2008; and
2. This Addendum dated June 11, 2008.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Series 2008B Bonds other than as contained in the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Final Official Statement may be obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE THEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE DATE THEREOF.

The Village has authorized preparation of the Final Official Statement containing pertinent information relative to the Series 2008B Bonds and the Village. Copies of that Final Official Statement can be obtained from the Underwriter, as defined herein. Additional information may also be obtained from the Village or from the independent public finance consultants to the Village:

Established 1954

***Speer Financial, Inc.***

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**  
ONE NORTH LASALLE STREET • SUITE 4100 • CHICAGO, ILLINOIS 60602  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833

## ADDITIONAL INFORMATION

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request.

### DEBT INFORMATION

#### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Total Alternate Bonds Outstanding	Total General Obligation Bonds Outstanding	The Bonds		Total Bonded Debt	Cumulative Retirement	
			Series 2008A	Series 2008B (CAB)		Amount	Percent
2008 .....	\$ 725,000	\$ 2,125,000	\$ 0	\$ 0	\$ 2,850,000	\$ 2,850,000	2.75%
2009 .....	0	3,030,000	275,000	0	3,305,000	6,155,000	5.95%
2010 .....	330,000	2,920,000	475,000	0	3,725,000	9,880,000	9.55%
2011 .....	325,000	3,230,000	400,000	0	3,955,000	13,835,000	13.37%
2012 .....	330,000	3,470,000	700,000	0	4,500,000	18,335,000	17.72%
2013 .....	350,000	3,800,000	850,000	0	5,000,000	23,335,000	22.55%
2014 .....	375,000	3,785,000	1,175,000	0	5,335,000	28,670,000	27.71%
2015 .....	400,000	3,795,000	1,575,000	0	5,770,000	34,440,000	33.29%
2016 .....	735,000	3,655,000	2,050,000	0	6,440,000	40,880,000	39.51%
2017 .....	775,000	5,745,000	700,000	0	7,220,000	48,100,000	46.49%
2018 .....	1,255,000	3,610,000	1,150,000	0	6,015,000	54,115,000	52.30%
2019 .....	0	3,925,000	1,000,000	0	4,925,000	59,040,000	57.06%
2020 .....	0	4,750,000	450,000	0	5,200,000	64,240,000	62.09%
2021 .....	0	1,340,000	0	2,779,425	4,119,425	68,359,425	66.07%
2022 .....	0	0	0	2,846,160	2,846,160	71,205,585	68.82%
2023 .....	0	0	0	2,675,040	2,675,040	73,880,625	71.41%
2024 .....	0	1,550,000	0	2,506,740	4,056,740	77,937,365	75.33%
2025 .....	0	0	0	2,545,205	2,545,205	80,482,570	77.79%
2026 .....	0	0	0	2,390,830	2,390,830	82,873,400	80.10%
2027 .....	0	0	0	2,243,605	2,243,605	85,117,005	82.27%
2028 .....	0	0	0	2,103,400	2,103,400	87,220,405	84.30%
2029 .....	0	0	0	1,974,180	1,974,180	89,194,585	86.21%
2030 .....	0	0	0	1,851,460	1,851,460	91,046,045	88.00%
2031 .....	0	0	0	1,739,010	1,739,010	92,785,055	89.68%
2032 .....	0	0	0	1,640,210	1,640,210	94,425,265	91.26%
2033 .....	0	0	0	1,546,740	1,546,740	95,972,005	92.76%
2034 .....	0	0	0	1,458,275	1,458,275	97,430,280	94.17%
2035 .....	0	0	0	1,374,620	1,374,620	98,804,900	95.50%
2036 .....	0	0	0	1,295,515	1,295,515	100,100,415	96.75%
2037 .....	0	0	0	1,220,765	1,220,765	101,321,180	97.93%
2038 .....	0	0	0	1,136,460	1,136,460	102,457,640	99.03%
2039 .....	0	0	0	1,008,244	1,008,244	103,465,884	100.00%
Total .....	\$5,600,000	\$50,730,000	\$10,800,000	\$36,335,884	\$103,465,884		

Note: (1) Source: the Village.

## General Obligation Bonded Debt – By Issue(1)

Issue	Amount	Source of Debt Service Payments
Series 1997B .....	\$ 400,000	Property Taxes
Series 1999(2) .....	4,875,000	Water and Sewer Revenues, Property Taxes
Series 2000A .....	3,190,000	Property Taxes
Series 2001A(2) .....	325,000	Motor Fuel Taxes, Property Taxes
Series 2001B(2) .....	400,000	Water and Sewer Revenues, Property Taxes
Series 2002A .....	1,755,000	Property Taxes
Series 2002B .....	2,205,000	Property Taxes
Series 2004 .....	21,205,000	Property Taxes
Series 2005 .....	4,255,000	Property Taxes
Series 2007A .....	4,820,000	Water and Sewer Revenues, Property Taxes
Series 2007B .....	12,900,000	Property Taxes
The Bonds-Series 2008A .....	10,800,000	Property Taxes
The Bonds-Series 2008B .....	36,335,884	Property Taxes
Total Outstanding .....	\$103,465,884	

- Notes: (1) Source: the Village.  
(2) The Series 1999, Series 2001A and Series 2001B are alternate revenue source bonds and the debt service levy for such bonds is expected to be abated annually and not extended.

## Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To Equalized Assessed	Estimated Actual	Per Capita (2006 Census 36,709)
Village EAV of Taxable Property, 2007 .....	\$1,125,909,473	100.00%	33.33%	\$30,671.21
Estimated Actual Value, 2007 .....	\$3,377,728,419	300.00%	100.00%	\$92,013.63
Total Direct Debt .....	\$ 103,465,884	9.19%	3.06%	\$ 2,818.54
Less: Non-Tax Supported(2) .....	(5,600,000)	(0.50%)	(0.17%)	(152.55)
Net Direct Debt .....	\$ 97,865,884	8.69%	2.90%	\$ 2,845.36
Overlapping Bonded Debt(3):				
Schools .....	\$ 87,447,249	7.77%	2.59%	\$ 2,382.17
Other .....	9,792,542	0.87%	0.29%	266.76
Total Overlapping Bonded Debt .....	\$ 97,239,791	8.64%	2.88%	\$ 2,648.94
Total Net Direct and Overlapping Bonded Debt .....	\$ 195,105,675	17.33%	5.78%	\$ 5,314.93

- Notes: (1) Source: Will County Clerk and the Village.  
(2) Includes Series 1999, Series 2001A, and Series 2001B.  
(3) As of April 17, 2008.

## INVESTMENT RATINGS


Moody's Investors Service, Inc., has assigned the Series 2008B Bonds a rating of "Aaa". Fitch Investors Service, L.P., has assigned the Series 2008B Bonds a rating of "AAA". These ratings are conditioned upon the delivery by Assured Guaranty Corp. of its standard form of Municipal Bond Insurance Policy. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Series 2008B Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. The Village has furnished to the rating agencies certain information and materials relating to the Series 2008B Bonds and the Village, including certain information and materials which may not have been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2008B Bonds. The Village and the Underwriter have undertaken no responsibility either to bring to the attention of the registered owners of the Series 2008B Bonds any proposal change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

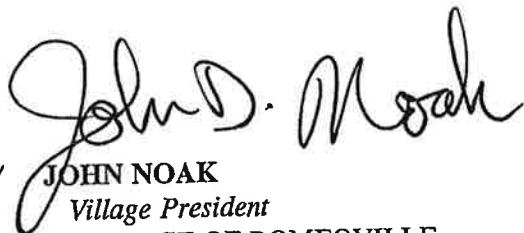
## UNDERWRITING

The Series 2008B Bonds were offered for sale by the Village at a public, competitive sale on June 11, 2008. The best bid submitted at the sale was submitted by Harris N.A., Chicago, Illinois (the "Underwriter"). The Village awarded the contract for sale of the Series 2008B Bonds to the Underwriter at a price of \$35,782,488.49, plus accrued interest. The Underwriter has represented to the Village that the Series 2008B Bonds have been subsequently re-offered to the public initially at the yields set forth in this Addendum.

## AUTHORIZATION

The Official Statement dated May 15, 2008, and this Addendum dated June 11, 2008, for the \$36,335,884 General Obligation (Capital Appreciation) Bonds, Series 2008B, have been prepared under the authority of the Village and have been authorized for distribution by the Village.

  
/s/ **KIRK OPENCHOWSKI**  
*Finance Director*  
**VILLAGE OF ROMEOVILLE**  
Will County, Illinois

  
/s/ **JOHN NOAK**  
*Village President*  
**VILLAGE OF ROMEOVILLE**  
Will County, Illinois

**New Issue**

Date of Sale:

Wednesday, September 17, 2008  
Between 9:45 and 10:00 A.M., C.D.T.  
(Open Auction Internet Sale)

**SIGNED COPY****Investment Ratings:**

Moody's Investors Service ... Aaa

Fitch Ratings ... AAA

(Assured Guaranty Insured)

**Official Statement**

Subject to compliance by the Village with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX EXEMPTION" herein for a more complete discussion.

**VILLAGE OF ROMEOVILLE**

Will County, Illinois

**\$4,865,000\* General Obligation Refunding Bonds, Series 2008C****Dated November 1, 2008****Bank-Qualified****Non-Callable****Due Serially December 30, 2010-2018**

The \$4,865,000\* General Obligation Refunding Bonds, Series 2008C (the "Bonds") are being issued by the Village of Romeoville, Will County, Illinois (the "Village"). Interest on the Bonds is payable semiannually on June 30 and December 30 of each year, commencing June 30, 2009. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of the Bonds will be made to purchasers. The will mature on December 30 as detailed below.

**AMOUNTS\*, MATURITIES, INTEREST RATES AND PRICES OR YIELDS**

Principal Amount*	Due Dec. 30	Interest Rate	Yield or Price	Principal Amount*	Due Dec. 30	Interest Rate	Yield or Price
\$335,000	2010	%	%	\$ 400,000	2015	%	%
325,000	2011	%	%	735,000	2016	%	%
330,000	2012	%	%	770,000	2017	%	%
350,000	2013	%	%	1,245,000	2018	%	%
375,000	2014	%	%				

Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

**OPTIONAL REDEMPTION**

The Bonds are not subject to optional redemption prior to maturity.

**BOND INSURANCE**

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a financial guaranty insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY CORP. ("Assured Guaranty"). See APPENDIX C herein. The cost for the bond insurance premium and the related rating fees of Moody's Investors Service and Fitch Ratings will be paid by the Village.

**ASSURED  
GUARANTY****PURPOSE, LEGALITY AND SECURITY**

Bond proceeds will be used to currently refund the Village's outstanding General Obligation (Alternate Revenue Source) Water and Sewer Refunding Bonds, Series 1999 and to pay the costs of issuance of the Bonds. See "PLAN OF FINANCING" herein.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, the Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Bonds are deemed "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated August 28, 2008, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar". Additional copies may be obtained from Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446, or from the Independent Public Finance Consultants to the Village:

Established 1954

**Speer Financial, Inc.**

INDEPENDENT PUBLIC FINANCE CONSULTANTS

ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602

Telephone: (312) 346-3700; Facsimile: (312) 346-8833

[www.speerfinancial.com](http://www.speerfinancial.com)

\*Subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the Village from time to time (collectively, the "Official Statement"), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the Village.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

Assured Guaranty makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading **APPENDIX C - "BOND INSURANCE"** and **"Financial Guaranty Insurance Policy"**.



## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

<b>Issuer:</b>	Village of Romeoville, Will County, Illinois.
<b>Issue:</b>	\$4,865,000* General Obligation Refunding Bonds, Series 2008C.
<b>Dated Date:</b>	November 1, 2008.
<b>Interest Due:</b>	Each June 30 and December 30, commencing June 30, 2009.
<b>Principal Due:</b>	Serially each December 30, commencing December 30, 2010 through 2018, as detailed below.
<b>Optional Redemption:</b>	The Bonds are <b>not</b> subject to optional redemption prior to maturity.
<b>Authorization:</b>	By vote of the President and Board of Trustees of the Village. The Village is a home-rule unit and under the 1970 Illinois Constitution has no debt limitation or referendum requirements.
<b>Security:</b>	The Bonds are valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount.
<b>Ratings/Insurance:</b>	Moody's Investors Service and Fitch Ratings have assigned their municipal bond ratings of "Aaa" and "AAA", respectively, to this issue of Bonds with the understanding that upon delivery of the Bonds, a policy guaranteeing the payment when due of the principal of and interest on the Bonds will be issued by Assured Guaranty. See APPENDIX C herein. The cost for the bond insurance premium and the related rating fees of Moody's Investors Service and Fitch Ratings will be paid by the Village. The Village's outstanding general obligation bond rating is "A2" from Moody's Investors Service and "A+" from Fitch Ratings. Reviews for the Bonds have been requested.
<b>Purpose:</b>	Bond proceeds will be used to currently refund the Village's outstanding General Obligation (Alternate Revenue Source) Water and Sewer Refunding Bonds, Series 1999 and to pay the costs of issuance of the Bonds. See "PLAN OF FINANCING" herein.
<b>Tax Exemption:</b>	Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the Bonds as discussed under "TAX EXEMPTION" in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
<b>Bank Qualification:</b>	The Bonds are deemed "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
<b>Bond Registrar/Paying Agent:</b>	Amalgamated Bank of Chicago, Chicago, Illinois.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Financial Advisor:</b>	Speer Financial, Inc., Chicago, Illinois.

\*Subject to change.

**VILLAGE OF ROMEOVILLE**  
**Will County, Illinois**

John Noak  
*Village President*

**Board of Trustees**

Michele Annerino  
Jose Chavez

Brian Clancy  
Andy Goitia

Dr. Edward McCartan  
Linda S. Palmiter

---

**Officials**

Steve Gulden  
*Village Manager*

Raymond E. Holloway  
*Village Clerk*

Kirk Openchowski  
*Finance Director/Treasurer*

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Raymond E. Meader  
*Corporation Counsel*

Speer Financial, Inc.  
*Financial Advisor*

**THE VILLAGE**

The Village of Romeoville (the "Village"), incorporated in 1895, is located in Will County (the "County"), approximately 26 miles southwest of Chicago. The Village encompasses approximately 17 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east; and the City of Lockport to the southeast. Recent annexations have totaled over 2,000 acres, with an expected 300 new housing units over five years. Population at the time of the 2000 Census was 21,153, a 50% increase from the 1990 report of 14,101. In 2006, a Special Census was conducted and the population increased 73% from 2000, now totaling 36,709. The Village estimates its current population at 38,000.

**Home Rule**

The Village acquired home rule status in 2003 when its population exceeded 25,000. Pursuant to the authority granted by Article VII of the 1970 Constitution of the State of Illinois, any municipality which, according to the most recent official U.S. Census, has a population of more than 25,000 is a home rule unit. The Village may exercise broad powers pertaining to its government and affairs.

## Village Organization and Services

The Village has a President and Board of Trustees/Manager form of government. The Village Board is composed of the Village President and six trustees who are elected at large for staggered four year terms. At present there is one vacancy on the Board of Trustees. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

The Village provides police, fire, and paramedic service; water and sewer system services; public works; refuse collection; road and bridge maintenance; and general administrative services. The Village employs approximately 403 persons providing the following services:

	<u>Full-time</u>	<u>Part-time</u>
Police.....	91	27
Fire.....	24	54
Administrative and Other.....	119	88
Total.....	234	169

Of the 91 full-time staff of the Police Department, 69 are sworn officers. Fire department staff includes approximately 72 firefighters, of which 70 are firefighter/paramedics.

Northern Illinois Gas Company and Commonwealth Edison provide gas and electric service for the Village, respectively. The Village provides water and sewer services.

Library services are provided by Fountaindale, Des Plaines Valley, and Plainfield Library Districts. Fountaindale maintains a library facility within the Village.

## Transportation

The Village has accessibility via highway, rail, water and air transportation, serving its residents and its large industrial base. It is situated along Illinois 53. Directly to the north is Interstate 55, which leads to Chicago; three full interchanges serve the Village. The completion of Interstate 355 to Interstate 55 has improved access to the northern and western suburbs. Interstate 355 completed its extension south to Interstate 80 which leads to Indiana to the east and Iowa to the west.

Mass transit services include the Metra Heritage Corridor line in nearby Lockport and Joliet. Passenger service is also available via Amtrak in Joliet and Chicago. The Village is currently working with Metra to develop a station in Romeoville. The Village has agreed to provide land for the station. The Santa Fe, Elgin and Eastern and the Illinois Central Gulf Railroads supply rail freight service.

The Chicago Shipping Canal provides water transportation to Chicago harbors, the Great Lakes and the Illinois-Mississippi River waterways. The Joliet Regional Port District operates the Canal. Air transportation service is available at Chicago's O'Hare International Airport (25 miles) and Midway Airport (15 miles). In addition, the Lewis University Airport, which is located within the Village, is owned and operated by the Joliet Regional Port District and has plans for further expansion.

## **Community Life**

The Village provides recreation opportunities. O'Hara Woods is an 100-acre nature center with a fishing lake and hiking trails and an adjoining 30 acre recreation center complex with a health club, lighted tennis courts, outdoor ice skating rinks and ball fields. The Village provides a total of 26 parks with 26 playgrounds. Total park space is over 276 acres. The Lockport Township Park District and the Plainfield Township Park District serve part of the Village. Also, in or near the Village are the Romeoville Prairie Nature Preserve (120 acres), Veteran Woods (77 acres) and the Isle a la Cache Museum (40 acres), which are maintained by the Will County Forest Preserve District.

## **Education**

The Village's public education needs are met by School Districts 92, 202-U, 365-U and High School District Number 205. The Village is located within Community College District Number 525, the Joliet Community College. Lewis University, a privately owned higher educational institution, is located in Romeoville.

## **Current Economic Development Programs**

The Village is aggressively pursuing economic development to expand its already diverse tax base and to attract jobs for its residents. Key strengths of the Village in attracting development are its location advantages and land availability. The Village is using these strengths to market itself to light manufacturers and small and medium wholesale and service industries.

Interstate 55 with three interchanges, along with Interstate 355, makes the Village accessible to Chicago and its southern and western suburbs by road as well as by rail, water and air transportation as outlined above. The Village was instrumental in gaining cooperation among area governments and developers to fund part of the construction and in succeeding in getting the Illinois Department of Transportation to accelerate the scheduling for the construction of one of these interchanges as part of its list of planned highway improvements.

## **Industrial Development Activity**

Several industrial developments have reached the point of maturity over the last five years while a few more are just beginning to take shape. The northwestern border of the Village houses Windham Lakes Business Center which is located on the north side of I-55. Most of its construction was finished with the completion of the Offices of Windham Lakes in September 2007. Windham Lakes Southwest Quad on the south side of I-55 has had a very busy year. Sears Logistics opened an 812,000 square foot Midwestern distribution center on Normantown Road joining the \$12 Million Huskies Ice Center's 108,000 square foot private recreation facility and the 415,000 square foot distribution facility occupied by Dandee Display and Kimberly Clark as co-tenants. A 235,000 square foot building (#3) was completed in December 2007 and the final 196,000 square foot building (#5) will start construction in May 2008.

In the center of the Village, Duke Realty developed two 650-725,000 square foot facilities, one of which became home to Kimberly Clark's massive supply of Kleenex, Huggies and soft goods. The Ryan Companies sold a 735,000 square foot spec building in 2007 and Prologis developed a 640,000 square foot distribution facility that is currently available.

Land and Lakes Development built two twin 458,000 square foot distribution facilities in the last 36 months in Bluff Point Business Park on the east side of the Village near I-55. The first building was sold to the Wrigley Companies for \$48 million while the second structure was recently leased to Prairie Packaging. Plans are underway for Land and Lakes to construct its third and final 525,000 square foot distribution facility in 2008.

In the Pinnacle Business Park by Pizzuti, Wilton expanded its building (#2) by 225,000 square feet for a total of 610,000, Home Depot had a 460,000 square foot construction and expansion finished, and OHL purchased a 480,000 square foot distribution center with Sony televisions as the primary tenant. Currently Wilton is expanding another building (#1) by 220,000 square feet.

Pizzuti also sold Triumph Development 50 acres of its 800 acre park on which it built two speculative buildings of 110,000 and 145,000 square feet respectively. In 2008, First American purchased 72 acres of Pizzuti's holdings and began development of the Paragon Business Center projected to contain twelve buildings totaling over 700,000 square feet and ranging in size from 25,000 to 150,000 square feet. The first two structures of 38,000 and 44,000 square feet were finished in late 2007 as well as the new 36 foot wide Belmont Avenue being built by Pizzuti to connect the Hampton Park portion of the Village and Paragon Center.

TCB Development ("TCB") has begun mass grading its newly annexed 80 acre Corporate Center of Romeoville on the south side of Taylor Road opposite First American's Paragon Center. Much like the First American project, TCB's center will contain 13 buildings totaling nearly 600,000 square feet of sizes similar to the Paragon Center. TCB is finalizing plans for a 150,000 square foot facility to house the Metropolitan Pump.

With nearly 4 million square feet still planned for Pinnacle Business Park, Pizzuti has its Pinnacle 23 facility under construction. With nearly 625,000 square feet covering 30 acres and parking for 200 plus semi-trailers, this facility blends the Paragon Corporate Corridors and South Creek Business Parks together at the intersection of Taylor Road and South Creek Parkway.

The South Creek Business Park by Carlson Brothers began development in 2004. Besides assisting with the construction of the \$6 million dollar South Creek Parkway that connects to Airport Road and eventually the new I-55 interchange, Carlson Brothers brought the headquarters and flagship manufacturing plant for Chicago Tube and Iron ("CTI") here. CTI's new 368,000 square foot state of the art steel forming facility opened late in 2005 with 250 employees. Pollman N A, an OEM auto parts manufacturer, opened its 38,000 square foot North American headquarters in 2006. Currently, Great Kitchens built a 140,000 square foot food processing facility between CTI and Pollman. Great Kitchen's expected 221 new employees will prepare 32,000 twelve inch pizzas during each eight hour shift. With four lots left in the South Creek Park, the Carlson Brothers are preparing to build a 48,000 square foot facility for CGI, a metal manufacturing firm scheduled to open in November 2008.

With nearly 23,000,000 square feet of the Village's expected 38,000,000 square feet built in the last seven years, the 27 facilities mentioned here represent well in excess of \$500,000,000 of taxable assets which allow the Village to plan and grow at a manageable and stable pace. With only 50% of Pizzuti's 800 acres developed, and Duke, Prologis, and Land of Lakes on schedule to build at least one 500,000 plus square foot facility each in the next year (2008), jobs, construction and assessed value in the Village should experience increases.

With the addition since 1999 of new large employers and 4,000 homes, the need to develop commercial projects grew in 2006. With only 333,000 square feet of retail development in place at the beginning of 2006 (and approximately 100,000 of that occurring between 2004 and 2006) over 1,350,000 square feet of retail is planned, under construction, or open at the intersection of Airport and Weber Roads. In October 2007, the Target Center opened its 128,000 square foot Target store and the 50,000 adjacent square feet of the Shops of Romeoville opened in February 2008. A 90,000 square foot Kohl's and a Chili's Bar and Grill will open in September 2008.

The second largest Wal-Mart in North America, a 208,000 square foot modern design structure, will open its doors in January 2008. In addition, the rest of Romeoville Crossings will contain at least three restaurants, a 30,000 square foot medical facility and another medium big box store. The Village is currently evaluating 14 "strip centers" that will contain another 300,000 square feet of retail space.

The Village is actively attempting to attract sit down restaurants to complement the ones that are currently located here. Also, several specialty facilities such as the American Sales 60,000 square foot recreation store, Brunswick Zone's 55,000 square foot recreational center, the 108,000 square foot International Ice Center and the 21,000 square foot Crème de la Crème (a children's learning center) opened in the last year.

The Village's housing stock is becoming more varied and increasing in value. With only approximately 1000 homes to be built before the Village reaches total build-out of 42,000 persons and 13,500 houses, the development of higher end housing is a sign of the area's maturity and stabilization. In 2006 Misty Ridge by Beechen and Dill commenced construction of 168 single family homes. With 58 homes closed to date, the average closure price is approximately \$400,000. This is nearly double the median price for the Village. Similarly, Stone Bluff by Charles Sharp sold its first home in 2005 and they are comparable in both size and pricing to Misty Ridge.

Early in 2008, Midwest Living by Dete Development of Monona, Wisconsin, began development of a 500 unit senior citizens complex (offering a complete continuum of care for elderly adults) at Grand Haven Boulevard and Weber Roads. This development will be in three phases covering approximately three years.

The Village, in January of 2005, formed a Downtown Area Tax Increment Financing (TIF) Redevelopment Project and Plan. The redevelopment area, 421 acres in size, is in the central part of the Village that radiates from the intersection of Normantown Road and Illinois Route 53. The area contains a mix of uses including the Spartan Square Shopping Center, Romeo Center Plaza and other retail and commercial businesses, industrial uses east of Route 53 and south of Marquette Center Industrial Park, the Village municipal complex, Robert C. Hill Elementary School and the Fountaindale Public Library. The goal of the Downtown TIF District is to revitalize the Village's first commercial and residential district. Revitalization projects, funded solely through TIF dollars and/or tax increment bonds may include storm water improvements, land acquisition, streetscape improvements, road improvements, economic incentive and building renovations. The Village also plans to construct a Community Center in the Downtown Area. The Downtown TIF is contiguous to the Marquette TIF. The Village will be allowed to export funds from the Marquette TIF to the Downtown TIF. In March 2008, the Village purchased ten acres of the downtown property and released a RFQ for developers in May 2008. Proposals for demolition, purchase and construction will be received in the first quarter of 2009.

## SOCIOECONOMIC INFORMATION

### Employment

Substantial employment is available in surrounding communities and throughout the Chicago metropolitan area. Numerous employers are located within the Village and in surrounding communities.

The following employment data shows a consistently diverse and strong growth trend for employment in Will County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

### Will County Private, Non-Agricultural Employment Covered by the Illinois Unemployment Insurance Act(I)

(Data as of March for each Year)					
	2002	2003	2004	2005	2006
Farm and Forestry.....	457	426	409	N/A	318
Mining and Construction.....	13,374	13,050	13,434	13,664	14,987
Manufacturing.....	18,695	18,461	18,630	18,632	19,422
Transportation, Communications, Utilities.....	9,534	9,464	11,427	10,404	11,606
Wholesale Trade.....	7,085	7,818	8,611	9,048	9,483
Retail Trade.....	19,125	19,564	19,933	21,876	23,582
Finance, Insurance, Real Estate.....	4,610	4,832	5,553	6,036	6,167
Services(2).....	47,250	47,259	50,360	53,125	59,657
Total.....	120,130	120,922(2)	128,357	133,432(2)	145,222(2)
Percent Change.....	0.93%(3)	0.66%	6.15%	3.95%	8.84%

- Notes: (1) Source: Illinois Department of Employment Security.  
(2) Includes unclassified establishments.  
(3) Percent increase based on 119,021 employment in 2001.

Following are lists of large employers located in the Village and the surrounding areas. Additional employment opportunities are available to Village residents throughout the Chicago metropolitan area.

### Major Village Employers(I)

Name	Product/Service	Approximate Employment
Valley View Community School District Number 365U.....	Elementary and Secondary Education .....	2,300
Lockport Township High School District Number 205.....	Secondary Education .....	500
Lewis University.....	University .....	500
Village of Romeoville.....	Government .....	331
Kennedy Transportation Co.....	National Trucking Transportation and Logistics Services .....	308
Marquette Property Investment.....	Real Estate Development and Management .....	300
Kehe Food Distributors, Inc.....	Groceries .....	300
Ultra Salon Cosmetics Fragrance, Inc.....	Salon Cosmetics and Fragrances Corporate Office .....	250
Levy Home Entertainment LLC.....	Books, Periodicals, Newspapers .....	300
Florstar Sales, Inc.....	Wholesale Floor Covering Distributor .....	220
Panduit Corp.....	Cable Tie Tools .....	210
Fleetwood, Inc.....	Material Handling and Mechanical Conveyors .....	200
Sharp Electronics Corp.....	Wholesale Electronics .....	200
Midwest Generation, Will County Station.....	Coal Fired Electric Generation .....	175
Chicago Tube and Iron Co.....	Company Headquarters; Tubing; Valves .....	160
Checkpoint Systems, Inc.....	Pressure-Sensitive and Bar Code Labels and Tags .....	150

- Note: (1) Source: 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selected telephone survey.

### Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Aurora/Joliet	Caterpillar, Inc.	Heavy Tractors and Earth Moving Equipment	6,000
Naperville	Alcatel Lucent Technologies	Telecommunications	5,000
Argonne	Argonne National Laboratory	Research and Development	3,000
Joliet	Provena St. Joseph Medical Center	Regional Medical Center	2,430
Joliet	State of Illinois(2)	State Government Offices	2,350
Naperville	Nicor Gas	Gas Transmission and Distribution	2,264
Joliet	Empress Casino	Casinos, Hotels, Resorts and Riverboats	2,000
Joliet	Silver Cross Hospital	General Hospital	1,800
Naperville	BP Naperville Complex	Chemical and Petrochemical Research	1,600
Joliet	Will County	County Government	1,600
Naperville	Office Max, Inc.	Stationary and Office Supplies	1,500
Aurora	Rush Copely Medical Center	Hospital	1,400
Naperville	Nalco Co.	Research and Development	1,200
Naperville	Tellabs	Computer Related Services	1,200
Aurora	Dreyer Medical Clinic	Medical Services	1,000
Naperville	Castrol Industrial North America, Inc.	Corporate Headquarters and Lubricating Oil	1,000

Notes: (1) Source: 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selective telephone survey.  
(2) Includes all of Will County.

The following tables show employment by industry and by occupation for the Village, Will County and the State of Illinois as reported by the 2000 Census.

### Employment By Industry(1)

Classification	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting, and Mining	57	0.50%	966	0.39%	66,481	1.14%
Construction	664	5.84%	20,209	8.20%	334,176	5.73%
Manufacturing	2,003	17.62%	38,068	15.45%	931,162	15.96%
Wholesale Trade	538	4.73%	10,521	4.27%	222,990	3.82%
Retail Trade	1,442	12.69%	29,429	11.94%	643,472	11.03%
Transportation and Warehousing, and Utilities	1,035	9.11%	18,441	7.48%	352,193	6.04%
Information	373	3.28%	7,049	2.86%	172,629	2.96%
Finance, Insurance, Real Estate, Rental and Leasing	990	8.71%	19,727	8.01%	462,169	7.92%
Professional, Scientific, Management, Administrative, and Waste Management Services	989	8.70%	23,207	9.42%	590,913	10.13%
Educational, Health and Social Services	1,796	15.80%	43,396	17.61%	1,131,987	19.41%
Arts, Entertainment, Recreation, Accommodation and Food Services	703	6.18%	16,597	6.73%	417,406	7.16%
Other Services (Except Public Administration)	527	4.64%	10,384	4.21%	275,901	4.73%
Public Administration	250	2.20%	8,437	3.42%	231,706	3.97%
Total	11,367	100.00%	246,431	100.00%	5,833,185	100.00%

Note: (1) Source: U. S. Bureau of the Census.

### Employment By Occupation(1)

Classification	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Management, Professional and Related Occupation	3,246	28.56%	83,446	33.86%	1,993,671	34.18%
Service Occupations	1,235	10.86%	29,471	11.96%	813,479	13.95%
Sales and Office	3,581	31.50%	70,006	28.41%	1,609,939	27.60%
Farming, Fishing and Forestry	0	0.00%	369	0.15%	17,862	0.31%
Construction, Extraction, and Maintenance	1,243	10.94%	27,607	11.20%	480,418	8.24%
Production, Transportation, and Material Moving	2,062	18.14%	35,532	14.42%	917,816	15.73%
Total	11,367	100.00%	246,431	100.00%	5,833,185	100.00%

Note: (1) Source: U.S. Bureau of the Census.



## Unemployment Rates

Unemployment rates are not available for the Village but are available for Will County and the State of Illinois as shown below.

### Annual Average Unemployment Rates(1)

Calendar Year	Will County	State of Illinois
1997	4.4%	4.7%
1998	4.2%	4.5%
1999	3.9%	4.3%
2000	4.0%	4.4%
2001	5.2%	5.4%
2002	6.4%	6.5%
2003	6.9%	6.7%
2004	5.9%	6.2%
2005	5.5%	5.7%
2006	4.3%	4.5%
2007	4.7%	5.0%
2008(2)	6.0%	6.0%

Notes: (1) Source: Illinois Department of Employment Security.  
(2) Preliminary rate for the month of February 2008.

## Building Permits

Residential building permits have averaged in excess of \$93,000 over the last three full years in the Village, excluding the value of land.

### Village Building Permits(1) (Excludes the Value of Land)

Calendar Year	Single-Family		Multi-Family		Miscellaneous	Total
	Units	Value	Units	Value	Value	Value
1998	523	\$ 48,530,716	0	\$ 0	\$ 4,400,559	\$ 52,931,275
1999	932	80,629,232	0	0	27,628,742	108,257,974
2000	1,205	96,430,720	0	0	44,892,548	141,323,268
2001	1,088	106,833,070	0	0	34,694,311	141,527,381
2002	510	50,078,001	0	0	7,268,378	57,346,379
2003	691	58,412,266	0	0	6,953,715	65,365,981
2004	314	27,849,136	116	10,410,344	10,297,147	48,556,743
2005	20	2,213,435	170	15,093,676	12,552,185	29,859,466
2006	32	6,553,429	81	7,034,764	1,929,765	15,518,040
2007	38	9,121,528	18	4,270,373	2,809,854	16,201,774

Note: (1) Source: LaSalle Bank FSB Survey of Building/Bell Federal Savings, and the Village.

## Housing

The 2000 Census reported that the median value of the Village's owner-occupied homes was \$118,100, which compares with \$154,300 for the County and \$130,800 for the State. The 2000 value of specified owner-occupied units for the Village, Will County and the State were as follows:

### Specified Owner-Occupied Units(1)

Value	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000 .....	25	0.44%	1,766	1.39%	230,049	9.31%
\$50,000 to \$99,999 .....	1,712	30.15%	21,318	16.76%	651,605	26.38%
\$100,000 to \$149,999 .....	2,144	37.75%	37,351	29.37%	583,409	23.62%
\$150,000 to \$199,999 .....	1,408	24.79%	31,383	24.68%	429,311	17.38%
\$200,000 to \$299,999 .....	338	5.95%	24,066	18.92%	344,651	13.95%
\$300,000 to \$499,999 .....	52	0.92%	9,533	7.50%	163,254	6.61%
\$500,000 to \$999,999 .....	0	0.00%	1,628	1.28%	55,673	2.25%
\$1,000,000 or more .....	0	0.00%	135	0.11%	12,386	0.50%
Total .....	5,679	100.00%	127,180	100.00%	2,470,338	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Income

### Per Capita Personal Income for the Ten Highest Income Counties in the State(1)

Rank		2000
1 .....	Lake County .....	\$32,102
2 .....	DuPage County .....	31,315
3 .....	McHenry County .....	26,476
4 .....	Kendall County .....	25,188
5 .....	Will County .....	24,613
6 .....	Kane County .....	24,315
7 .....	Cook County .....	23,227
8 .....	Sangamon County .....	23,173
9 .....	Monroe County .....	22,954
10 .....	Grundy County .....	22,591

Note: (1) Source: U.S. Bureau of the Census.

The following shows a ranking of median family income for the Chicago metropolitan area among the 102 Illinois counties from the 2000 Census.

### Ranking of Median Family Income(1)

Ill. County	Family Income	Ill. Rank
DuPage County .....	\$79,314	1
Lake County .....	76,424	2
McHenry County .....	71,553	3
Will County .....	69,608	4
Kendall County .....	69,383	5
Kane County .....	66,558	6
Cook County .....	53,784	15

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Village had a median family income of \$63,320. This compares to \$69,608 for Will County and \$55,545 for the State. The following table represents the distribution of family incomes for the Village, Will County and the State at the time of the 2000 Census.

#### Median Family Income(1)

Income	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	33	0.61%	2,866	2.18%	156,205	5.00%
\$10,000 to \$14,999 .....	48	0.89%	2,107	1.60%	105,747	3.38%
\$15,000 to \$24,999 .....	174	3.21%	6,366	4.83%	273,712	8.76%
\$25,000 to \$34,999 .....	425	7.85%	9,542	7.25%	331,907	10.62%
\$35,000 to \$49,999 .....	956	17.66%	17,542	13.32%	506,429	16.20%
\$50,000 to \$74,999 .....	1,991	36.78%	35,024	26.60%	736,897	23.58%
\$75,000 to \$99,999 .....	979	18.08%	25,725	19.54%	445,390	14.25%
\$100,000 to \$149,999 .....	663	12.25%	22,832	17.34%	356,068	11.39%
\$150,000 to \$199,999 .....	123	2.27%	5,565	4.23%	101,955	3.26%
\$200,000 or more .....	22	0.41%	4,105	3.12%	111,008	3.55%
Total .....	5,414	100.00%	131,674	100.00%	3,125,318	100.00%

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Village had a median household income of \$60,737. This compares to \$62,238 for Will County and \$46,590 for the State. The following table represents the distribution of household incomes for the Village, Will County and the State at the time of the 2000 Census.

#### Median Household Income(1)

Income	The Village		Will County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	92	1.36%	6,422	3.83%	383,299	8.35%
\$10,000 to \$14,999 .....	108	1.60%	5,034	3.00%	252,485	5.50%
\$15,000 to \$24,999 .....	344	5.08%	12,262	7.32%	517,812	11.27%
\$25,000 to \$34,999 .....	513	7.58%	14,751	8.80%	545,962	11.89%
\$35,000 to \$49,999 .....	1,279	18.89%	23,838	14.22%	745,180	16.23%
\$50,000 to \$74,999 .....	2,444	36.11%	41,658	24.86%	952,940	20.75%
\$75,000 to \$99,999 .....	1,149	16.97%	28,499	17.00%	531,760	11.58%
\$100,000 to \$149,999 .....	695	10.27%	24,652	14.71%	415,348	9.04%
\$150,000 to \$199,999 .....	123	1.82%	5,978	3.57%	119,056	2.59%
\$200,000 or more .....	22	0.33%	4,508	2.69%	128,898	2.81%
Total .....	6,769	100.00%	167,602	100.00%	4,592,740	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Retail Activity

The table below shows the distribution of the municipal portion of the Retailers' Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the Illinois Department of Revenue from retailers within the Village. The table indicates the level of retail activity in the Village.

### Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 15	State Sales Tax Distributions(2)	Annual Percent Change + (-)(3)
1998 .....	\$1,392,910	7.92%(3)
1999 .....	1,638,769	17.65%
2000 .....	2,019,096	23.21%
2001 .....	2,092,017	3.61%
2002 .....	2,402,476	14.84%
2003 .....	2,606,147	8.48%
2004 .....	3,040,327	16.66%
2005 .....	3,606,587	18.62%
2006 .....	3,484,081	(3.40%)
2007 .....	3,513,645	0.85%
Growth from 1998 to 2007 .....		152.25%

- Notes: (1) Source: Illinois Department of Revenue.  
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.  
 (3) The 1998 percentage is based on a 1997 sales tax of \$1,290,720.

## PLAN OF FINANCING

Bond proceeds will be used to fund an irrevocable escrow to currently refund the Village's outstanding General Obligation (Alternate Revenue Source) Water and Sewer Refunding Bonds, Series 1999, as listed below (the "Refunded Bonds"):

### The Refunded Bonds

#### General Obligation (Alternate Revenue Source) Water and Sewer Refunding Bonds, Series 1999

Refunded Maturities	Outstanding Amount	Amount Refunded	Redemption Price	Redemption Date
12/30/2010 .....	\$ 330,000	\$ 330,000	100.00%	12/30/2008
12/30/2011 .....	325,000	325,000	100.00%	12/30/2008
12/30/2012 .....	330,000	330,000	100.00%	12/30/2008
12/30/2013 .....	350,000	350,000	100.00%	12/30/2008
12/30/2014 .....	375,000	375,000	100.00%	12/30/2008
12/30/2015 .....	400,000	400,000	100.00%	12/30/2008
12/30/2016 .....	735,000	735,000	100.00%	12/30/2008
12/30/2017 .....	775,000	775,000	100.00%	12/30/2008
12/30/2018 .....	1,255,000	1,255,000	100.00%	12/30/2008
Total .....	\$4,875,000	\$4,875,000		

Bond proceeds will be used to purchase direct full faith and credit obligations of the United States of America (the "Government Securities"), the principal of which together with interest to be earned thereon will be sufficient (i) to pay when due the interest on the Refunded Bonds as stated above, and (ii) to pay principal of the Refunded Bonds on their respective redemption dates. The remaining bond proceeds will be used to pay the costs of issuing the Bonds.

The Government Securities will be held in an irrevocable escrow account created pursuant to an escrow agreement (the "Escrow Agreement") dated as of November 1, 2008, between the Village and Amalgamated Bank of Chicago, Chicago, Illinois, as Escrow Agent (the "Escrow Agent").

## DEBT INFORMATION

After issuance of the Bonds, the Village will have outstanding \$5,600,000 principal amount of general obligation alternate revenue debt and \$97,855,884\* principal amount of general obligation debt.

### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Total Alternate Bonds Outstanding	Total G.O. Bonds Outstanding	Total Bonded Debt Outstanding	The Bonds(2)	Less: Refunded Series 1999	Total Bonded Debt(2)	Cumulative Retirement(2) Amount	Percent
2008	\$ 725,000	\$ 2,125,000	\$ 2,850,000	\$ 0	\$ 0	\$ 2,850,000	\$ 2,850,000	2.75%
2009	0	3,305,000	3,305,000	0	0	3,305,000	6,155,000	5.95%
2010	330,000	3,395,000	3,725,000	335,000	(330,000)	3,730,000	9,885,000	9.55%
2011	325,000	3,630,000	3,955,000	325,000	(325,000)	3,955,000	13,840,000	13.38%
2012	330,000	4,170,000	4,500,000	330,000	(330,000)	4,500,000	18,340,000	17.73%
2013	350,000	4,650,000	5,000,000	350,000	(350,000)	5,000,000	23,340,000	22.56%
2014	375,000	4,960,000	5,335,000	375,000	(375,000)	5,335,000	28,675,000	27.72%
2015	400,000	5,370,000	5,770,000	400,000	(400,000)	5,770,000	34,445,000	33.29%
2016	735,000	5,705,000	6,440,000	735,000	(735,000)	6,440,000	40,885,000	39.52%
2017	775,000	6,445,000	7,220,000	770,000	(775,000)	7,215,000	48,100,000	46.49%
2018	1,255,000	4,760,000	6,015,000	1,245,000	(1,255,000)	6,005,000	54,105,000	52.30%
2019	0	4,925,000	4,925,000	0	0	4,925,000	59,030,000	57.06%
2020	0	5,200,000	5,200,000	0	0	5,200,000	64,230,000	62.08%
2021	0	4,119,425	4,119,425	0	0	4,119,425	68,349,425	66.07%
2022	0	2,846,160	2,846,160	0	0	2,846,160	71,195,585	68.82%
2023	0	2,675,040	2,675,040	0	0	2,675,040	73,870,625	71.40%
2024	0	4,056,740	4,056,740	0	0	4,056,740	77,927,365	75.32%
2025	0	2,545,205	2,545,205	0	0	2,545,205	80,472,570	77.78%
2026	0	2,390,830	2,390,830	0	0	2,390,830	82,863,400	80.10%
2027	0	2,243,605	2,243,605	0	0	2,243,605	85,107,005	82.26%
2028	0	2,103,400	2,103,400	0	0	2,103,400	87,210,405	84.30%
2029	0	1,974,180	1,974,180	0	0	1,974,180	89,184,585	86.21%
2030	0	1,851,460	1,851,460	0	0	1,851,460	91,036,045	88.00%
2031	0	1,739,010	1,739,010	0	0	1,739,010	92,775,055	89.68%
2032	0	1,640,210	1,640,210	0	0	1,640,210	94,415,265	91.26%
2033	0	1,546,740	1,546,740	0	0	1,546,740	95,962,005	92.76%
2034	0	1,458,275	1,458,275	0	0	1,458,275	97,420,280	94.17%
2035	0	1,374,620	1,374,620	0	0	1,374,620	98,794,900	95.49%
2036	0	1,295,515	1,295,515	0	0	1,295,515	100,090,415	96.75%
2037	0	1,220,765	1,220,765	0	0	1,220,765	101,311,180	97.93%
2038	0	1,136,460	1,136,460	0	0	1,136,460	102,447,640	99.03%
2039	0	1,008,244	1,008,244	0	0	1,008,244	103,455,884	100.00%
<b>Total</b>	<b>\$5,600,000</b>	<b>\$97,865,884</b>	<b>\$103,465,884</b>	<b>\$4,865,000</b>	<b>\$(4,875,000)</b>	<b>\$103,455,884</b>		

Notes: (1) Source: the Village.  
(2) Subject to change.

\*Subject to change.

### General Obligation Bonded Debt – By Issue(1)

Issue	Amount	Source of Debt Service Payments
Series 1997B .....	\$ 400,000	Property Taxes
Series 2000A .....	3,190,000	Property Taxes
Series 2001A(2) .....	325,000	Motor Fuel Taxes, Property Taxes
Series 2001B(2) .....	400,000	Water and Sewer Revenues, Property Taxes
Series 2002A .....	1,755,000	Property Taxes
Series 2002B .....	2,205,000	Property Taxes
Series 2004 .....	21,205,000	Property Taxes
Series 2005 .....	4,255,000	Property Taxes
Series 2007A(2) .....	4,820,000	Water and Sewer Revenues, Property Taxes
Series 2007B .....	12,900,000	Property Taxes
Series 2008A .....	10,800,000	Property Taxes
Series 2008B .....	36,335,884	Property Taxes
The Bonds(2)(3) .....	4,865,000	Water and Sewer Revenues, Property Taxes
Total Outstanding(3)(4) .....	\$103,455,884	

- Notes: (1) Source: the Village.  
(2) The Series 2001A, Series 2001B and the Bonds are alternate revenue source bonds and the debt service levy for such bonds is expected to be abated annually and not extended.  
(3) Subject to change.  
(4) Does not include \$4,875,000 Series 1999 Bonds which are to be refunded by the Bonds.

### Detailed Overlapping Bonded Debt(1)

	Outstanding Debt(2)	Applicable to Village Percent(3)	Amount
Schools:			
School District Number 88-A .....	\$ 24,509,000	18.60%	\$ 4,558,674
School District Number 92 .....	8,993,031	9.17%	824,661
School District Number 202 .....	391,840,000	9.84%	38,557,056
School District Number 365-U .....	166,110,115	25.71%	42,706,911
High School District Number 205 .....	15,774,068	4.70%	741,381
Community College District Number 525 .....	860,000	6.81%	58,566
Total Schools .....			\$87,447,249
Others:			
Will County (Public Building Commission) .....	\$ 3,300,000	5.53%	\$ 182,490
Will County Forest Preserve District .....	164,342,609	5.53%	9,088,146
Plainfield Public Library District .....	475,000	8.26%	39,235
Lemont Park District .....	1,355,000	2.11%	28,591
Plainfield Park District .....	7,040,000	6.45%	454,080
Total Others .....			\$ 9,792,542
Total Schools and Other Overlapping Bonded Debt .....			\$97,239,790

- Notes: (1) Source: Will County Clerk.  
(2) As of April 17, 2008.  
(3) Overlapping debt percentages based on 2007 EAV, the most current available.

### Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2006 Census 36,709)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2007	\$1,125,909,473	100.00%	33.33%	\$30,671.21
Estimated Actual Value, 2007	\$3,377,728,419	300.00%	100.00%	\$92,013.63
Total Direct Debt(2)(3)	\$ 103,455,884	9.19%	3.06%	\$ 2,818.27
Less: Non-Tax Supported(3)(4)	(5,590,000)	(0.50%)	(0.17%)	(152.28)
Net Direct Debt(3)	\$ 97,865,884	8.69%	2.90%	\$ 2,665.99
Overlapping Bonded Debt(5):				
Schools	\$ 87,447,249	7.77%	2.59%	\$ 2,382.17
Other	9,792,542	0.87%	0.29%	266.76
Total Overlapping Bonded Debt	\$ 97,239,791	8.64%	2.88%	\$ 2,648.94
Total Net Direct and Overlapping Bonded Debt(3)	\$ 195,095,675	17.33%	5.78%	\$ 5,314.93

- Notes: (1) Source: Will County Clerk and the Village.  
(2) Includes Series 2001A, Series 2001B and the Bonds. Excludes Series 1999 which is to be refunded by the Bonds.  
(3) Subject to change.  
(4) Includes Series 2001A, Series 2001B and the Bonds.  
(5) As of April 17, 2008.

### Default History

The Village has never issued any obligations to avoid default; nor has the Village ever defaulted in the payment of any of its corporate obligations.

### PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2007 levy year, the Village's EAV is comprised of approximately 64% residential, 27% industrial, 9% commercial, and less than 1% farm and railroad property valuations.

### Village Equalized Assessed Valuation(1)

Property Class	Levy Years				
	2003	2004	2005	2006	2007
Residential	\$465,037,175	\$520,707,656	\$605,668,990	\$ 674,036,827	\$ 720,554,943
Farm	663,158	490,759	1,540,686	308,888	248,143
Commercial	54,397,814	58,305,845	64,905,424	73,094,888	99,020,817
Industrial	183,293,163	203,508,801	221,990,396	266,180,102	305,945,464
Railroad	160,721	145,549	129,612	131,137	140,106
Total	\$703,552,031	\$783,158,610	\$894,235,108	\$1,013,751,842	\$1,125,909,473
Percent Change +(-)	22.99%(2)	11.31%	14.18%	13.37%	11.06%

- Notes: (1) Source: Will County Clerk.  
(2) Percentage change based on 2002 EAV of \$572,017,019.

**Representative Tax Rates(1)**  
(Per \$100 EAV)

	Levy Years				
	2003	2004	2005	2006	2007
Village Rates:					
Corporate.....	\$0.1781	\$0.1746	\$0.1925	\$0.2163	\$0.2012
Street & Bridge.....	0.0252	0.0246	0.0235	0.0232	0.0227
Special Recreation.....	0.0296	0.0324	0.0300	0.0300	0.0300
Police Protection.....	0.0536	0.0527	0.0504	0.0494	0.0476
Fire Protection.....	0.0512	0.0478	0.0446	0.0420	0.0000
Ambulance.....	0.0964	0.0899	0.0886	0.0891	0.0000
Recreation.....	0.0542	0.0555	0.0665	0.0706	0.0885
Audit.....	0.0069	0.0069	0.0068	0.0065	0.0067
Garbage Disposal.....	0.0505	0.0569	0.0543	0.0533	0.0511
Social Security.....	0.1249	0.1224	0.1158	0.1135	0.1089
Police Pension.....	0.0733	0.0994	0.1028	0.1013	0.1001
Insurance.....	0.1452	0.1423	0.1348	0.1224	0.1174
Bonds & Interest.....	0.1272	0.1160	0.1038	0.0937	0.0890
Firemen Pension.....	0.0134	0.0216	0.0256	0.0277	0.0000
Total Village Rates(2).....	\$1.0297	\$1.0430	\$1.0400	\$1.0390	\$0.8632
Will County.....	0.5814	0.5708	0.5380	0.5154	0.4826
Will County Forest Preserve District.....	0.1266	0.1235	0.0613	0.1369	0.1424
Romeoville Mosquito Abatement District.....	0.0124	0.0120	0.0115	0.0113	0.0108
DuPage Township(3).....	0.0668	0.0705	0.0682	0.0658	0.0637
Fountaindale Public Library.....	0.3217	0.3133	0.3032	0.2900	0.2838
Romeoville Fire Department.....	0.0000	0.0000	0.0000	0.0000	0.1588
Unit School District 365-U.....	4.8579	4.9719	4.3066	4.7837	4.6476
Community College District 525.....	0.2108	0.2142	0.2094	0.1936	0.1901
Total Rates(4).....	\$7.2073	\$7.3192	\$6.5382	\$7.0357	\$6.8430

- Notes: (1) Source: Will County Clerk.  
(2) As a home rule unit, the Village does not have limits on its levies.  
(3) Includes Town Funds, Road Funds and General Assistance.  
(4) Representative tax rates for other government units are from DuPage Township tax code 1208, which represents the largest portion of the Village's 2007 EAV.

**Village Tax Extensions and Collections(1)**  
(Includes Road and Bridge Levy)

Levy Year	Coll. Year	Taxes Extended(2)	Current Collections		Total Collections(3)	
			Amount	Percent	Amount	Percent
2002	2003	\$5,325,138	\$4,889,433	91.82%	\$5,313,662	99.78%
2003	2004	6,111,756	6,100,831	99.82%	6,100,703	99.82%
2004	2005	7,119,888	7,108,905	99.85%	7,109,019	99.85%
2005	2006	8,099,775	8,072,844	99.67%	8,072,958	99.67%
2006	2007	9,164,958	9,151,168	99.85%	9,166,657	100.02%
2007	2008	9,953,114	4,943,818	49.67%	--In Collection(4)--	

- Notes: (1) Source: Will County Treasurer and unaudited financial statements of the Village.  
(2) Tax extensions have been adjusted for abatements.  
(3) Total collections include back taxes, taxpayer refunds, interest, etc.  
(4) Second installment will be due on September 1.



### Principal Village Taxpayers(1)

Taxpayer Name	Business/Service	2007 EAV(2)
PDV Midwest Refining(3)	Refinery-Petroleum Products	\$ 50,138,500
Prologis-Illinois LLC	Real Property	17,394,910
Prudential Ins. Co. of America	Insurance	14,607,935
Pactiv Corp.	Real Property	11,006,200
JRC Remington/Et Al LLC's	Real Property	10,055,705
James Campbell Co. LLC	Real Property	9,300,000
DCT/SPF Pinnacle IX LLC	Real Property	9,203,800
CRP-IILP KCDC LLC	Real Property	9,089,700
Hart 155 Industrial LLC I	Real Property	8,908,000
RREEF Amer REIT II Corp.	Industrial Properties	8,796,000
Total		\$183,210,751
Ten largest as a percent of the Village's 2007 EAV (\$1,125,909,473)		16.27%

- Notes: (1) Source: Will County Clerk.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2007 EAV is the most current available.  
 (3) Previously Citgo.

## REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

### Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

## Exemptions

An annual General Homestead Exemption (the "General Homestead Exemption") provides that the Equalized Assessed Valuation ("EAV") of certain property owned and used for residential purposes ("*Residential Property*") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$3,500 for assessment years prior to assessment year 2004 in counties with less than 3,000,000 inhabitants, and a maximum reduction of \$5,000 for assessment year 2004 through 2007 in all counties. Additionally, the maximum reduction is \$5,500 for assessment year 2008 and the maximum reduction is \$6,000 for assessment year 2009 and thereafter in all counties.

The Homestead Improvement Exemption applies to Residential Properties that have been improved or rebuilt in the 2 years following a catastrophic event. The exemption is limited to \$45,000 through December 31, 2003, and \$75,000 per year beginning January 1, 2004 and thereafter, to the extent the assessed value is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption ("*Senior Citizens Homestead Exemption*") operates annually to reduce the EAV on a senior citizen's home for assessment years prior to 2004 by \$2,000 in counties with less than 3,000,000 inhabitants. For assessment years 2004 and 2005, the maximum reduction is \$3,000 in all counties. For assessment years 2006 and 2007, the maximum reduction is \$3,500 in all counties. In addition, for assessment year 2008 and thereafter, the maximum reduction is \$4,000 for all counties. Furthermore, beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption ("*Senior Citizens Assessment Freeze Homestead Exemption*") freezes property tax assessments for homeowners, who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$35,000 for years prior to 1999, \$40,000 for assessment years 1999 through 2003, \$45,000 for assessment years 2004 and 2005, \$50,000 from assessment years 2006 and 2007 and for assessments year 2008 and after, the maximum income limitation is \$55,000. In general, the Senior Citizens Assessment Freeze Homestead Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. In counties with a population of 3,000,000 or more, the exemption for all assessment years is equal to the EAV of the residence in the assessment year for which application is made less the base amount. Furthermore, for those counties with a population of less than 3,000,000, the Senior Citizens Assessment Freeze Homestead Exemption is as follows: through assessment year 2005 and for assessment year 2007 and later, the exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the Exemption (plus the EAV of improvements since such year). For assessment year 2006, the amount of the Senior Citizens Assessment Freeze Homestead Exemption phases out as the amount of household income increases. The amount of the Senior Citizens Assessment Freeze Homestead Exemption is calculated by using the same formula as above, and then multiplying the resulting value by a ratio that varies according to household income.

Another exemption available to disabled veterans operates annually to exempt up to \$70,000 of the Assessed Valuation of property owned and used exclusively by such veterans or their spouses for residential purposes. Also, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals. However, individuals claiming exemption under the Disabled Persons' Homestead Exemption ("*Disabled Persons' Homestead Exemption*") or the Disabled Veterans Standard Homestead Exemption ("*Disabled Veterans Standard Homestead Exemption*") cannot claim the aforementioned exemption.

Furthermore, beginning with assessment year 2007, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain persons with a disability. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

In addition, the Disabled Veterans Standard Homestead Exemption provides disabled veterans an annual homestead exemption starting with assessment year 2007 and thereafter. Specifically, (i) those veterans with a service-connected disability of 75% are granted an exemption of \$5,000 and (ii) those veterans with a service-connected disability of less than 75%, but at least 50% are granted an exemption of \$2,500. Furthermore, the veteran's surviving spouse is entitled to the benefit of the exemption, provided that the spouse has legal or beneficial title of the homestead, resides permanently on the homestead and does not remarry. Moreover, if the property is sold by the surviving spouse, then an exemption amount not to exceed the amount specified by the current property tax roll may be transferred to the spouse's new residence, provided that it is the spouse's primary residence and the spouse does not remarry. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Persons' Homestead Exemption cannot claim the aforementioned exemption.

Beginning with assessment year 2007, the Returning Veterans' Homestead Exemption ("*Returning Veterans' Homestead Exemption*") is available for property owned and occupied as the principal residence of a veteran in the assessment year the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a homestead exemption of \$5,000, which is applicable in all counties. In order to apply for the Returning Veterans' Homestead Exemption, the individual must pay real estate taxes on the property, own the property or have either a legal or an equitable interest in the property, "or a leasehold interest of land on which a single family residence is located, which is occupied as a principle residence of a veteran returning from an armed conflict involving the armed forces of the United States who has an ownership interest therein, legal, equitable or as a lessee, and on which the veteran is liable for the payment of property taxes." Those individuals eligible for the Returning Veterans' Homestead Exemption may claim the Returning Veterans' Homestead Exemption, in addition to other homestead exemptions, unless otherwise noted.

### **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law (the "Limitation Law") limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies in Cook County, the five collar counties (DuPage, Kane, Lake, McHenry and Will) and several downstate counties.

Home rule units, including the Village, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the Village, the limitations set forth therein will not apply to any taxes levied by the Village to pay the principal of and interest on the Bonds.

## **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

## **FINANCIAL INFORMATION**

### **General**

The accounting policies of the Village conform to generally accepted accounting principles as applicable to governments. The Village accounts for its financial resources on the basis of funds or account groups, each of which is considered a separate accounting entity. The General Fund is the general operation fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expandable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Enterprise Funds are established to account for the financing of self-supporting activities of the Village which render services of a commercial nature on a user-charge basis to the general public. An enterprise fund is used to account for water and sewer service of the Village.

Trust and Agency Funds are established for the purpose of accounting for money and property held by the Village as trustee, custodian or agent.

### **Cash Management**

The Village is authorized by State statute to invest in the following: obligations of the U.S. Treasury, U.S. Government Agencies and instrumentalities and Certificates of Deposit and deposit accounts of banks and savings and loan associations covered by federal depository insurance, and money market accounts.

The Village President and Board of Trustees designate depositories on an annual basis. The Village invests operating funds in certificates of deposits and money market accounts. Each individual fund is responsible for its own businesses.

### **Budgetary Procedures**

The President and Board of Trustees adopt an annual appropriation ordinance for the fiscal year. The appropriation ordinance includes proposed expenditures and the means of financing them for the upcoming year along with estimates for the current year and actual data for the preceding year. In addition, more detailed line item budgets are included for administrative control. The level of control for the detail budgets is at the department head/function level. The budget is prepared on a cash basis.

Monthly reports are issued to the President and Board of Trustees to monitor revenues and expenditures. The Village Manager and department heads receive monthly reports. Department heads may transfer funds between line items within their budgets with the approval of the Village Manager and Treasurer. The President and Board of Trustees may authorize supplemental appropriations or restrict departmental expenditures during the fiscal year. Appropriations lapse at the end of the fiscal year.

## **Operating Results and Fund Balances**

The Village follows a modified accrual basis of accounting for all governmental funds and expendable trust funds. All proprietary, non-expendable trust and pension trust funds are accounted for using the accrual basis for accounting. See **APPENDIX A** herein.

## **Financial Reports**

The Village's financial statements are audited annually by certified public accountants. The Village's financial statements for governmental funds are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

## **Investment Policy**

The Village deposits and invests all its monies in investments allowed by State Statutes. The Statutes authorize the Village to make deposits in commercial banks, savings and loan institutions, and make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurers' Investment Pool. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, mutual funds, stocks and life insurance company contracts.

The overall direction of the Village's investment program may be found in the following objectives:

Safety of principal is the foremost objective of the Village. Each investment transaction shall seek first to insure that capital losses are avoided, whether they be from securities default or the erosion of market values.

Liquidity is considered most important to enable the Village to meet all operating requirements.

Maximum rate of return. The Village's investment portfolio shall be designed with the purpose of regularly exceeding the average rate of return on the six month United States Treasury bills. The investment program shall seek to augment returns above this threshold consistent with constraints imposed by its safety objective, cash flow considerations and State statutes.

Diversification. In order to further guarantee asset safety, investments shall be diversified to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions.

Public confidence. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Investment shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs.

Responsibility. In accordance with 65 ILCS 5/3.1-35-50 the responsibility for conducting investment transactions resides with the Village Treasurer. The Treasurer shall direct the investment transactions program operations consistent with this policy and will identify those staff positions having investment responsibility. No person may engage in an investment transaction except as provided under the terms of this policy and procedures developed by the Treasurer. The Treasurer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate staff members.

The standard of prudence to be used by the Village officials and employees responsible for the investment of public funds shall be the "prudent person" standard. Investments shall be made with judgment and care under circumstances then prevailing, which persons knowledgeable on investment practices, and persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the possible income to be derived.

### Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See APPENDIX A for excerpts of the Village's 2007 fiscal year audit.

#### Statement of Activities Governmental Activities

#### Net (Expense) Revenue and Changes in Net Assets

	Audited Years Ended April 30			
	2004	2005	2006	2007
Functions/Programs(1):				
General Government.....	\$ (3,266,492)	\$ (4,983,858)	\$ (6,948,334)	\$ (5,544,109)
Public Safety.....	(10,807,656)	(11,244,335)	(11,483,373)	(12,316,174)
Public Works.....	(4,168,540)	2,355,761	(981,329)	(6,161,336)
Culture and Recreation.....	(1,613,235)	(1,100,966)	(1,559,705)	(2,077,232)
Interest and Fees.....	(1,071,373)	(1,618,774)	(1,591,771)	(1,282,222)
Amortization of Costs.....	0	(6,792)	(20,378)	0
Total Governmental Activities.....	<u>\$(20,927,296)</u>	<u>\$(16,598,964)</u>	<u>\$(22,584,890)</u>	<u>\$(27,381,073)</u>
General Revenues:				
Taxes:				
Property.....	\$ 7,909,603	\$ 9,295,716	\$ 10,545,435	\$ 11,719,087
Other.....	9,505,144	14,373,742	17,567,426	18,240,367
Interest.....	149,317	371,156	1,093,578	1,835,921
Miscellaneous.....	49,169	568,035	78,517	159,271
Amortizations of Bond Premiums.....	0	9,522	28,566	0
Transfers.....	<u>1,339,878</u>	<u>1,941,200</u>	<u>2,020,000</u>	<u>2,168,600</u>
Total General Revenues and Transfers.....	<u>\$ 18,953,111</u>	<u>\$ 26,559,371</u>	<u>\$ 31,333,522</u>	<u>\$ 34,123,246</u>
Change in Net Assets.....	(1,974,185)	9,960,407	8,748,632	6,742,173
Net Assets - Beginning.....	<u>239,429,687</u>	<u>237,455,502</u>	<u>247,415,908</u>	<u>256,164,540</u>
Net Assets - Ending.....	<u>\$237,455,502</u>	<u>\$247,415,909</u>	<u>\$256,164,540</u>	<u>\$262,906,713</u>

Note: (1) Expenses less program revenues of Charges for Services and Operating Grants and contributions.

# Statement of Net Assets Governmental Activities

	As of April 30			
	2004	2005	2006	2007
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 7,539,574	\$ 20,467,648	\$ 27,269,498	\$ 32,844,779
Investments	1,283,046	1,842,557	237,448	0
Receivables:				
Property Taxes	6,640,395	7,473,219	8,487,777	9,583,166
Accounts	613,823	564,069	1,590,607	1,282,921
Other	498,921	1,006,470	1,044,345	1,015,796
Prepays	0	0	31,685	0
Internal Balances	(3,719,829)	(3,585,160)	(3,719,829)	(3,719,829)
Due from Other Governmental Units	3,038,410	2,572,496	2,291,969	3,424,011
Total Current Assets	\$ 15,894,340	\$ 30,341,299	\$ 37,233,500	\$ 44,430,844
Noncurrent Assets:				
Internal Balances	0	(1,027,409)	0	0
Unamortized Bond Costs and Discounts	0	400,756	380,378	360,001
Capital Assets, Not Being Depreciated	160,442,926	155,454,727	157,919,687	167,672,205
Capital Assets, Net of Accumulated Depreciation	91,974,527	102,806,930	103,228,891	102,596,782
Total Assets	\$268,311,793	\$287,976,303	\$298,762,456	\$315,059,832
<b>LIABILITIES AND NET ASSETS:</b>				
Current Liabilities:				
General Obligation Bonds	\$ 335,000	\$ 374,362	\$ 684,362	\$ 739,362
Alternative Revenue Bonds	335,000	375,000	385,000	8,650,000
Capital Leases	0	0	0	70,671
Accounts Payable	1,170,774	1,333,437	1,754,196	1,416,810
Accrued Liabilities	546,173	574,214	537,261	748,032
Accrued Interest	0	0	383,100	499,836
Deposits	417,085	1,338,343	1,306,896	1,593,660
Compensated Absences	145,498	143,000	147,637	105,599
Deferred Revenue	6,805,670	7,450,683	8,656,952	10,088,576
Total Current Liabilities	\$ 9,755,200	\$ 11,589,039	\$ 13,855,404	\$ 23,912,546
Noncurrent Liabilities:				
General Obligation Bonds	\$ 6,520,000	\$ 22,079,070	\$ 21,394,708	\$ 20,655,346
Alternative Revenue Bonds	11,950,000	3,315,000	2,930,000	2,530,000
Unamortized Bond Premium	0	561,791	533,225	504,660
Capital Leases	0	0	580,646	888,448
Pension Obligation	1,068,224	1,383,777	1,420,674	1,420,674
Compensated Absences	1,562,867	1,631,691	1,883,259	2,241,445
Total Noncurrent Liabilities	\$ 21,101,091	\$ 28,971,329	\$ 28,742,512	\$ 28,240,573
Total Liabilities	\$ 30,856,291	\$ 40,560,368	\$ 42,597,916	\$ 52,153,119
Net Assets:				
Invested in Capital Assets, Net of Related Debt	\$233,277,453	\$231,957,163	\$235,173,862	\$236,735,160
Restricted for Other Purposes	7,566,478	16,209,411	10,454,082	1,495,636
Unrestricted (Deficit)	(3,388,429)	(750,666)	10,536,596	24,675,917
Total Net Assets	\$237,455,502	\$247,415,908	\$256,164,540	\$262,906,713
Total Liabilities and Net Assets	\$268,311,793	\$287,976,276	\$298,762,456	\$315,059,832

## General Fund Balance Sheet

	Audited as of April 30				
	2003	2004	2005(1)	2006(1)	2007(1)
<b>ASSETS:</b>					
Cash and Cash Equivalents.....	\$ 5,007,004	\$ 2,226,507	\$ 4,808,279	\$11,734,857	\$14,471,700
Investments.....	0	0	1,614,735	839	0
Receivables:					
Property Taxes.....	4,694,069	5,415,364	6,181,560	7,026,102	7,984,914
Accounts.....	539,278	396,412	385,879	442,256	546,290
Other.....	0	477,114	986,654	1,015,212	766,716
Due From Other Governmental Units.....	2,867,003	2,608,028	2,241,103	2,214,377	2,595,120
Prepays.....	0	0	0	31,685	0
Due From Other Funds.....	1,185,442	1,185,442	0	569,898	928,262
Advanced to Other Funds.....	0	0	1,162,599	601,412	265,891
Total Assets.....	<u>\$14,292,796</u>	<u>\$12,308,867</u>	<u>\$17,380,809</u>	<u>\$23,636,638</u>	<u>\$27,558,893</u>
<b>LIABILITIES:</b>					
Accounts Payable.....	\$ 2,246,747	\$ 805,733	\$ 1,008,383	\$ 913,867	\$ 999,746
Accrued Expenses.....	351,530	485,145	507,565	479,486	678,723
Due to Other Funds.....	3,680,118	5,632,105	5,956,716	5,347,962	5,109,505
Deposits.....	334,778	417,085	1,338,343	1,306,847	1,496,788
Deferred Revenue.....	4,601,574	5,580,639	6,162,000	7,195,277	8,320,761
Total Liabilities.....	<u>\$11,214,747</u>	<u>\$12,920,707</u>	<u>\$14,973,007</u>	<u>\$15,243,439</u>	<u>\$16,605,523</u>
<b>FUND EQUITY:</b>					
Reserved.....	\$ 0	\$ 472,279			
Unreserved.....	3,078,049	(1,084,119)			
Total Fund Equity.....	<u>\$ 3,078,049</u>	<u>\$ (611,840)</u>			
Total Liabilities and Fund Equity.....	<u>\$14,292,796</u>	<u>\$12,308,867</u>			
<b>Fund Balances(1):</b>					
Reserved for:					
Advances.....			\$ 1,162,599	\$ 601,412	\$ 265,891
Prepays.....			0	31,685	0
Unreserved (Deficits).....			1,245,203	7,760,102	10,687,479
Total Fund Balances.....			<u>\$ 2,407,802</u>	<u>8,393,199</u>	<u>10,953,370</u>
Total Liabilities and Fund Balances.....			<u>\$17,380,809</u>	<u>\$23,636,638</u>	<u>\$27,558,893</u>

Note: (1) Reporting format changed to fund balances from fund equity.



## General Fund Revenues and Expenditures

Audited Years Ending April 30					
	2003	2004	2005	2006	2007
<b>REVENUES:</b>					
Property Taxes.....	\$ 4,207,692	\$ 4,919,611	\$ 5,814,154	\$ 6,629,402	\$ 7,520,331
Other Taxes.....	6,303,642	7,425,142	11,519,420	13,885,818	13,197,019
Interest Income.....	313,155	107,263	147,601	509,555	952,543
Fines, Licenses, Permits, and Fees.....	2,563,581	2,048,275	1,357,861	2,086,803	3,219,354
Charges for Services.....	2,997,194	2,643,191	2,799,273	3,731,574	4,256,847
Intergovernmental.....	5,257,660	2,631,860	2,962,412	3,008,954	3,533,386
Other.....	1,481,749	554,504	1,055,625	1,360,875	1,646,494
<b>Total Revenues.....</b>	<b>\$23,124,673</b>	<b>\$20,329,846</b>	<b>\$25,656,346</b>	<b>\$31,212,981</b>	<b>\$34,325,974</b>
<b>EXPENDITURES:</b>					
General Government.....	\$ 4,249,322	\$ 5,129,039	\$ 5,714,031	\$ 6,615,749	\$ 7,017,337
Public Safety.....	8,778,544	9,015,974	9,960,417	10,820,900	12,179,167
Public Works.....	8,775,539	3,923,685	3,693,080	5,275,414	5,891,351
Principal and Interest.....	459,615	468,345	0	194,169	194,421
Capital Outlay.....	0	5,295,001	3,611,192	3,051,051	5,927,106
<b>Total Expenditures.....</b>	<b>\$22,263,020</b>	<b>\$23,832,044</b>	<b>\$22,978,720</b>	<b>\$25,957,283</b>	<b>\$31,209,382</b>
Excess of Revenues Over (Under) Expenditures	\$ 861,653	\$(3,502,198)	\$ 2,677,626	\$ 5,255,698	\$ 3,116,592
Other Financing Sources (Uses):					
Capital Lease Proceeds.....	\$ 0	\$ 0	\$ 0	\$ 756,199	\$ 553,379
Operating Transfers (In).....	175,000	1,339,878	1,942,433	2,047,000	2,195,600
Operating Transfers (Out).....	(6,212,034)	(1,527,569)	(1,600,417)	(2,073,500)	(3,305,400)
Excess of Revenues and Other Sources Over (Under) Expenditures.....	\$(5,175,381)	\$(3,689,889)	\$ 3,019,642	\$ 5,985,397	\$ 2,560,171
Beginning Fund Balance.....	8,253,430	3,078,049	(611,840)	2,407,802	8,393,199
<b>Ending Fund Balance.....</b>	<b>\$ 3,078,049</b>	<b>\$ (611,840)</b>	<b>\$ 2,407,802</b>	<b>\$ 8,393,199</b>	<b>\$10,953,370</b>

### General Fund Budget Financial Information

	Budget Twelve Months Ending 4/30/2008	Unaudited Twelve Months Ending 4/30/2008
<b>REVENUES:</b>		
Property Taxes .....	\$ 8,010,100	\$ 8,197,387
Other Taxes .....	19,957,500	18,017,900
Interest Income .....	900,000	828,179
Fines, Licenses, Permits, and Fees .....	6,546,300	7,691,360
Grants .....	187,000	139,729
Other .....	4,065,700	3,967,934
Total Revenues .....	\$39,666,600	\$38,842,489
<b>EXPENDITURES:</b>		
General Government .....	\$ 8,627,000	\$ 8,972,747
Public Safety .....	14,911,900	15,011,826
Public Works(1) .....	10,792,700	9,833,108
Other .....	5,335,000	4,810,103
Total Expenditures .....	\$39,666,600	\$38,627,784
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 0	\$ 214,705

Note: (1) Includes capital outlay.

### PENSION AND RETIREMENT OBLIGATIONS

See **APPENDIX A** herein.

### REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The Village shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The Village will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month in which an interest payment date occurs on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

#### **TAX EXEMPTION**

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include all tax exempt interest, including interest on the Bonds.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the Village as the taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

#### CONTINUING DISCLOSURE

The Village will enter into a continuing disclosure undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under **"THE UNDERTAKING"**.

The Village represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule. A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See **"THE UNDERTAKING - Consequences of Failure of the Village to Provide Information"**. A failure by the Village to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

## THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

### Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to each Nationally Recognized Municipal Securities Information Repository (a "NRMSIR") then recognized by the Securities and Exchange Commission for purposes of the Rule and to the repository, if any, designated by the State of Illinois as the state information depository (the "SID") and recognized as such by the Commission for purposes of the Rule. Annual Financial Information will be provided to each NRMSIR and to the SID, if any, by 210 days after the last day of the Village's fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

"Annual Financial Information" means:

1. The table under the heading of **Retailers' Occupation, Service Occupation and Use Tax** within this Official Statement;
2. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
3. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
4. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

"Audited Financial Statements" means the financial statements of the Village as audited annually by independent certified public accountants. Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

### Material Events Disclosure

The Village covenants that it will disseminate to each NRMSIR or to the Municipal Securities Rulemaking Board (the "MSRB") and to the SID, if any, in a timely manner the disclosure of the occurrence of an Event (as described below) with respect to the Bonds that is material, as materiality is interpreted under the Securities Exchange Act of 1934, as amended. The "Events" are:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the security;
7. Modifications to the rights of security holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities; and
11. Rating changes.

### **Contact Person**

Financial Information and Notices of material Events can be obtained from: Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446; telephone (815) 886-7200.

### **Consequences of Failure of the Village to Provide Information**

The Village shall give notice in a timely manner to each NRMSIR or to the MSRB and to the SID, if any, of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Village to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order to cause the Village to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

### **Amendment; Waiver**

Notwithstanding any other provision of the Undertaking, the Village, by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

- (a) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Village, or type of business conducted;
- (b) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds as determined by parties unaffiliated with the Village (such as Bond Counsel), at the time of the amendment.

### **Termination of Undertaking**

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Village shall give notice to each NRMSIR or MSRB and the SID, if any, in a timely manner if this paragraph is applicable.

### **Additional Information**

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a material Event, in addition to that which is required by the Undertaking. If the Village chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the Village shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

## **Dissemination Agent**

The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

So long as such method continues to be approved by the Commission for purposes of the Rule, the Village may satisfy its obligations for all purposes of the Undertaking to provide information or notice to each NRMSIR and to the SID, if any, by sending such information or notice to Disclosure USA (at, as of the date of this Official Statement [www.DisclosureUSA.org](http://www.DisclosureUSA.org)) for submission to each NRMSIR and to the SID, if any.

## **OPTIONAL REDEMPTION**

The Bonds are **not** subject to optional redemption prior to maturity.

## **LITIGATION**

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof.

## **CERTAIN LEGAL MATTERS**

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel") who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP, Chicago, Illinois, has, at the request of the Village supplied the information under the headings "TAX EXEMPTION" and "CERTAIN LEGAL MATTERS".

## **OFFICIAL STATEMENT AUTHORIZATION**

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Village, and all expressions of opinion, whether or not so stated, are intended only as such.



## **INVESTMENT RATINGS**

Fitch Ratings and Moody's Investors Service, have assigned ratings of "AAA" and "Aaa", respectively, to the Bonds, with the understanding that, upon delivery of the Bonds, a bond insurance policy will be issued by Assured Guaranty. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch Ratings, One State Street Plaza, New York, New York 10004; Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

Assured Guaranty Corp. ("Assured Guaranty"), a Maryland-domiciled insurance company, has delivered its financial guaranty insurance policy (the "Policy") with respect to the scheduled payments of principal of and interest on this Bond to Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent on behalf of the holders of the Bonds (the "Paying Agent"). Such Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from Assured Guaranty or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of Assured Guaranty as more fully set forth in the Policy.

## **UNDERWRITING**

The Bonds were offered for sale by the Village at a public, competitive sale on September 17, 2008. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the "Underwriter"). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$ \_\_\_\_\_. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the addendum to this Official Statement.

## **FINANCIAL ADVISOR**

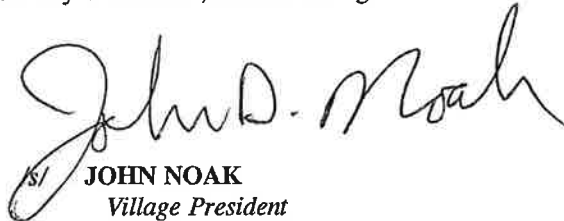
The Village has engaged Speer Financial, Inc. as financial advisor (the "Financial Advisor") in connection with the issuance and sale of the Bonds. The Financial Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Financial Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Financial Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Financial Advisor obligated by the Village's continuing disclosure undertaking.

### CERTIFICATION

We have examined this Official Statement dated August 28, 2008, for the \$4,865,000\* General Obligation Refunding Bonds, Series 2008C, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery, a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.



/s/ **KIRK OPENCHOWSKI**  
*Finance Director*  
**VILLAGE OF ROMEOVILLE**  
Will County, Illinois



/s/ **JOHN NOAK**  
*Village President*  
**VILLAGE OF ROMEOVILLE**  
Will County, Illinois

\*Subject to change.

**APPENDIX A**

**VILLAGE OF ROMEOVILLE  
WILL COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2007 AUDITED FINANCIAL STATEMENTS**

Village of Romeoville, Illinois  
Statement of Net Assets  
April 30, 2007

Assets	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash and cash equivalents	\$ 32,844,779	\$ 32,872,930	\$ 65,717,709
Receivables:			
Property taxes	9,553,166	-	9,553,166
Accounts	1,282,321	1,493,530	2,775,851
Other	1,015,796	-	1,015,796
Internal balances	(3,719,529)	3,719,529	-
Due from other governmental units	3,424,911	-	3,424,911
Total current assets	44,430,844	37,826,289	82,257,133
Non-Current Assets			
Unamortized bond costs and discounts	360,001	220,807	580,808
Capital assets not being depreciated	107,572,205	16,589,738	124,161,943
Capital assets being depreciated, net	102,395,782	85,240,571	187,636,353
Total non-current assets	210,325,988	102,050,896	312,376,884
Total assets	\$ 315,059,832	\$ 140,877,155	\$ 455,936,987

Liabilities and Net Assets

Current Liabilities			
General obligation bonds	\$ 739,352	\$ 1,155,466	\$ 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	488,836	589,085	1,077,921
Deposits	1,593,860	112,260	1,706,120
Compensated absences	105,599	105,123	210,722
Unearned revenue	10,085,576	-	10,085,576
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	10,253,688	12,813,688
Note payable	-	17,860,634	17,860,634
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 Allocations	1,495,636	-	1,495,636
Unrestricted	24,819,036	35,036,802	60,712,719
Total net assets	263,049,832	98,336,135	361,385,967
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	Expenses	Program Revenues	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 9,885,069	\$ 3,581,795	\$ 789,165	\$ (5,544,109)	\$ -	\$ (5,544,109)
Public safety	14,775,858	2,248,768	210,915	(12,316,174)	-	(12,316,174)
Public works	11,489,635	3,138,242	1,076,933	(6,161,336)	-	(6,161,336)
Culture and recreation	2,971,666	384,973	7,500	(2,077,233)	-	(2,077,233)
Interest and fees	1,282,222	-	-	(1,282,222)	-	(1,282,222)
Total governmental activities	40,413,450	9,853,779	2,054,513	(27,381,073)	-	(27,381,073)
Business-type activities:						
Water and sewer	11,327,387	15,238,436	-	-	3,911,049	3,911,049
Total	\$ 51,740,837	\$ 25,092,215	\$ 2,054,513	(27,381,073)	3,911,049	(23,470,024)

General revenues

Taxes:						
Property	11,719,087	-	-	-	-	11,719,087
Sales	6,191,511	-	-	-	-	6,191,511
Income	3,153,539	-	-	-	-	3,153,539
Utility	5,033,465	-	-	-	-	5,033,465
Other	3,881,452	-	-	-	-	3,881,452
Interest	1,835,921	1,220,508	-	-	-	3,056,429
Miscellaneous	159,271	903,165	-	-	-	1,062,436
Transfers	2,188,600	(2,188,600)	-	-	-	-
Total general revenues and transfers	34,123,246	(44,927)	-	-	-	34,078,319
Change in net assets	6,742,173	3,866,122	-	-	-	10,608,295

Net assets:

May 1, 2006	256,164,540	95,470,013	351,634,553
April 30, 2007	\$ 262,998,713	\$ 98,336,135	\$ 361,334,848

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Balance Sheet  
Governmental Funds  
April 30, 2007

Assets	General Fund	Recreation Fund	Marquette Center TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
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	7,994,914	687,080	-	-	911,172	9,593,166
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	-	2,086,676	-	2,392	3,020,330
Advances to other funds	285,891	-	-	-	-	285,891
Due from other governmental units	2,595,120	-	-	-	828,891	3,424,011
<b>Total assets</b>	<b>\$ 27,658,893</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>						
Liabilities						
Alameda revenue bonds payable	\$ 999,746	339,727	-	\$ 8,250,000	\$ -	\$ 8,250,000
Accounts payable	678,723	69,309	-	25,681	51,658	1,416,810
Accrued liabilities	-	-	-	-	-	748,032
Accrued interest	-	-	-	134,436	-	134,436
Grants	1,496,768	96,872	-	-	-	1,593,660
Due to other funds	5,109,505	1,896,708	22,843	-	11,103	6,740,159
Advances from other funds	285,891	-	-	-	-	285,891
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>1,004,853</b>	<b>29,237,554</b>
Fund balances:						
Reserved for advances	285,891	-	-	-	-	285,891
Unreserved (deficit):						
General fund	10,687,479	-	-	-	-	10,687,479
Special revenue funds	-	(205,891)	-	-	1,853,866	1,537,975
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>10,983,370</b>	<b>(205,891)</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>\$ 27,658,893</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.	270,258,987
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.	350,001
Premium on bonds that is other financing use in the fund financial statements is a liability that is amortized over the life of the bonds in the government-wide financial statements.	(504,680)
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	(21,384,706)
Alternate revenue bonds	(2,930,000)
Pension obligations	(1,420,674)
Compensated absences	(2,347,044)
Capital lease	(959,119)
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	\$ 2,558,914	\$ -	\$ 1,046,735	\$ 11,719,087
Other taxes	13,187,019	1,082,285	-	-	633,822	14,917,896
Interest	952,543	60,102	417,463	21,923	383,590	1,835,521
Fines	687,587	-	-	-	-	687,587
License and permits	2,551,767	-	-	-	-	2,551,767
Charges for services	4,256,847	775,600	-	-	-	5,032,447
Intergovernmental	3,533,368	7,500	-	-	1,838,098	5,378,964
Developer contributions	1,846,494	109,373	1,981	-	1,122,124	1,724,065
Other	34,323,974	2,629,898	2,574,377	21,923	5,034,851	44,987,023
<b>Total revenues</b>						
<b>Expenditures:</b>						
Current:						
General government	7,017,337	-	4,000	470,868	88,100	7,580,105
Public safety	12,173,167	-	-	-	-	12,173,167
Public works	5,891,351	-	-	-	621,210	6,512,561
Culture and recreation	-	2,516,395	-	-	-	2,516,395
Debt services:						
Principal	174,908	-	-	-	1,069,362	1,244,268
Interest and fees	19,516	-	-	134,436	1,141,159	1,295,110
Bond insurance costs	-	-	-	13,000	-	13,000
Capital outlay	5,927,106	1,074,964	-	5,805,191	6,380,000	19,187,261
<b>Total expenditures</b>	<b>31,209,362</b>	<b>3,591,359</b>	<b>4,000</b>	<b>6,423,995</b>	<b>9,259,831</b>	<b>50,487,867</b>
Excess (deficiency) of revenues over (under) expenditures	3,116,592	(981,461)	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	2,195,800	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>(9,401,372)</b>	<b>726,814</b>	<b>(2,778,865)</b>
<b>Fund balances (deficit):</b>						
May 1, 2006	8,383,199	(601,412)	10,087,503	-	7,118,905	24,978,195
April 30, 2007	\$ 10,953,370	\$ (265,891)	\$ 10,087,504	\$ (6,401,372)	\$ 7,845,719	\$ 22,199,330

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	\$
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	(5,434,495)		
			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	\$ 854,362		
Alternate revenue bonds	385,000		
Capital leases	174,908		
			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	(316,148)		
			(298,448)
Change in net assets of governmental activities			\$ 8,742,173

Village of Romeoville, Illinois

Statement of Net Assets  
Enterprise Fund  
April 30, 2007

Assets	Business-Type Activities
Current Assets	
Cash and cash equivalents	\$ 32,622,930
Accounts receivable	1,483,530
Due from other funds	3,719,829
<b>Total current assets</b>	<b>37,826,289</b>
Non-Current Assets	
Unamortized bond costs	220,607
Capital assets not being depreciated	18,595,738
Capital assets being depreciated, net	88,240,521
<b>Total non-current assets</b>	<b>106,056,866</b>
<b>Total assets</b>	<b>\$ 140,877,155</b>
Liabilities and Net Assets	
Current Liabilities	
General obligation bonds	\$ 1,185,486
Altamata revenue bonds	341,312
Accounts payable	1,054,171
Accrued liabilities	101,131
Accrued interest	559,065
Deposits	112,260
Compensated absences	105,123
<b>Total current liabilities</b>	<b>3,468,568</b>
Long-term Liabilities, net of current maturities	
Deferred gain on refunding	38,324
General obligation bonds	10,159,806
Altamata revenue bonds	10,283,689
Note payable	17,550,634
<b>Total long-term liabilities</b>	<b>38,042,452</b>
<b>Total liabilities</b>	<b>41,511,020</b>
Net Assets	
Invested in capital assets, net of related debt	63,269,333
Unrestricted	36,036,802
<b>Total net assets</b>	<b>99,306,135</b>
<b>Total liabilities and net assets</b>	<b>\$ 140,877,155</b>

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
Operating revenues:	
Charges for services	\$ 11,922,126
Fines and fees	1,412,358
Developer contributions	1,751,881
Reimbursements	152,071
Other	993,165
<b>Total operating revenues</b>	<b>16,141,801</b>
Operating expenses:	
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>6,133,363</b>
Non-operating income (expense):	
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>(88,441)</b>
<b>Income before transfers</b>	<b>6,034,722</b>
Transfers out	(2,168,800)
<b>Change in net assets</b>	<b>3,865,922</b>
Net assets:	
May 1, 2006	95,470,013
April 30, 2007	<b>\$ 99,306,135</b>

See Notes to Basic Financial Statements.

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

Village of Romeoville, Illinois

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

	Business-Type Activities
Cash flows from Operating Activities	
Cash received from customers	\$ 15,559,312
Cash received from developers	110,913
Payments to employees	(2,755,640)
Payments to suppliers	(4,874,873)
Net cash provided by operating activities	8,038,612
Cash flows from non-capital financing activities	
Transfers out	(2,168,600)
Net cash used in non-capital financing activities	(2,168,600)
Cash flows from capital and related financing activities	
Additions to capital assets	(15,579,681)
Proceeds from note payable	13,284,739
Principal payments, general obligation bonds	(1,070,638)
Principal payments, alternate revenue bonds	(360,000)
Interest paid	(980,091)
Net cash used in capital and related financing activities	(5,625,671)
Cash flows from investing activities	
Cash receipts from interest income	1,220,508
Net increase in cash and cash equivalents	1,264,849
Cash and equivalents:	
May 1, 2006	31,359,081
April 30, 2007	\$ 32,623,930

(continued)

Business-Type  
Activities

Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 8,133,163
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	18,188
Developer advances	(1,539,337)
Deposits	(1,631)
Total adjustments	1,905,449
Net cash provided by operating activities	\$ 8,038,612
Supplemental Schedule of Non-Cash Capital Activities	
Accrued interest capitalized during construction phase	\$ 281,595

See Notes to Basic Financial Statements.



Village of Romeoville, Illinois

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

<b>Assets</b>	
Cash and cash equivalents	\$ 873,747
Investments:	
U.S. government and agency obligations	9,374,229
Local government bonds	152,634
Money market funds	580,835
Mutual funds	2,134,123
Annuity contracts	5,025,103
Accrued interest receivable	47,304
<b>Total assets</b>	<b>\$ 18,167,975</b>
<b>Liabilities and Net Assets</b>	
Liabilities:	
Accrued liabilities	\$ -
Net assets held in trust for employees' benefits	18,167,975
<b>Total liabilities and net assets</b>	<b>\$ 18,167,975</b>

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

<b>Additions</b>	
Contributions:	
Employer	\$ 1,071,735
Employee	480,994
<b>Total contributions</b>	<b>1,552,729</b>
Investment income:	
Net appreciation in fair value of investments	1,387,018
Interest	629,032
<b>Total investment income</b>	<b>1,916,050</b>
<b>Total additions</b>	<b>3,468,779</b>
Deductions	
Benefits	572,572
Administrative expense	8,098
<b>Total deductions</b>	<b>580,670</b>
<b>Change in net assets</b>	<b>2,888,109</b>
Net assets held in trust for employees' pension benefits:	
May 1, 2006	15,279,866
April 30, 2007	\$ 18,167,975

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.

Village of Romeoville, Illinois

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.

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.

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 \$281,595 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.

**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, 2016, 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.

**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:

	Estimated Useful Lives
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/expenses 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)

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 OPES plan.

Note 2. Budgets

Budgetary Information

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

- 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.
- Public hearings are conducted by the Village to obtain taxpayer comments.
- Subsequently, the budget is legally enacted through passage of an ordinance.
- 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.
- Budgets for those funds were adopted on a basis consistent with generally accepted accounting principles.
- Budgetary authority lapses at the year-end.
- 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.
- Budget amounts are as originally adopted.

Deficit Fund Balances

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

Fund	Amount	Intended Financing
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	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	259,316	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	588,695	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 *	8,448,249	8,448,249	-	-	-
Money Market Funds *	560,835	560,835	-	-	-
Total	\$ 59,876,214	\$ 49,648,667	\$ 3,939,098	\$ 1,963,247	\$ 3,325,202

\* 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 FFGB and FHLB were rated Aaa by Moody's Investors Services. The FHLMC, FNMA, and Local Government Bonds were rated Aaa – Aaa3 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>				
Capital assets not being depreciated:				
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
Total capital assets being depreciated	157,919,687	12,159,996	2,407,478	167,672,205
Capital assets being depreciated:				
Buildings and property	20,384,462	-	-	20,384,462
Machinery and equipment	2,157,316	468,772	160,148	2,465,940
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
Total capital assets being depreciated	157,411,112	4,818,947	160,148	162,070,911
Less accumulated depreciation for:				
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	586,533	109,758	-	706,291
Vehicles	2,816,866	493,013	-	3,309,869
Infrastructure	42,881,218	3,984,621	-	46,865,839
Total accumulated depreciation	54,182,221	5,434,486	142,588	59,474,129
Total capital assets being depreciated, net	103,228,891	(614,549)	17,560	102,595,782
Governmental activities capital assets, net	\$ 261,148,576	\$ 11,545,447	\$ 2,425,038	\$ 270,268,987

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>				
Capital assets not being depreciated:				
Land	\$ 9,328	\$ 11,400	\$ -	\$ 20,728
Construction in progress	4,304,464	16,742,149	4,477,603	16,569,010
Total capital assets not being depreciated	4,313,792	16,753,549	4,477,603	16,589,738
Capital assets being depreciated:				
Buildings and property	12,952	2,188,378	-	2,201,340
Machinery and equipment	6,936,894	63,101	1,168,199	5,841,596
Vehicles	694,160	102,101	-	796,261
Infrastructure	106,149,547	2,331,140	-	108,480,687
Other equipment	1,044,258	-	133,717	910,541
Total capital assets being depreciated	114,837,641	4,685,320	1,291,916	118,231,045
Less accumulated depreciation for:				
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
Total accumulated depreciation	29,816,981	3,110,502	936,959	31,990,524
Total capital assets being depreciated, net	85,020,660	1,574,818	354,957	86,240,521
Business-type activities Capital assets, net	\$ 89,334,452	\$ 18,328,367	\$ 4,832,560	\$ 102,830,269

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	475,363	
Total depreciation expense - governmental activities	\$ 5,434,496	
Business-type activities:		
Water and Sewer	\$ 3,110,502	

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	1,131,143	815,000	2,347,044	105,589
Pension obligation*	1,420,674	-	-	1,420,674	-
	\$ 29,426,286	\$ 1,684,527	\$ 2,059,268	\$ 29,051,545	\$ 1,315,632

\*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)	-
	\$ 27,495,702	\$ 13,264,739	\$ 1,411,798	\$ 39,348,643	\$ 1,526,798

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 \$17,660,634 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 \$30,000 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, 2008 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 \$30,283 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, \$49,688 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 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/publications/homepage.htm](http://www.imrf.org/publications/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, 2008 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 11.8% 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 2008 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	679,894	100%	-
04/30/2005	568,603	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 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	General Obligation Bonds				Governmental				Capital Leases			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 739,362	\$ 976,922	\$ 400,000	\$ 119,183	\$ 70,671	\$ 19,574						
2009	812,298	939,833	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	14,871						
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	-	-	-	-						
	\$ 21,394,708	\$ 7,675,824	\$ 2,930,000	\$ 847,915	\$ 959,119	\$ 132,354						

Fiscal Year	Business-type				Total			
	General Obligation Bonds		Alternative Revenue Bonds		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	(8,888)	476,915	5,001,074			
2011	785,530	354,753	846,312	476,915	5,091,374			
2012	888,870	276,758	868,312	437,000	5,216,733			
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			
	\$ 11,247,724	\$ 2,670,721	\$ 10,540,285	\$ 4,098,802	\$ 62,486,552			

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)

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	(63,945)
Annual pension cost	810,838
Contributions made	777,248
Increase in net pension obligation	33,592
Net pension obligation, beginning of year	1,238,878
Net pension obligation, end of year	\$ 1,272,470

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)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
04/30/2006	\$ 810,838	\$ 777,248	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	36
<b>Total members</b>	<b>73</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 2005 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	(6,309)
Annual pension cost	120,107
Contributions made	116,802
Increase in net pension obligation	3,305
Net pension obligation, beginning of year	144,899
Net pension obligation, end of year	\$ 148,204

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)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation (Assal)
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, 2008, 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

Assets	Firefighters' Pension	Police Pension	Total
Cash and cash equivalents	\$ 19,637	\$ 854,110	\$ 873,747
Investments:			
U.S. government and agency obligations	1,390,029	7,994,200	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>

Liabilities and Net Assets

Liabilities	\$ -	\$ -	\$ -
<b>Net assets held in trust for employees' pension benefits</b>	<b>1,791,308</b>	<b>16,376,667</b>	<b>18,167,975</b>
<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	382,940	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	39,846	1,347,372	1,387,018
Interest	77,882	451,150	529,032
<b>Total investment income</b>	<b>117,728</b>	<b>1,798,522</b>	<b>1,916,050</b>
<b>Total additions</b>	<b>360,654</b>	<b>3,108,325</b>	<b>3,468,979</b>
<b>Deductions</b>			
Benefits	-	572,572	572,572
Administrative expense	4,875	3,423	8,098
<b>Total deductions</b>	<b>4,875</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>
<b>Net assets held in trust for employees' pension benefits:</b>			
May 1, 2006	1,435,529	13,844,337	15,279,866
<b>April 30, 2007</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 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 reinsure 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:

Fund	Due from	Due to
Major Governmental:		
General:		
Recreation	\$ 896,708	\$ -
Downtown TIF	8,711	-
Marquette Center TIF	22,843	2,089,876
Water and Sewer	-	3,019,829
	928,262	5,109,505
Recreation:		
General	-	896,708
Water and Sewer	-	700,000
	-	1,596,708
Marquette Center TIF,		
General	2,089,876	22,843
Major Business-type,		
Water and Sewer:		
General	3,019,829	-
Recreation	700,000	-
	3,719,829	-
Non-Major Governmental Funds:		
Debt Service	-	2,392
2002A Construction		
Debt Service	2,392	-
Downtown TIF,		
General	-	8,711
	2,392	11,103
Total	\$ 6,740,159	\$ 6,740,159

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:

Fund	Advances to	Advances from
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:

Fund	Transfer From	Transfer To
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	-
	2,195,600	3,305,400
Recreation:		
General	1,314,700	-
Non-major debt service funds	-	17,718
	1,314,700	17,718
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	-	27,000
General	-	-
Non-major debt service funds	17,718	-
Recreation	1,990,700	-
General	38,109	38,109
Non-major debt service funds	-	-
Non-major capital projects funds	2,970,376	-
Marquette Center TIF	5,016,903	65,109
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. Deceased 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 (asset), 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.

Village of Romeoville, Illinois

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 (Allstate Revenue Bonds), Refunding Bonds Series 1997A, with an average interest rate of 5.07%. The proceeds of \$5,046,885 (including premium of \$26,885) plus a village contribution of \$726,830 were used to purchase \$5,109,408 of U.S. government securities and pay issuance costs of \$84,307. 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%.

## APPENDIX B

### DESCRIBING BOOK-ENTRY ONLY ISSUANCE

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.



5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

## APPENDIX C

### BOND INSURANCE

The following information is not complete and reference is made to **APPENDIX C** for a specimen of the financial guaranty insurance policy (the "Policy") of Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer").

#### The Insurance Policy

Assured Guaranty has made a commitment to issue the Policy relating to the Bonds, effective as of the date of issuance of such Bonds. Under the terms of the Policy, Assured Guaranty will unconditionally and irrevocably guarantee to pay that portion of principal of and interest on the Bonds that becomes Due for Payment but shall be unpaid by reason of Nonpayment (the "Insured Payments"). Insured Payments shall not include any additional amounts owing by the Village solely as a result of the failure by the Trustee or the Paying Agent to pay such amount when due and payable, including without limitation any such additional amounts as may be attributable to penalties or to interest accruing at a default rate, to amounts payable in respect of indemnification, or to any other additional amounts payable by the Trustee or the Paying Agent by reason of such failure. The Policy is non-cancelable for any reason, including without limitation the non-payment of premium.

"Due for Payment" means, when referring to the principal of the Bonds, the stated maturity date thereof, or the date on which such Bonds shall have been duly called for mandatory sinking fund redemption, and does not refer to any earlier date on which payment is due by reason of a call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless Assured Guaranty in its sole discretion elects to make any principal payment, in whole or in part, on such earlier date) and, when referring to interest on such Bonds, means the stated dates for payment of interest.

"Nonpayment" means the failure of the Village to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all principal and interest Due for Payment on the Bonds. It is further understood that the term Nonpayment in respect of a Bond also includes any amount previously distributed to the Holder (as such term is defined in the Policy) of such Bond in respect of any Insured Payment by or on behalf of the Village, which amount has been recovered from such Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction that such payment constitutes an avoidable preference with respect to such Holder. Nonpayment does not include nonpayment of principal or interest caused by the failure of the Trustee or the Paying Agent to pay such amount when due and payable.

Assured Guaranty will pay each portion of an Insured Payment that is Due for Payment and unpaid by reason of Nonpayment, on the later to occur of (i) the date such principal or interest becomes Due for Payment, or (ii) the business day next following the day on which Assured Guaranty shall have received a completed notice of Nonpayment therefor in accordance with the terms of the Policy.

Assured Guaranty shall be fully subrogated to the rights of the Holders of the Bonds to receive payments in respect of the Insured Payments to the extent of any payment by Assured Guaranty under the Policy.

The Policy is not covered by any insurance or guaranty fund established under New York, California, Connecticut or Florida insurance law.

## **The Insurer**

Assured Guaranty Corp. ("Assured Guaranty") is a Maryland-domiciled insurance company regulated by the Maryland Insurance Administration and licensed to conduct financial guaranty insurance business in all fifty states of the United States, the District of Columbia and Puerto Rico. Assured Guaranty commenced operations in 1988. Assured Guaranty is a wholly owned, indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, structured finance and mortgage markets. Neither AGL nor any of its shareholders is obligated to pay any debts of Assured Guaranty or any claims under any insurance policy issued by Assured Guaranty.

Assured Guaranty is subject to insurance laws and regulations in Maryland and in New York (and in other jurisdictions in which it is licensed) that, among other things, (i) limit Assured Guaranty's business to financial guaranty insurance and related lines, (ii) prescribe minimum solvency requirements, including capital and surplus requirements, (iii) limit classes and concentrations of investments, (iv) regulate the amount of both the aggregate and individual risks that may be insured, (v) limit the payment of dividends by Assured Guaranty, (vi) require the maintenance of contingency reserves, and (vii) govern changes in control and transactions among affiliates. Certain state laws to which Assured Guaranty is subject also require the approval of policy rates and forms.

Assured Guaranty's financial strength is rated "AAA" (stable) by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), "AAA" (stable) by Fitch, Inc. ("Fitch") and "Aaa" (under review for possible downgrade) by Moody's Investors Service, Inc. ("Moody's"). Each rating of Assured Guaranty should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of any security guaranteed by Assured Guaranty. Assured Guaranty does not guaranty the market price of the securities it guarantees, nor does it guaranty that the ratings on such securities will not be revised or withdrawn.

## ***Recent Developments***

For recent developments regarding Assured Guaranty's insurance financial strength ratings, see AGL's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2008 (which was filed by AGL with the SEC (as defined below) on August 8, 2008).

## ***Capitalization of Assured Guaranty Corp.***

As of June 30, 2008, Assured Guaranty had total admitted assets of \$1,798,738,388 (unaudited), total liabilities of \$1,339,900,327 (unaudited), total surplus of \$458,838,061 (unaudited) and total statutory capital (surplus plus contingency reserves) of \$1,109,675,386 (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. As of December 31, 2007, Assured Guaranty had total admitted assets of \$1,361,538,502 (audited), total liabilities of \$961,967,238 (audited), total surplus of \$399,571,264 (audited) and total statutory capital (surplus plus contingency reserves) of \$982,045,695 (audited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. The Maryland Insurance Administration recognizes only statutory accounting practices for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maryland Insurance Code, and for determining whether its financial condition warrants the payment of a dividend to its stockholders. No consideration is given by the Maryland Insurance Administration to financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") in making such determinations.

### *Incorporation of Certain Documents by Reference*

The portions of the following documents relating to Assured Guaranty are hereby incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

The Annual Report on Form 10-K of AGL for the fiscal year ended December 31, 2007 (which was filed by AGL with the Securities and Exchange Commission (the "SEC") on February 29, 2008);

The Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2008 (which was filed by AGL with the SEC on May 9, 2008);

The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2008 (which was filed by AGL with the SEC on August 8, 2008); and

The Current Reports on Form 8-K filed by AGL with the SEC, as they relate to Assured Guaranty.

All consolidated financial statements of Assured Guaranty and all other information relating to Assured Guaranty included in documents filed by AGL with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this Official Statement and prior to the termination of the offering of the Bonds shall be deemed to be incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such consolidated financial statements.

Any statement contained in a document incorporated herein by reference or contained herein under the heading **"APPENDIX C - BOND INSURANCE - The Insurer"** shall be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any subsequently filed document which is incorporated by reference herein also modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

Copies of the consolidated financial statements of Assured Guaranty incorporated by reference herein and of the statutory financial statements filed by Assured Guaranty with the Maryland Insurance Administration are available upon request by contacting Assured Guaranty at 1325 Avenue of the Americas, New York, New York 10019 or by calling Assured Guaranty at (212) 974-0100. In addition, the information regarding Assured Guaranty that is incorporated by reference in this Official Statement that has been filed by AGL with the SEC is available to the public over the Internet at the SEC's web site at <http://www.sec.gov> and at AGL's web site at <http://www.assuredguaranty.com>, from the SEC's Public Reference Room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the office of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Assured Guaranty makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading **"APPENDIX C - BOND INSURANCE."**



## Specimen Financial Guaranty Insurance Policy

Assured Guaranty Corp.  
1325 Avenue of the Americas  
New York, NY 10019  
t. 212.974.0100  
www.assuredguaranty.com

### Financial Guaranty Insurance Policy

Issuer:

Policy No.:

Obligations:

Premium:

Effective Date:

Assured Guaranty Corp., a Maryland corporation ("Assured Guaranty"), in consideration of the payment of the Premium and on the terms and subject to the conditions of this Policy (which includes each endorsement hereto), hereby unconditionally and irrevocably agrees to pay to the trustee (the "Trustee") or the paying agent (the "Paying Agent") for the Obligations (as set forth in the documentation providing for the issuance of and securing the Obligations) for the benefit of the Holders that portion of the Insured Payments which shall become Due for Payment but shall be unpaid by reason of Nonpayment.

Assured Guaranty will make such Insured Payments to the Trustee or the Paying Agent on the later to occur of (i) the date applicable principal or interest becomes Due for Payment, or (ii) the Business Day next following the day on which Assured Guaranty shall have Received a completed Notice of Nonpayment. If a Notice of Nonpayment by Assured Guaranty is incomplete or does not in any instance conform to the terms and conditions of this Policy, it shall be deemed not Received, and Assured Guaranty shall promptly give notice to the Trustee or the Paying Agent. Upon receipt of such notice, the Trustee or the Paying Agent may submit an amended Notice of Nonpayment. The Trustee or the Paying Agent will disburse the Insured Payments to the Holders only upon receipt by the Trustee or the Paying Agent in form reasonably satisfactory to it of (i) evidence of the Holder's right to receive such payments, and (ii) evidence, including without limitation any appropriate instruments of assignment, that all of the Holder's rights to payment of such principal or interest Due for Payment shall thereupon vest in Assured Guaranty. Upon and to the extent of such disbursement, Assured Guaranty shall become the Holder of the Obligations, any appurtenant coupon thereto and right to receipt of payment of principal thereof or interest thereon, and shall be fully subrogated to all of the Holder's right, title and interest thereunder, including without limitation the right to receive payments in respect of the Obligations. Payment by Assured Guaranty to the Trustee or the Paying Agent for the benefit of the Holders shall discharge the obligation of Assured Guaranty under this Policy to the extent of such payment.

This Policy is non-cancelable by Assured Guaranty for any reason. The Premium on this Policy is not refundable for any reason. This Policy does not insure against loss of any prepayment premium or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Assured Guaranty, nor against any risk other than Nonpayment.

Except to the extent expressly modified by any endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Avoided Payment" means any amount previously distributed to a Holder in respect of any Insured Payment by or on behalf of the Issuer, which amount has been recovered from such Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction that such payment constitutes an avoidable preference with respect to such Holder. "Business Day" means any day other than (i) a Saturday or Sunday, (ii) any day on which the offices of the Trustee, the Paying Agent or Assured Guaranty are closed, or (iii) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the City of New York or in the State of Maryland. "Due for Payment" means (i) when referring to the principal of an Obligation, the stated maturity date thereof, or the date on which such Obligation shall have been duly called for mandatory sinking fund redemption, and does not refer to any earlier date on which payment is due by reason of a call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless Assured Guaranty in its sole discretion elects to make any principal payment, in whole or in part, on such earlier date) and (ii) when referring to interest on an Obligation, the stated date for payment of such interest. "Holder" means, in respect of any Obligation, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Obligation to payment of principal or interest thereunder, except that Holder shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Obligations. "Insured Payments" means that portion of the principal of and interest on the Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment. Insured Payments shall not include any additional amounts owing by the Issuer solely as a result of the failure by the Trustee or the Paying Agent to pay such amount when due and payable, including without limitation any such additional amounts as may be attributable to penalties or to interest accruing at a default rate, to amounts payable in respect of indemnification, or to any other additional amounts payable by the Trustee or the Paying Agent by reason of such failure. "Nonpayment" means, in respect of an Obligation, the failure of the Issuer to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all principal and interest Due for Payment on such Obligation. It is further understood that the term "Nonpayment" in respect of an Obligation includes any Avoided Payment. "Receipt" or "Received" means actual receipt or notice of or, if notice is given by overnight or other delivery service, or by certified or registered United States mail, by a delivery receipt signed by a person authorized to accept delivery on behalf of the person to whom the notice was given. Notices to Assured Guaranty may be mailed by registered mail or personally delivered or telecopied to it at 1325 Avenue of the Americas, New York, New York 10019, Telephone Number: (212) 974-0100, Facsimile Number: (212) 581-3268, Attention: Risk Management Department - Public Finance Surveillance, with a copy to the General Counsel, or to such other address as shall be specified by Assured Guaranty to the Trustee or the Paying Agent in writing. A Notice of Nonpayment will be deemed to be Received by Assured Guaranty on a given Business Day if it is Received prior to 12:00 noon (New York City time) on such Business Day; otherwise it will be deemed Received on the

next Business Day. "Term" means the period from and including the Effective Date until the earlier of (i) the maturity date for the Obligations, or (ii) the date on which the Issuer has made all payments required to be made on the Obligations.

At any time during the Term of this Policy, Assured Guaranty may appoint a fiscal agent (the "Fiscal Agent") for purposes of this Policy by written notice to the Trustee or the Paying Agent, specifying the name and notice address of such Fiscal Agent. From and after the date of Receipt of such notice by the Trustee or the Paying Agent, copies of all notices and documents required to be delivered to Assured Guaranty pursuant to this Policy shall be delivered simultaneously to the Fiscal Agent and to Assured Guaranty. All payments required to be made by Assured Guaranty under this Policy may be made directly by Assured Guaranty or by the Fiscal Agent on behalf of Assured Guaranty. The Fiscal Agent is the agent of Assured Guaranty only, and the Fiscal Agent shall in no event be liable to the Trustee or the Paying Agent for any acts of the Fiscal Agent or any failure of Assured Guaranty to deposit, or cause to be deposited, sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, Assured Guaranty hereby waives, in each case for the benefit of the Holders only, all rights and defenses of any kind (including, without limitation, the defense of fraud in the inducement or in fact or any other circumstance that would have the effect of discharging a surety, guarantor or any other person in law or in equity) that may be available to Assured Guaranty to deny or avoid payment of its obligations under this Policy in accordance with the express provisions hereof. Nothing in this paragraph will be construed (i) to waive, limit or otherwise impair, and Assured Guaranty expressly reserves, Assured Guaranty's rights and remedies, including, without limitation, its right to assert any claim or to pursue recoveries (based on contractual rights, securities law violations, fraud or other causes of action) against any person or entity, in each case, whether directly or acquired as a subrogee, assignee or otherwise, subsequent to making any payment to the Trustee or the Paying Agent, in accordance with the express provisions hereof, and/or (ii) to require payment by Assured Guaranty of any amounts that have been previously paid or that are not otherwise due in accordance with the express provisions of this Policy.

This Policy (which includes each endorsement hereto) sets forth in full the undertaking of Assured Guaranty with respect to the subject matter hereof, and may not be modified, altered or affected by any other agreement or instrument, including, without limitation, any modification thereto or amendment thereof. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. This Policy will be governed by, and shall be construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, Assured Guaranty has caused this Policy to be affixed with its corporate seal, to be signed by its duly authorized officer, and to become effective and binding upon Assured Guaranty by virtue of such signature.

ASSURED GUARANTY CORP.

(SEAL)

By:

[Insert Authorized Signatory Name]  
[Insert Authorized Signatory Title]

Signature attested to by:

Counsel

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## APPENDIX D

### PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined a certified copy of the proceedings (the "*Proceedings*") had by the President and Board of Trustees of the Village of Romeoville, Will County, Illinois (the "*Village*"), passed preliminary to the issuance by the Village of its fully registered General Obligation Refunding Bonds, Series 2008C (the "*2008C Bonds*"), to the amount of \$\_\_\_\_,000, dated November 1, 2008, of the denomination of \$5,000 and integral multiples thereof, and due serially on December 30 of the years and in the amounts and bearing interest at the rates per cent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)	YEAR	AMOUNT (\$)	RATE (%)
2010	,000		2015	,000	
2011	,000		2016	,000	
2012	,000		2017	,000	
2013	,000		2018	,000	
2014	,000				

The 2008C Bonds are not subject to optional or mandatory redemption prior to maturity.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the 2008C Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the Village and, except that the rights of the owners of the 2008C Bonds and the enforceability of the 2008C Bonds may be limited by bankruptcy, reorganization, moratorium, insolvency and other similar laws relating to creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion, is payable from ad valorem property taxes levied against all of the taxable property within the Village without limitation as to rate or amount.

It is our opinion that, subject to compliance by the Village with certain covenants, under present law, interest on the 2008C Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants could cause interest on the 2008C Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2008C Bonds. Ownership of the 2008C Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2008C Bonds. In rendering our opinion on tax exemption, we have relied on the mathematical computation of the yield on the 2008C Bonds and the yield on certain investments by Speer Financial, Inc., Chicago, Illinois.



It is also our opinion that the 2008C Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the 2008C Bonds.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts within the Village's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

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**OFFICIAL BID FORM**  
(OPEN AUCTION INTERNET SALE)

Village of Romeoville  
13 Montrose Drive  
Romeoville, Illinois 60441-1329

September 17, 2008  
Speer Financial, Inc.

President and Board of Trustees:

For the \$4,865,000\* General Obligation Refunding Bonds, Series 2008C, of the Village of Romeoville, Will County, Illinois, as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$\_\_\_\_\_ (no less than \$4,965,000) plus accrued interest from November 1, 2008, to the date of delivery for Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). The discount is subject to adjustment allowing the same \$\_\_\_\_\_ gross spread per \$1,000 bond as bid herein.

**MATURITIES - DECEMBER 30**

\$335,000 ... 2010 _____%	\$350,000 ... 2013 _____%	\$ 735,000 ... 2016 _____%
325,000 ... 2011 _____%	375,000 ... 2014 _____%	770,000 ... 2017 _____%
330,000 ... 2012 _____%	400,000 ... 2015 _____%	1,245,000 ... 2018 _____%

*Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder in which case the mandatory redemption provisions shall be on the same schedule as above.*

Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to apply for CUSIP numbers within 24 hours and pay the fee charged by the CUSIP Service Bureau and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, we enclose herewith a check or Surety Bond payable to the order of the Treasurer of the Village in the amount of TWO PERCENT OF PAR (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

**Form of Deposit**

Check One:

Certified/Cashier's Check ☐  
Financial Surety Bond ☐

Amount: \$97,300  
The above Certified/Cashier's  
Check was returned and received

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

Check Number: \_\_\_\_\_

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

The foregoing bid was accepted and the Bonds sold pursuant to an ordinance of the Village passed on August 6, 2008, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF ROMEOVILLE, WILL COUNTY, ILLINOIS

\*Subject to change.

\_\_\_\_\_  
President

NOT PART OF THE BID  
(Calculation of true interest cost)

Gross Interest	\$
Less Premium/Plus Discount	\$
True Interest Cost	\$
True Interest Rate	%
TOTAL BOND YEARS	35,822.32
AVERAGE LIFE	7.363 Years

**OFFICIAL NOTICE OF SALE**  
**\$4,865,000\***  
**VILLAGE OF ROMEOVILLE**  
**Will County, Illinois**  
**General Obligation Refunding Bonds, Series 2008C**

The Village of Romeoville, Will County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "[www.SpeerAuction.com](http://www.SpeerAuction.com)" for its \$4,865,000\* General Obligation Refunding Bonds, Series 2008C (the "Bonds"), on an all or none basis between 9:45 A.M. and 10:00 A.M., C.D.T., Wednesday, September 17, 2008. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

**Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). No telephone, telefax or personal delivery bids will be accepted. The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

**Rules of SpeerAuction**

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

**Rules**

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.
- (2) Neither the Village, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Bonds to the winner reported by SpeerAuction, or (ii) deliver Bonds to winning bidder at settlement, neither the Village, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

\*Subject to change.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month in which an interest payment date occurs. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 30 and December 30 of each year commencing June 30, 2009, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the "Bond Registrar"). The Bonds are dated November 1, 2008.

#### MATURITIES – DECEMBER 30

\$335,000 ... 2010	\$350,000 ... 2013	\$ 735,000 ... 2016
325,000 ... 2011	375,000 ... 2014	770,000 ... 2017
330,000 ... 2012	400,000 ... 2015	1,245,000 ... 2018

*Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Bonds are not subject to optional redemption prior to maturity.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Assured Guaranty Corp. The premium for such insurance policy and the related rating of Moody's Investors Service and Fitch Ratings will be paid by the Village. Additional ratings are at the cost of the purchaser of the Bonds.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed one percent (1%). All bids must be for all of the Bonds, must be for not less than \$4,965,000 plus accrued interest from the dated date to the date of delivery.

**Award of the Bonds:** The Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The discount, if any, is subject to pro rata adjustment if the maturity amounts of the Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Financial Advisor will notify the bidder to whom the Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

Prior to submitting a bid, each bidder shall provide a certified or cashier's check on a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Village as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Village pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Bonds. The Financial Surety Bond must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer Financial, Inc., prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. The winning bidder is required to submit its Deposit to the Village in the form of a certified or cashier's check or wire transfer as instructed by Speer Financial, Inc., or the Village not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Village to satisfy the Deposit requirement. No interest on the Deposit will accrue to the purchaser.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Village represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule.

The Underwriter's obligation to purchase the Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about November 3, 2008. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.


The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in the Rule. By awarding the Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.


By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the Bonds are lawful and enforceable obligations of the Village in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the Village.

The Bonds are deemed "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Raymond E. Holloway, Village Clerk, Village of Romeoville, 13 Montrose Drive, Romeoville, Illinois 60446 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the Village, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

  
/s/ KIRK OPENCHOWSKI  
Finance Director  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

  
/s/ JOHN NOAK  
Village President  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

\*Subject to change.

NEW ISSUE

**SIGNED COPY**

Investment Ratings:  
Moody's Investors Service ... Aaa  
Fitch Ratings ... AAA  
(Assured Guaranty Insured)

Underlying Ratings:  
Moody's Investors Service ... A2  
Fitch Ratings ... A+

ADDENDUM DATED SEPTEMBER 17, 2008  
OFFICIAL STATEMENT DATED AUGUST 28, 2008

**\$4,865,000**  
**THE VILLAGE OF ROMEOVILLE**  
Will County, Illinois  
General Obligation Refunding Bonds, Series 2008C

**AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS**

Principal Amount	Due Dec. 30	Interest Rate	Yield	Principal Amount	Due Dec. 30	Interest Rate	Yield
\$335,000	2010	3.500%	2.450%	\$ 400,000	2015	3.900%	3.350%
325,000	2011	3.500%	2.600%	735,000	2016	3.900%	3.550%
330,000	2012	3.500%	2.800%	770,000	2017	3.900%	3.600%
350,000	2013	3.900%	3.000%	1,245,000	2018	4.000%	3.800%
375,000	2014	3.900%	3.150%				

The Official Statement of the Village dated August 28, 2008 (the "Official Statement") with respect to the Bonds is incorporated by reference herein and made a part hereof. The "Final Official Statement" of the Village with respect to the Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission shall be comprised of the following:

1. Official Statement dated August 28, 2008; and
2. This Addendum dated September 17, 2008.

**BOND INSURANCE**

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a financial guaranty insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY CORP. ("Assured Guaranty"). See APPENDIX C herein. The cost for the bond insurance premium and the related rating fees of Moody's Investors Service and Fitch Ratings will be paid by the Village.

**ASSURED  
GUARANTY**

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Final Official Statement may be obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE THEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE Village SINCE THE DATE THEREOF.

The Village has authorized preparation of the Final Official Statement containing pertinent information relative to the Bonds and the Village. Copies of that Final Official Statement can be obtained from the Underwriter, as defined herein. Additional information may also be obtained from the Village or from the independent public finance consultants to the Village:

Established 1954  
**Speer Financial, Inc.**  
INDEPENDENT PUBLIC FINANCE CONSULTANTS  
ONE NORTH LASALLE STREET • SUITE 4100 • CHICAGO, ILLINOIS 60602  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833

## ADDITIONAL INFORMATION

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request.

## INVESTMENT RATINGS

Moody's Investors Service, Inc., has assigned the Bonds a rating of "Aaa". Fitch Investors Service, L.P., has assigned the Bonds a rating of "AAA". These ratings are conditioned upon the delivery by Assured Guaranty Corp. of its standard form of Municipal Bond Insurance Policy. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. The Village has furnished to the rating agencies certain information and materials relating to the Bonds and the Village, including certain information and materials which may not have been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. The Village and the Underwriter have undertaken no responsibility either to bring to the attention of the registered owners of the Bonds any proposal change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

## UNDERWRITING

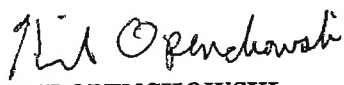
The Bonds were offered for sale by the Village at a public, competitive sale on September 17, 2008. The best bid submitted at the sale was submitted by Marshall & Ilsley, Milwaukee, Wisconsin (the "Underwriter"). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$4,957,995.56, plus accrued interest. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the yields set forth in this Addendum.

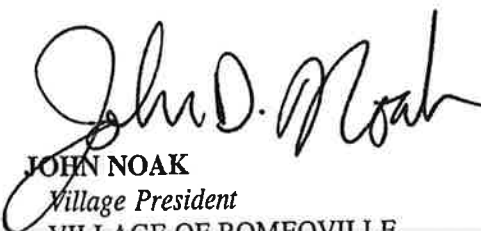
## QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village has designated the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265 (b) (3) of the Code.

## AUTHORIZATION

The Official Statement dated August 28, 2008, and this Addendum dated September 17, 2008, for the \$4,865,000 General Obligation Refunding Bonds, Series 2008C, have been prepared under the authority of the Village and have been authorized for distribution by the Village.

/s/   
**KIRK OPENCHOWSKI**  
Finance Director  
VILLAGE OF ROMEOVILLE  
Will County, Illinois

/s/   
**JOHN NOAK**  
Village President  
VILLAGE OF ROMEOVILLE  
Will County, Illinois



# ATTACHMENT J

## Village of Romeoville, Will County, Illinois

### \$10,800,000 General Obligation Bonds, Series 2008A

Final

## **Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/30/2008	-	-	-	-	-
06/30/2009	-	-	408,343.75	408,343.75	-
12/30/2009	275,000.00	3.250%	204,171.88	479,171.88	887,515.63
06/30/2010	-	-	199,703.13	199,703.13	-
12/30/2010	475,000.00	3.250%	199,703.13	674,703.13	874,406.26
06/30/2011	-	-	191,984.38	191,984.38	-
12/30/2011	400,000.00	3.375%	191,984.38	591,984.38	783,968.76
06/30/2012	-	-	185,234.38	185,234.38	-
12/30/2012	700,000.00	3.500%	185,234.38	885,234.38	1,070,468.76
06/30/2013	-	-	172,984.38	172,984.38	-
12/30/2013	850,000.00	3.500%	172,984.38	1,022,984.38	1,195,968.76
06/30/2014	-	-	158,109.38	158,109.38	-
12/30/2014	1,175,000.00	3.625%	158,109.38	1,333,109.38	1,491,218.76
06/30/2015	-	-	136,812.50	136,812.50	-
12/30/2015	1,575,000.00	3.750%	136,812.50	1,711,812.50	1,848,625.00
06/30/2016	-	-	107,281.25	107,281.25	-
12/30/2016	2,050,000.00	4.000%	107,281.25	2,157,281.25	2,264,562.50
06/30/2017	-	-	66,281.25	66,281.25	-
12/30/2017	700,000.00	4.000%	66,281.25	766,281.25	832,562.50
06/30/2018	-	-	52,281.25	52,281.25	-
12/30/2018	1,150,000.00	4.000%	52,281.25	1,202,281.25	1,254,562.50
06/30/2019	-	-	29,281.25	29,281.25	-
12/30/2019	1,000,000.00	4.000%	29,281.25	1,029,281.25	1,058,562.50
06/30/2020	-	-	9,281.25	9,281.25	-
12/30/2020	450,000.00	4.125%	9,281.25	459,281.25	468,562.50
<b>Total</b>	<b>\$10,800,000.00</b>	<b>-</b>	<b>\$3,230,984.43</b>	<b>\$14,030,984.43</b>	<b>-</b>

### **Yield Statistics**

Bond Year Dollars	\$83,550.00
Average Life	7.736 Years
Average Coupon	3.8671268%
Net Interest Cost (NIC)	3.8671268%
True Interest Cost (TIC)	3.8531563%
Bond Yield for Arbitrage Purposes	3.7860260%
All Inclusive Cost (AIC)	4.0079899%
<b>IRS Form 8038</b>	<b>3.6944283%</b>
Net Interest Cost	7.718 Years
Weighted Average Maturity	

**Village of Romeoville, Will County, Illinois****\$36,335,884 General Obligation Bonds, Series 2008B****(Capital Appreciation Bonds)****Final****Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
12/30/2008	-	-	-	-
12/30/2009	-	-	-	-
12/30/2010	-	-	-	-
12/30/2011	-	-	-	-
12/30/2012	-	-	-	-
12/30/2013	-	-	-	-
12/30/2014	-	-	-	-
12/30/2015	-	-	-	-
12/30/2016	-	-	-	-
12/30/2017	-	-	-	-
12/30/2018	-	-	-	-
12/30/2019	-	-	-	-
12/30/2020	-	-	-	-
12/30/2021	2,779,425.00	5.120%	2,720,575.00	5,500,000.00
12/30/2022	2,846,160.00	5.210%	3,153,840.00	6,000,000.00
12/30/2023	2,675,040.00	5.280%	3,324,960.00	6,000,000.00
12/30/2024	2,506,740.00	5.360%	3,493,260.00	6,000,000.00
12/30/2025	2,545,205.00	5.430%	3,954,795.00	6,500,000.00
12/30/2026	2,390,830.00	5.480%	4,109,170.00	6,500,000.00
12/30/2027	2,243,605.00	5.530%	4,256,395.00	6,500,000.00
12/30/2028	2,103,400.00	5.580%	4,396,600.00	6,500,000.00
12/30/2029	1,974,180.00	5.620%	4,525,820.00	6,500,000.00
12/30/2030	1,851,460.00	5.660%	4,648,540.00	6,500,000.00
12/30/2031	1,739,010.00	5.690%	4,760,990.00	6,500,000.00
12/30/2032	1,640,210.00	5.700%	4,859,790.00	6,500,000.00
12/30/2033	1,546,740.00	5.710%	4,953,260.00	6,500,000.00
12/30/2034	1,458,275.00	5.720%	5,041,725.00	6,500,000.00
12/30/2035	1,374,620.00	5.730%	5,125,380.00	6,500,000.00
12/30/2036	1,295,515.00	5.740%	5,204,485.00	6,500,000.00
12/30/2037	1,220,765.00	5.750%	5,279,235.00	6,500,000.00
12/30/2038	1,136,460.00	5.800%	5,363,540.00	6,500,000.00
12/30/2039	1,008,244.00	5.850%	5,191,756.00	6,200,000.00
<b>Total</b>	<b>\$36,335,884.00</b>	-	<b>\$84,364,116.00</b>	<b>\$120,700,000.00</b>

**Yield Statistics**

Bond Year Dollars	\$757,656.60
Average Life	20.851 Years
Average Coupon	11.1348751%
Net Interest Cost (NIC)	11.2079156%
True Interest Cost (TIC)	5.6474285%
Bond Yield for Arbitrage Purposes	5.6957496%
All Inclusive Cost (AIC)	5.7728140%

**IRS Form 8038**

Net Interest Cost	11.1348751%
Weighted Average Maturity	20.851 Years

Series 2008B Final Revise | SINGLE PURPOSE | 6/13/2008 | 10:44 AM

**Village of Romeoville, Will County, Illinois****\$4,865,000 General Obligation Refunding Bonds, Series 2008C**

Refunds Series 1999

Final

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/03/2008	-	-	-	-	-
06/30/2009	-	-	124,160.50	124,160.50	-
12/30/2009	-	-	93,510.00	93,510.00	217,670.50
06/30/2010	-	-	93,510.00	93,510.00	-
12/30/2010	335,000.00	3.500%	93,510.00	428,510.00	522,020.00
06/30/2011	-	-	87,647.50	87,647.50	-
12/30/2011	325,000.00	3.500%	87,647.50	412,647.50	500,295.00
06/30/2012	-	-	81,960.00	81,960.00	-
12/30/2012	330,000.00	3.500%	81,960.00	411,960.00	493,920.00
06/30/2013	-	-	76,185.00	76,185.00	-
12/30/2013	350,000.00	3.900%	76,185.00	426,185.00	502,370.00
06/30/2014	-	-	69,360.00	69,360.00	-
12/30/2014	375,000.00	3.900%	69,360.00	444,360.00	513,720.00
06/30/2015	-	-	62,047.50	62,047.50	-
12/30/2015	400,000.00	3.900%	62,047.50	462,047.50	524,095.00
06/30/2016	-	-	54,247.50	54,247.50	-
12/30/2016	735,000.00	3.900%	54,247.50	789,247.50	843,495.00
06/30/2017	-	-	39,915.00	39,915.00	-
12/30/2017	770,000.00	3.900%	39,915.00	809,915.00	849,830.00
06/30/2018	-	-	24,900.00	24,900.00	-
12/30/2018	1,245,000.00	4.000%	24,900.00	1,269,900.00	1,294,800.00
<b>Total</b>	<b>\$4,865,000.00</b>	<b>-</b>	<b>\$1,397,215.50</b>	<b>\$6,262,215.50</b>	<b>-</b>

**Yield Statistics**

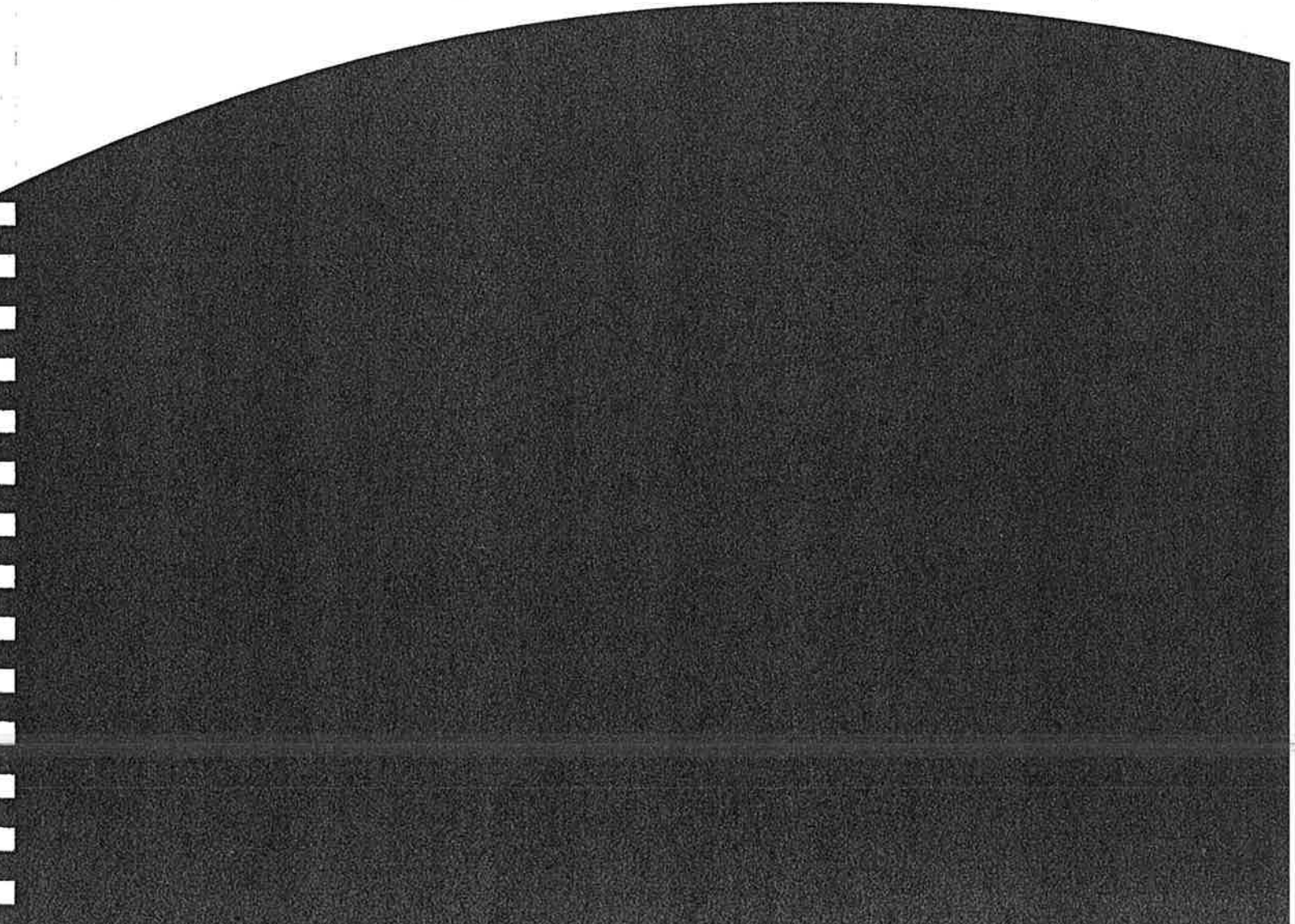
Accrued Interest from 11/01/2008 to 11/03/2008	1,039.00
Bond Year Dollars	\$35,822.32
Average Life	7.363 Years
Average Coupon	3.9004049%
Net Interest Cost (NIC)	3.6408026%
True Interest Cost (TIC)	3.5926732%
Bond Yield for Arbitrage Purposes	3.5864034%
All Inclusive Cost (AIC)	3.8562835%
<b>IRS Form 8038</b>	
Net Interest Cost	3.4604010%
Weighted Average Maturity	7.353 Years

# ATTACHMENT K



# **Village of Romeoville**

Financial Report  
April 30, 2009



## Contents

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### Financial Section

---

Independent Auditor's Report	1-2
------------------------------	-----

---

#### Required Supplementary Information

Management's Discussion and Analysis (MD&A)	3-15
---	------

#### Basic Financial Statements

##### Government-Wide Financial Statements (GWFS)

Statement of Net Assets	16
Statement of Activities	17

##### Fund Financial Statements (FFS)

Balance Sheet - Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	19
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	21
Statement of Net Assets - Enterprise Fund	22
Statement of Revenues, Expenses, and Changes in Net Assets - Enterprise Fund	23
Statement of Cash Flows - Enterprise Funds	24-25
Statement of Fiduciary Net Assets - Pension Trust Funds	26
Statement of Changes in Fiduciary Net Assets - Pension Trust Funds	27

Notes to Basic Financial Statements	28-60
-------------------------------------	-------

#### Required Supplementary Information

##### Schedule of Funding Progress:

Illinois Municipal Retirement Fund	61
Police Pension Fund	62
Firefighters' Pension Fund	63
Post Retirement Healthcare Plan	64

##### Schedule of Employer Contributions:

Police Pension Fund	65
Firefighters' Pension Fund	66

##### Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -

General Fund	67
Recreation Fund	68

Note to Required Supplementary Information	69
--	----

---

## Contents

---

### Financial Section (Continued)

---

#### Supplementary Information

##### Governmental Funds

Schedule of General Fund Revenues - Budget and Actual	70-71
Schedule of General Fund Expenditures - Budget and Actual	72-77
Combining Balance Sheet - Non-Major Governmental Funds	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds	79
Combining Balance Sheet - Non-Major Special Revenue Funds	80
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Special Revenue Funds	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Motor Fuel Tax Fund	82
Local Gas Tax Fund	83
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Debt Service Fund	84
Combining Balance Sheet - Non-Major Capital Projects Funds	85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Capital Projects Funds	86
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Road Improvements Fund	87
Marquette Center Tax Increment Financing District Fund	88
2004 Construction Fund	89
2002A Construction Fund	90
Romeo Road Tax Increment Financing District Fund	91
Downtown Tax Increment Financing District Fund	92
Facility Construction Fund	93

##### Enterprise Fund

Schedule of Revenues, Expenditures, and Changes in Net Assets - Budget and Actual - Water and Sewer Fund	94-95
---	-------

##### Other Schedules

Schedule of Debt Service Requirements	96-102
---------------------------------------	--------

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# 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, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Romeoville as of April 30, 2009, 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.

As described in Note 10 of the financial statements, during 2009 the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

The required supplementary information which includes management's discussion and analysis (pages 3 -15), schedules of funding progress and employer contributions (pages 61-66), and budgetary schedules and related note (pages 67-69) 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  
February 9, 2010

## Required Supplementary Information

Management Discussion and Analysis (MD&A)

**Village of Romeoville, Illinois**  
**Management's Discussion and Analysis**

**April 30, 2009**

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

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

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

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

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

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

**Fund Financial Statements**

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

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

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

## **Village of Romeoville, Illinois**

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

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

#### **Infrastructure Assets**

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

#### **Government-Wide Financial Statements**

##### **Statement of Net Assets**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$371.6 million as of April 30, 2009.

A significant portion of the Village's net assets (87.2%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

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

The Village's combined net assets (which are the Village's equity) decreased to \$371.6 million from \$375.8 million as a result of the decrease in net assets in both the governmental and business-type activities. Net assets of the Village's governmental activities were \$268.5 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 \$17.9 million. The net assets of business-type activities decreased to \$103.1 million from \$104.7 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, 2009  
(In millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current Assets	\$ 74.3	\$ 44.1	\$ 31.2	\$ 36.9	\$ 105.5	\$ 81.0
Non Current Assets	2.2	0.5	0.3	0.2	2.5	0.7
Capital Assets	<u>300.2</u>	<u>284.6</u>	<u>116.7</u>	<u>113.3</u>	<u>416.9</u>	<u>397.9</u>
Total Assets	376.7	329.2	148.2	150.4	524.9	479.6
Current Liabilities	21.3	17.8	5.0	3.8	26.3	21.6
Non Current Liabilities	<u>86.9</u>	<u>40.3</u>	<u>40.1</u>	<u>41.9</u>	<u>127.0</u>	<u>82.2</u>
Total Liabilities	108.2	58.1	45.1	45.7	153.3	103.8
Net Assets:						
Invested in Capital Assets,						
Net of Related Debt	249.6	247.7	74.3	69.8	323.9	317.5
Restricted	1.0	1.5	-	-	1.0	1.5
Unrestricted (deficit)	<u>17.9</u>	<u>21.9</u>	<u>28.8</u>	<u>34.9</u>	<u>46.7</u>	<u>56.8</u>
Total Net Assets	<u>\$268.5</u>	<u>\$271.1</u>	<u>\$ 103.1</u>	<u>\$ 104.7</u>	<u>\$371.6</u>	<u>\$375.8</u>

**Normal Impacts**

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

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

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

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

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

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

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

**Current Year Impacts**

The Village's governmental activities net assets decreased \$2.6 million and can be attributed to several factors. Assets increased by \$47.5 million, which can be attributed to increased capital asset balances in the current year and increased cash balances due to unspent bond proceeds. Liabilities increased by \$50.1 million which can be attributed to increased long-term debt to be used for the construction of the new Village Hall.

The Village's business-type activities net assets decreased \$1.6 million and can be attributed to several factors. Assets decreased by \$2.2 million, which can be attributed to decreased cash on hand when compared to the prior year, this decrease was offset by increased capital asset balances. Liabilities decreased by \$0.6 million which can be attributed to decreased long-term debt.

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

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Changes in Net Assets

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

**Table 2**  
**Changes in Net Assets**  
**For the Fiscal Year Ended April 30, 2009**  
**(In millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 7.7	\$ 10.0	\$13.1	\$13.7	\$ 20.8	\$ 23.7
Operating Grants and Contributions	2.7	1.8	-	-	2.7	1.8
Capital Grants and Contributions	0.2	6.2	0.1	3.5	0.3	9.7
General Revenues						
Property Taxes	13.7	12.8	-	-	13.7	12.8
Sales Taxes	7.5	7.1	-	-	7.5	7.1
Income Taxes	3.2	3.5	-	-	3.2	3.5
Utility Taxes	5.4	5.2	-	-	5.4	5.2
Other Taxes	2.7	4.1	-	-	2.7	4.1
Transfers	2.5	2.4	(2.5)	(2.4)	-	-
Other	1.1	2.0	0.8	2.4	1.9	4.4
Total Revenues	46.7	55.1	11.5	17.2	58.2	72.3
<b>EXPENSES</b>						
General Government	11.9	12.9	-	-	11.9	12.9
Public Safety	18.3	17.0	-	-	18.3	17.0
Public Works	11.8	11.6	13.1	11.8	24.9	23.4
Culture and Recreation	4.3	3.8	-	-	4.3	3.8
Debt Service	3.0	1.6	-	-	3.0	1.6
Total Expenses	49.3	46.9	13.1	11.8	62.4	58.7
CHANGE IN NET ASSETS	(2.6)	8.2	(1.6)	5.4	(4.2)	13.6
ENDING NET ASSETS	<u>\$268.5</u>	<u>\$271.1</u>	<u>\$103.1</u>	<u>\$104.7</u>	<u>\$371.6</u>	<u>\$375.8</u>

2009 Governmental Activities Revenue



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

2009 Governmental Activities Expenses



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



## Village of Romeoville, Illinois

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

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

#### Normal Impacts

##### Revenues:

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

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

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

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

##### Expenses:

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

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

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

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

#### Current Year Impacts

##### Revenues:

For the fiscal year ended April 30, 2009, revenues from all activities totaled \$58.2 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 9% increase in the equalized assessed valuation (EAV) from \$1,126 million to \$1,228 million. The increase in its property tax revenue in 2008 compared to previous years was 9%. The tax rate remained the same at \$1.02 per \$100 EAV. The Village, as a Home Rule community is not subject to the property tax cap laws. Due to the new growth and decreased rate the Village was able to collect an additional \$0.9 million in property tax (\$13.7 million vs. \$12.8 million).

Sales Tax increased by \$0.4 million or 6%. Sales Tax increased due to Wal-Mart sales growth and the addition of Kohl's, Chili's and Aldi, along with other retailers, opening for business during the second half of fiscal year 2009.

State Income Tax decreased \$0.3 million or 9% due to the economic downturn which resulted in lost jobs and lower earnings

Utility taxes increased \$0.2 million or 4% due to additional usage from new commercial and industrial users and additional usage from the Citgo refinery.

## **Village of Romeoville, Illinois**

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

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The Village saw a decrease in other tax revenue over the prior year of \$1.40 million or 34%. This decrease can be attributed to the severe economic downturn in late 2008 which greatly reduced the residential and business growth in the Village and severely impacted several revenue streams. The decreases were in Real Estate Transfer Tax (\$0.9 million), Local Gas Tax (\$0.2 million), Hotel Tax (\$0.2 million) and State Motor Fuel Tax (\$0.1 million). The Real Estate Transfer Tax suffered from both the burst in the Real Estate market, the general economic downturn which has stifled the number of transactions, which are occurring due to lower prices in general and home, being sold through the foreclosure process. The significant decrease in the Hotel Tax reflects that a significant amount of back taxes were collected in the prior year as well as the affects of the economic downturn.

License and permit revenue decreased 56% in 2009 from \$2.5 million in 2008 to \$1.6 million in 2008. The decrease came from a decrease in building permits (\$0.7 million) and permit review fees (\$0.3 million). The decrease in building permits and In-house reviews came from a decrease in commercial and industrial growth.

Developer contribution revenue decreased in 2009 from \$9.7 million in 2008 to \$0.3 million in 2009. The decrease can be attributed to the fact that last year the Village received developer contributions of infrastructure of \$7.1 million. Cash contributions decreased by \$2.3 million versus 2008. 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.

Investment returns, excluding pension funds, decreased by approximately 41% due to decreased interest rates and fewer funds to invest.

Charges for Services in 2009 exclude the Lockport Fire Agreement revenues of \$1.3 million, which is a \$0.3 million increase over last year. The fees are included in the Operating Grants and Contributions section. The Lockport Fire Agreement is a shared revenue agreement based on property taxes. The shared revenue area saw a large increase in taxable value due to industrial development.

Charges for services decreased by \$1.0 million or 9%, excluding license and permit decrease of \$.9 million and \$1.0 million Lockport Fire Agreement reclassification (2008 value). The decreases came from both Government activities (\$0.4 million) and Business-Type Activities (\$0.6 million). Government activities saw decreases in the following areas; Fines (\$0.2 million) and Engineering Fees (\$.4 million). The decreases were offset by increases in Rubbish Collection Fees (\$0.1 million). Fines decreased due to fewer forfeited funds generated from police-related activities, which vary greatly from year to year and Vehicle Impound Fees due to a rate decrease from \$500.00 to \$300.00. Rubbish fees increased due to contracted rate increases. The Village charges residents the same monthly cost per house paid to the refuse hauler. The engineering fees decrease resulted from fewer large commercial and industrial projects. 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) decrease was from water and sewer sales (\$0.6 million). The decrease is due to removing the sewer discharge of a large industrial user off the Village's system, less watering due to a rainy and mild spring and summer and less commercial and industrial usage due the economic downturn.

The Police Pension fund had a down year in 2009. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund had a negative return of 11.6% in 2009. The negative return was caused by the downturn in the equity markets which was reflected in the decline of the market value in mutual funds and annuities held by the fund. Overall, the fund decreased by 6.6% in value; the investment earnings decreases and fund expenses were offset by Village contributions and employee contributions. The Police Pension fund has a diverse portfolio that includes cash and cash equivalents (7%), treasuries and agencies (50%) and various annuities and equities (43%).

## **Village of Romeoville, Illinois**

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

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The Fire Pension fund had a below average year in 2009. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Fire Pension fund returned 4.8% in 2009. Overall, the fund increased by 21.8% in value from a combination of investment earnings, Village contributions and employee contributions. The Fire Pension fund is very conservative with approximately 91% of the assets invested in cash equivalents (2%), federal treasuries, agencies and municipal bonds (76%). The remaining 22% is invested in mutual funds. The returns are due to interest earnings and moderate changes in market valuations of investment. Interest earnings and valuations gains in fixed income offset losses in equity values.

#### **Expenses:**

The Village's total expenses for all activities for the year ended April 30, 2009 were \$62.4 million. Expenses increased 6% (\$3.7 million) as compared to 2008.

Government activities costs increased by \$2.4 million. The increases came from Public Safety (\$1.3 million), Public Works (\$0.2 million), Culture and Recreation (\$0.5 million) and Debt Service (\$1.4 million) which was offset by \$1 million decrease in General Government.

General government activities decrease of \$1 million is attributed to \$1.3 million in architectural fees for the new Village Hall/Police Station in FY 07-08 while no such fees were included under General Government in FY 08-09.

Public Safety increased by \$1.3 million primarily due to salary increases of \$1.1 million. The increase is due to 3 new sworn officers, 3 new firefighter positions and the effect of cost of living adjustments and step increases. The positions were authorized last fiscal year but not filled for a full year until FY 08-09. The Village has an authorized strength of 69 sworn police personnel and 16 full-time fire personnel plus a pool of approximately 37 part-time fire personnel. The patrol officers are members of the Metropolitan Alliance of Police Chapter 342. Fiscal year 2009 was the third year of a three-year contract. The new contract is currently in negotiations at the time of the report issuance. Fire personnel were unionized during 2007. Negotiations started in fiscal year 2009 but not much progress has been made. It is anticipated that both contracts will be settled during FY 10-11.

The culture and recreation increase is due to \$0.3 million in personnel costs due to raises and \$0.2 million spread over a variety of contractual, commodity and other accounts including a master plan study and an increased contribution to the Tri-County Special Recreation program.

Business activities (water and sewer) increased by \$1.3 million or 11%. The increase was due to increased depreciation expense (\$0.8 million) and interest expense (\$0.4 million). The Village has greatly enhanced its water and sewer infrastructure over the past few years including the completion of several ion exchange plants and the expansion of its water treatment plant. The Village made its first payment on the IEPA loan during the fiscal year. The Village also provides water to its residents through its system of wells. The water and sewer operations accounted for 52% of the total Public Works activities.

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

##### **Governmental Funds**

At April 30, 2009, the governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$55.9 million. Revenues/sources exceeded expenditures/uses in 2009 by \$27.4 million. The primary reason for this excess was due to the Facility Construction Fund which reflects a surplus of \$30.0 million of revenue/sources versus expenditures. The statements reflect the Village's issuance of bonds (\$47 million) to build a new Village Hall/Police Station, two new Fire Stations and other projects. The majority of the proceeds will be used in subsequent years to complete the projects.

##### **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 2009. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

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

General Fund	Original Budget	Actual
<b>Revenues and Other Financing Sources</b>		
Taxes	\$8.8	\$8.8
Other taxes	17.1	14.2
Interest	0.9	0.2
Fines	0.7	0.7
Licenses and permits	2.0	1.6
Charges for services	4.6	3.8
Intergovernmental	4.8	4.8
Other	0.8	0.7
Other financing sources	<u>2.5</u>	<u>2.7</u>
<b>Total</b>	<b>42.2</b>	<b>37.5</b>
<b>Expenditures and Other Financing Uses</b>		
General government	10.7	8.8
Public safety	16.6	15.2
Public works	7.4	6.9
Capital outlay	5.0	4.0
Debt service	0.3	0.2
Other financing uses	<u>2.2</u>	<u>2.4</u>
<b>Total</b>	<b>42.2</b>	<b>37.5</b>
Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>

As shown above the General Fund was budgeted to break-even, while actual results were near breakeven (\$31,000 deficit). Both revenues and expenditures were under budget by approximately \$4.7 million.

The Village received \$2.9 million less in other taxes than anticipated. The Village received \$2.1 million less in sales tax due to slower than anticipated retail development at the Airport and Weber Road corridor and the economic downturn. The Village also received \$0.1 million less both in utility taxes and local motor fuel tax due to slower than anticipated growth and decreasing demand. The downturn in the real estate market resulted in a decrease of \$0.5 million in Real Estate Transfer taxes.

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

Building Permits were budgeted at a conservative level based on projects in process during fiscal year 2009. However, because of the economic slowdown, lower than anticipated projects resulted in \$0.4 million less in permit fees and in-house plan reviews. Developers have cancelled or put on hold numerous projects.

Charges for services were under budget by \$0.8 million due to less than anticipated Engineering Fees (\$0.4 million) due to the economic downturn. Fire Academy Revenues were under budget by \$0.2 million due to less than anticipated Academy activity. Academy expenditures were under budget by the same amount. Also under budget were Ambulance Fees (\$0.1 million) and rubbish collection fees (\$0.1 million). Ambulance activity and the amount anticipated to be collected per run was lower than anticipated. The increase in vacant homes in the Village resulted in lower rubbish collection fees which are billed directly to the homeowners.

Other revenues were under budget by \$0.1 million. The Village had anticipated collecting \$80,000 in shared revenue from a boundary agreement with Bolingbrook while no funds were collected. The actual amount is anticipated to be less than what was budgeted. Bolingbrook will be responsible for calculating the shared revenue.

## Village of Romeoville, Illinois

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

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Other financing sources, which consist of interfund transfers and lease proceeds, were received as budgeted regarding transfers from the water and sewer funds (\$2.5 million) and the Motor Fuel Tax Fund (\$29,000) but included \$0.2 in lease proceeds for an ambulance, which was not budgeted.

General government expenditures were under budget by \$1.9 million. The majority of the savings came from unspent reserves (\$1.5 Million). The reserves were for Sales Tax incentives (\$0.9 million savings), Marquette TIF repayment (\$0.3 Million), Contingencies (\$0.2 million) and Extended Prisoner Stay (\$0.2 Million). The Village saved \$0.3 million in liability and worker compensation insurance, \$0.2 million in IT contractual services and \$0.1 million in professional services related to plan and inspection reviews. The savings were offset by additional legal fees of \$0.4 million.

The additional legal fees were spent on eminent domain proceedings to secure land for open space. Information technology contractual services were under budget by \$0.2 million because of a deferral of projects and the \$0.1 million enterprise-wide software lease payment included for fiscal year 2009 and made in the previous fiscal year.

Public safety expenditures were under budget by \$1.4 million. The majority came through salary savings including the timing of hiring new fire and police personnel including 3 Battalion Chief positions and 3 patrol officers and the filling of vacant code enforcement, E911 Dispatcher and Part-time Firefighter positions. Total Police Department salary savings were \$0.2 million while Fire Department salary savings were \$0.7 million. Fire Academy expenditure was \$0.1 million less than anticipated due to fewer classes than planned. Fire contractual savings of \$0.2 million are spread over several accounts and include a delay of a budgeted \$43,000 intergovernmental payment to the Lemont Fire Protection District that is under review to ensure that the payment formula is being applied to the correct properties. Other savings pertain to ambulance billing and E-911 dispatch fees.

Public works expenditures were under budget by \$0.5 million. Public works realized \$0.5 million in savings from a variety of contractual services including building maintenance, vehicle maintenance, equipment rental, and refuse collection costs.

Capital outlay expenditures were under budget by \$1 million due to savings and timing of road work projects (\$0.9 million), the delay of seeding projects (\$0.1 million) and beautification projects (\$0.3 million) which was offset by an overage of \$0.3 million in public safety which included the unbudgeted ambulance that was lease purchased (\$0.2 million).

Debt service was under budget by \$0.1 million due to a lease for a burn tower that was contemplated as part of the fiscal year 2009 budget. The burn tower construction and lease occurred in fiscal year 2010.

Other financing uses, which are transfers to other funds, exceeded the budget because of an unbudgeted transfer of an additional \$0.2 million transferred to the Debt Service Fund. The \$0.2 million transferred to debt service will be used for fiscal year 2010 bond payments pertaining to debt issued for the Village Hall/Police Station project.

The Village made a concerted effort to keep General Fund expenditures within or under revenues for fiscal year 2009. The Village, at the start of fiscal year 2005 had a negative fund balance of \$0.6 million. The fiscal year 2008 fund balance is now at \$11.0 million. The Village's long-term goal is to have and maintain a positive fund balance equal to 25% of the General Fund budget. The Village decreased the fund balance by \$31,000 in 2009. The Village's targeted fund balance, based on actual expenditures, as of April 30, 2009 was \$9.4 million. The fiscal year 2010 budget is \$40.0 million, with a targeted fund balance of \$10 million. The Village's estimated 2011 budget of \$39 million has a targeted fund balance of \$9.8 million.

#### Capital Assets

At the end of the fiscal year 2009, the Village had a combined total of capital assets of \$416.9 million (after accumulated depreciation of \$111.6 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 \$19.0 million. Detailed information related to capital assets is included in Notes 1 and 4 to the basic financial statements

## Village of Romeoville, Illinois

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

The Net Capital Assets of the Village increased by \$19.0 million over 2008. The main reasons for the increase can be attributed to the building of a new Village Hall and Fire Station by the Village and increases in the Village's infrastructure in 2009. The majority of the infrastructure increases were in roads and the water and sewer system.

**Table 4**

	<b>Total Capital Assets at Year End Net of Depreciation (In millions)</b>		
	<b>Balance 4/30/08</b>	<b>Net Additions/Deletions</b>	<b>Balance 4/30/09</b>
Land	\$168.1	\$ 2.2	\$170.3
Buildings	14.7	5.0	19.7
Machinery and Equipment	3.0	(0.5)	2.5
Furniture and Fixtures	0.8	(0.1)	0.7
Vehicles	2.8	-	2.8
Infrastructure	202.9	(0.7)	202.2
Other Equipment	0.4	(0.1)	0.3
Construction in Progress	<u>5.2</u>	<u>13.2</u>	<u>18.4</u>
Total Capital Assets	<u>\$397.9</u>	<u>\$19.0</u>	<u>\$416.9</u>

#### Debt Outstanding

As of April 30, 2009 the Village had outstanding bonded debt of \$101.6 million. Of this amount \$18.6 million represented general obligation bonds associated with business-type activities. Alternate revenue bonds associated with governmental activities totaled \$2.1 million at April 30, 2009, while general obligation bonds associated with governmental activities totaled \$80.9 million.

As of April 30, 2009, the Village has a \$23.7 Illinois Environmental Protection Agency Clean Water State Revolving Funds loan.

In June of 2008 the Village issued \$47.1 million G.O. Bonds, Series 2008A&B to pay cost related to the new Village Hall and fire station.

In November 2008, the Village issued \$4.9 million of G.O Bonds, Series 2008C to advance refund \$4.9 million of outstanding G.O Bonds, Series 1999.

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

However, The Village's legal debt limitation would be \$105,937,682 if it were a non-Home Rule community. The limit is based on 8.625% of the 2008 equalized assessed valuation of \$1,228,262,980.

#### Economic Factors

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

The financial condition of the federal and State governments has had a dramatic effect on the Village of Romeoville during fiscal year 2009 and is expected to continue through fiscal year 2010. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax), which had been trending upward, will be reduced on a per capita basis going forward due to the economic downturn. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

The Village implemented a 1% Food and Beverage tax and increased the Home Rule sales tax of 1% to 1.5% in the fall of 2009. The new rates went into effect January 1<sup>st</sup>, 2010. The sales tax increase will generate \$1.4 million on an annual basis while the

## Village of Romeoville, Illinois

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

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Food and Beverage Tax will generate \$400,000 on an annual basis. The taxes were implemented to ensure the Village does not have a large General Corporate Fund shortfall for FY 2009-10 and help to balance the 2010-11 General Corporate Fund budget. Even with the additional funds from these sources the Village's 2010-11 budget will be \$1 million less than FY 2009-10 (\$39 million versus \$40 million).

It was discovered over the course of fiscal year 2006 that the State of Illinois had improperly allocated \$824,000 in sales tax collected by CITGO to the Village over a period of several years. Half of the CITGO refinery resides in the Village and the other half is in unincorporated Will County but the address is a Romeoville address. The sales did occur in unincorporated Will County. The State determined in June of 2006 that the Village, through monthly deductions from sales tax distributions will repay the misallocated sales tax \$11,447 per month for 72 months. The Village will be impacted by this until July of 2011.

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

Fiscal year 2004 saw the start of a slowdown in residential growth in the Village. The trend continued during the 2009 fiscal year. The Village's housing starts have decreased from the 700 to 1,200 range to the 5 to 15 range.

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. The Village was seeing an increase in commercial and industrial development. The increase in commercial and industrial development did have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues. However the downturn in the economy is having a large impact on these growth related revenue streams.

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

More importantly, the Downtown TIF is expected to improve the quality of life for the residents. The Downtown TIF is anticipated to attract new quality businesses to the area and some new housing (100 to 200 units) in the form of upscale town homes and/or mid-rise condominiums. Businesses may include a food store to replace the departed Sterk's store, a hardware store, restaurants, coffee shops, bakeries, a movie theater, boutique shops, 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 2011 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 may spend \$50.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Projects include Route 53 landscaping islands, infrastructure improvements to storm water systems, improve and realign roadways and property acquisition, assembly, preparation and maintenance. TIF dollars will be used to assist property owners with property rehab, façade improvements, relocation expenses and other incentives. The Village has implemented extensive design standards for properties located within the TIF area and wants to improve the existing structures to meet the new standards. It is anticipated that the Village will have to issue General Obligation TIF bonds to provide the immediate funding needed for a portion of the projects. The Village would expect, based upon a \$19 million bond issue, to pay

## Village of Romeoville, Illinois

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

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\$13 million in financing costs. The bonds would be paid with TIF funds. Final numbers and projects will be revised after a master developer has been selected.

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

The Village plans 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 may be included as part of the Downtown TIF bond issue. It is anticipated that the community center would open late 2012 or early 2013. However, the Village is also pursuing a Public/Private partnership to build a community facility as well.

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 may generate an estimated \$35.5 million in Downtown TIF property taxes and interest.

An additional \$20 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 is investigating the possibility of extending the life of the Marquette TIF for 12 years to further support what the Village hopes to accomplish in the Downtown area and forming two new TIF Districts. One of the new TIF's would be located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF and a TIF along Route 53 and 135 St. extending to the south and east.

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

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

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

The Village 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 2006 fiscal year. The Village, spread out over several locations and buildings, currently operates out of a space of slightly over 32,000 square feet, including the Police Department's 11,400 square feet of space. The space serves 180 employees.

The Village is building 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. The Village Hall/Police Station is located on a site immediately west of the Recreation Center on 135<sup>th</sup> St. The Village broke ground on the new Village Hall/Police Station in June of 2008. It is anticipated that the new facility would be completed by the late spring or early summer of 2010.



## **Village of Romeoville, Illinois**

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

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The Village had planned on constructing two new fire stations. Fire Station #3, located at Normantown and Birch roads, was completed in October of 2008. The other Fire Station, known as Fire Station #1, will be located on the Joliet Arch Diocese property located on Route 53 between the cemetery and 135<sup>th</sup> Street. The Village purchased the land in 2009 for \$0.3 million. The Village may not construct the new Fire Station #1 but will instead use the funds to fund \$2 million in improvements to Veterans Parkway. Also the Radio System required by the Police, Fire and REMA exceeded the budget allotment by \$1 million and funds were used for improvements to Fire Station (\$0.3 million). The original Fire Station #1 will be razed if the new Fire Station is constructed. Fire Station #1 is expected to break ground during fiscal year 2010, if constructed. If the Station is not constructed, then improvements will be made to the current Fire Station# 1.

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

The Village issued short-term variable bonds in 2006 (\$8.3 million) to purchase the land for the Village Hall/Police Station and Fire Stations. The Village issued three series of bonds to fund the construction of the projects described above (\$57.8 million), repayment of the variable bonds (\$8.6 million) and issuance costs. The first bond issue (\$12.8 million) was in November of 2007. The other issues (\$47.1 million - 2008 Series A & B) occurred in June of 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 fiscal year 2011. 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, based on the full amount of the loan, are an estimated \$1.7 million. The loan is being repaid from water and sewer revenues. The IEPA will recalculate a final schedule after the projects are complete and no further loan proceeds are due to the Village. The Village is currently making payments on a preliminary schedule of \$1.6 million. The Village anticipates receiving \$1.5 million in loan proceeds

The economic downturn continues to have a tremendous impact on the Village. The Village's fiscal year 2010 General Fund budget was \$40.4 million dollars, but revenues and expenditures are anticipated to come in around \$38 million. The fiscal year 2011 budget is estimated to be \$39 million. Sales tax, while still increasing, is anticipated to be \$.8 million below budgeted levels including the Home Rule increase that went into effect in January of 2010. Real Estate Transfer Tax over the last year has decreased from \$1.5 million to \$0.6 million. Building permits have decreased from \$1.7 million to \$1.1 million in fiscal year 2009 and are expected to decrease to \$0.5 million for fiscal year 2010.

The Village's contracts with the Police Union (MAP) and Public Works/Clerical/Inspectors/Code Enforcement/E-9aa Dispatch (AFSCME) expired at the end of fiscal year 2009. Negotiations started during the spring of 2009. The Village settled with AFSCME in September of 2009. There were no major changes to the contract, which did include a 2% annual Cost-of-Living Adjustment (COLA). Non-Union Employees also received a 2% COLA for FY 09-10. The Police Union contract appears to be headed for arbitration after an agreement was not reached through standard negotiations and Federal mediation. The Village is also in negotiations with the recently formed Fire Union for their very first contract.

#### **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.

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**Government-Wide Financial Statements**

Village of Romeoville, Illinois

Statement of Net Assets  
April 30, 2009

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 62,179,869	\$ 26,041,002	\$ 88,220,871
Receivables:			
Property taxes	11,403,018	-	11,403,018
Accounts	979,243	1,375,222	2,354,465
Other	939,669	-	939,669
Internal balances	(3,719,829)	3,719,829	-
Due from other governmental units	2,545,965	-	2,545,965
<b>Total current assets</b>	<u>74,327,935</u>	<u>31,136,053</u>	<u>105,463,988</u>
<b>Non-Current Assets</b>			
Unamortized bond costs and discounts	2,144,689	311,431	2,456,120
Capital assets not being depreciated	187,892,653	821,675	188,714,328
Capital assets being depreciated, net	112,298,749	115,919,887	228,218,636
<b>Total non-current assets</b>	<u>302,336,091</u>	<u>117,052,993</u>	<u>419,389,084</u>
<b>Total assets</b>	<u>\$ 376,664,026</u>	<u>\$ 148,189,046</u>	<u>\$ 524,853,072</u>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
General obligation bonds	\$ 1,549,103	\$ 1,620,897	\$ 3,170,000
Alternate revenue bonds	135,000	-	135,000
Note payable	-	997,008	997,008
Capital leases	198,177	-	198,177
Accounts payable	3,174,670	1,389,914	4,564,584
Accrued liabilities	1,529,282	171,291	1,700,573
Accrued interest	852,159	542,300	1,394,459
Deposits	2,305,802	135,499	2,441,301
Compensated absences	81,782	105,123	186,905
Unearned revenue	11,439,242	-	11,439,242
<b>Total current liabilities</b>	<u>21,265,217</u>	<u>4,962,032</u>	<u>26,227,249</u>
<b>Long-Term Liabilities, net of current maturities</b>			
Unamortized bond premium	469,059	296,560	765,619
Deferred amounts on refunding	-	45,462	45,462
General obligation bonds	79,332,354	17,016,055	96,348,409
Alternate revenue bonds	1,955,000	-	1,955,000
Note payable	-	22,751,128	22,751,128
Capital leases	663,212	-	663,212
Pension obligation	1,591,369	-	1,591,369
OPEB obligation	50,246	-	50,246
Compensated absences	2,864,234	-	2,864,234
<b>Total long-term liabilities</b>	<u>86,925,474</u>	<u>40,109,205</u>	<u>127,034,679</u>
<b>Total liabilities</b>	<u>108,190,691</u>	<u>45,071,237</u>	<u>153,261,928</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	249,592,572	74,356,474	323,949,046
Restricted for MFT Allotments	993,014	-	993,014
Unrestricted	17,887,749	28,761,335	46,649,084
<b>Total net assets</b>	<u>268,473,335</u>	<u>103,117,809</u>	<u>371,591,144</u>
<b>Total liabilities and net assets</b>	<u>\$ 376,664,026</u>	<u>\$ 148,189,046</u>	<u>\$ 524,853,072</u>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Activities  
Year Ended April 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense), Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 11,890,523	\$ 2,709,581	\$ -	\$ 57,816	\$ (9,123,126)	\$ -	\$ (9,123,126)
Public safety	18,270,997	1,341,973	1,507,188	-	(15,421,836)	-	(15,421,836)
Public works	11,789,575	2,711,254	1,006,895	-	(8,071,426)	-	(8,071,426)
Culture and recreation	4,296,423	909,796	182,200	90,000	(3,114,427)	-	(3,114,427)
Interest and fees	2,991,639	-	-	-	(2,991,639)	-	(2,991,639)
Total governmental activities	49,239,157	7,672,604	2,696,283	147,816	(38,722,454)	-	(38,722,454)
Business-type activities:							
Water and sewer	13,145,150	13,071,390	-	144,228	-	70,468	70,468
Total	\$ 62,384,307	\$ 20,743,994	\$ 2,696,283	\$ 292,044	(38,722,454)	70,468	(38,651,986)
General revenues							
Taxes:							
Property					13,707,382	-	13,707,382
Sales					7,491,063	-	7,491,063
Income					3,172,690	-	3,172,690
Utility					5,361,401	-	5,361,401
Other					2,731,377	-	2,731,377
Interest					871,853	846,147	1,718,000
Miscellaneous					227,086	15,574	242,660
Transfers					2,480,000	(2,480,000)	-
Total general revenues and transfers					36,042,852	(1,618,279)	34,424,573
Change in net assets					(2,679,602)	(1,547,811)	(4,227,413)
Net assets:							
May 1, 2008					271,152,937	104,665,620	375,818,557
April 30, 2009					\$ 268,473,335	\$ 103,117,809	\$ 371,591,144

See Notes to Basic Financial Statements.

## Fund Financial Statements

Village of Romeoville, Illinois

Balance Sheet  
Governmental Funds  
April 30, 2009

	General Fund	Recreation Fund	Downtown TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 14,385,760	\$ 3,423,423	\$ 740,990	\$ 34,671,064	\$ 8,958,632	\$ 62,179,869
Receivables:						
Property taxes	8,899,962	1,491,603	-	-	1,011,453	11,403,018
Accounts	351,928	107,736	375,000	-	144,579	979,243
Other	850,365	34,056	-	1,540	53,708	939,669
Due from other funds	1,171,310	-	-	-	1,546,625	2,717,935
Advances to other funds	817,514	-	-	-	-	817,514
Due from other governmental units	2,472,660	-	-	-	73,305	2,545,965
<b>Total assets</b>	<b>\$ 28,949,499</b>	<b>\$ 5,056,818</b>	<b>\$ 1,115,990</b>	<b>\$ 34,672,604</b>	<b>\$ 11,788,302</b>	<b>\$ 81,583,213</b>
<b>Liabilities and Fund Balances</b>						
Liabilities						
Accounts payable	\$ 1,241,305	\$ 217,584	\$ 18,284	\$ 1,438,588	\$ 258,909	\$ 3,174,670
Accrued liabilities	1,336,875	125,148	67,259	-	-	1,529,282
Deposits	1,853,141	452,661	-	-	-	2,305,802
Due to other funds	4,564,062	1,862,599	8,711	-	2,392	6,437,764
Advances from other funds	-	-	-	-	817,514	817,514
Deferred revenue	8,936,186	1,491,603	-	-	1,011,453	11,439,242
<b>Total liabilities</b>	<b>17,931,569</b>	<b>4,149,595</b>	<b>94,254</b>	<b>1,438,588</b>	<b>2,090,268</b>	<b>25,704,274</b>
Fund balances:						
Reserved for advances	817,514	-	-	-	-	817,514
Unreserved:						
General fund	10,200,416	-	-	-	-	10,200,416
Special revenue funds	-	907,223	-	-	229,208	1,136,431
Debt service funds	-	-	-	-	952,850	952,850
Capital projects funds	-	-	1,021,736	33,234,016	8,515,976	42,771,728
<b>Total fund balances</b>	<b>11,017,930</b>	<b>907,223</b>	<b>1,021,736</b>	<b>33,234,016</b>	<b>9,698,034</b>	<b>55,878,939</b>
<b>Total liabilities and fund balances</b>	<b>\$ 28,949,499</b>	<b>\$ 5,056,818</b>	<b>\$ 1,115,990</b>	<b>\$ 34,672,604</b>	<b>\$ 11,788,302</b>	<b>\$ 81,583,213</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, 2009**

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Total fund balances-governmental funds	\$ 55,878,939
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Amounts reported for governmental activities in the statement of  
net assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	300,191,402
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Bond issuance costs that are an expenditure in the fund financial statements are an asset that is amortized over the life of the bonds in the government-wide financial statements.	2,144,689
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Premium on bonds that is other financing use in the fund financial statements is a liability that is amortized over the life of the bonds in the government-wide financial statements.	(469,059)
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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	(852,159)
General obligation bonds	(80,881,457)
Alternate revenue bonds	(2,090,000)
Pension obligations	(1,591,369)
OPEB obligations	(50,246)
Compensated absences	(2,946,016)
Capital leases	(861,389)

Net assets of governmental activities	<u>\$ 268,473,335</u>
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Village of Romeoville, Illinois

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
Year Ended April 30, 2009

	General Fund	Recreation Fund	Downtown TIF Fund	Facility Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 8,791,463	\$ 1,305,384	\$ 150,612	\$ -	\$ 3,459,923	\$ 13,707,382
Other taxes	14,249,678	591,465	-	-	577,591	15,418,734
Interest	217,170	31,617	18,207	442,773	162,086	871,853
Fines	645,190	-	-	-	-	645,190
Licenses and permits	1,568,431	-	-	-	-	1,568,431
Charges for services	3,822,247	812,830	253,684	140	-	4,888,901
Intergovernmental	4,844,985	182,200	-	-	1,006,895	6,034,080
Developer contributions	29,239	90,000	-	-	28,577	147,816
Other	660,584	96,966	1,551	18,550	19,517	797,168
<b>Total revenues</b>	<b>34,828,987</b>	<b>3,110,462</b>	<b>424,054</b>	<b>461,463</b>	<b>5,254,589</b>	<b>44,079,555</b>
<b>Expenditures:</b>						
Current:						
General government	8,756,871	-	245,009	-	762,157	9,764,037
Public safety	15,233,202	-	-	-	-	15,233,202
Public works	6,952,140	-	-	-	1,036,938	7,989,078
Culture and recreation	-	3,610,345	-	-	-	3,610,345
Debt service:						
Principal	198,907	-	-	-	1,252,298	1,451,205
Interest and fees	33,328	-	-	-	1,657,640	1,690,968
Bond issuance costs	-	-	-	1,701,082	-	1,701,082
Capital outlay	3,972,546	661,290	2,402,527	15,848,736	2,117,928	25,003,027
<b>Total expenditures</b>	<b>35,146,994</b>	<b>4,271,635</b>	<b>2,647,536</b>	<b>17,549,818</b>	<b>6,826,961</b>	<b>66,442,944</b>
Excess (deficiency) of revenues over (under) expenditures	(318,007)	(1,161,173)	(2,223,482)	(17,088,355)	(1,572,372)	(22,363,389)
<b>Other financing sources (uses):</b>						
Bond proceeds	-	-	-	47,135,884	-	47,135,884
Lease issuance	171,848	-	-	-	-	171,848
Transfers in	2,509,000	1,643,500	2,009,052	-	1,002,593	7,164,145
Transfers (out)	(2,393,500)	(17,819)	(234,774)	-	(2,038,052)	(4,684,145)
<b>Total other financing sources (uses)</b>	<b>287,348</b>	<b>1,625,681</b>	<b>1,774,278</b>	<b>47,135,884</b>	<b>(1,035,459)</b>	<b>49,787,732</b>
<b>Net change in fund balances</b>	<b>(30,659)</b>	<b>464,508</b>	<b>(449,204)</b>	<b>30,047,529</b>	<b>(2,607,831)</b>	<b>27,424,343</b>
<b>Fund balances:</b>						
May 1, 2008	11,048,589	442,715	1,470,940	3,186,487	12,305,865	28,454,596
April 30, 2009	\$ 11,017,930	\$ 907,223	\$ 1,021,736	\$ 33,234,016	\$ 9,698,034	\$ 55,878,939

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, 2009

Net change in fund balances—total governmental funds		\$	27,424,343
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital assets exceeded depreciation expense in the current period.			
Capital outlays	\$	22,225,205	
Depreciation expense		(6,680,009)	15,545,196
In governmental funds, long-term debt is considered other financing sources, but in the statement of net assets, debt is reported as a liability.			
In the current period, proceeds were received from:			
General obligation bonds			(47,135,884)
Capital leases			(171,848)
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	\$	812,298	
Alternate revenue bonds		440,000	
Capital leases		198,907	1,451,205
Premium on bonds is recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net assets which is amortized over the life of the bonds. This is the amount in the current period.			
Amortization premium on bonds			29,374
Bond issuance costs are recorded as an expenditure in the fund financial statements, but the cost is recorded as an asset in the statement of net assets which is amortized over the life of the bonds. These are the amounts in the current period.			
Bond issuance costs	\$	1,701,082	
Amortization bond issuance costs		(76,404)	1,624,678
Accreted interest on capital appreciation bonds is not reported in the governmental funds, however, it results in an increase in long-term liabilities on the statement of net assets.			
			(1,002,525)
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:			
Increase in accrued interest	\$	(251,116)	
Increase in OPEB obligation		(50,246)	
Increase in pension obligation		(133,271)	
Increase in compensated absences		(9,508)	(444,141)
Change in net assets of governmental activities		\$	(2,679,602)

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Net Assets  
Enterprise Fund  
April 30, 2009

	Business-Type Activities
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 26,041,002
Accounts receivable	1,375,222
Due from other funds	3,719,829
<b>Total current assets</b>	<u>31,136,053</u>
<b>Non-Current Assets</b>	
Unamortized bond costs	311,431
Capital assets not being depreciated	821,675
Capital assets being depreciated, net	115,919,887
<b>Total non-current assets</b>	<u>117,052,993</u>
<b>Total assets</b>	<u>\$ 148,189,046</u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
General obligation bonds	\$ 1,620,897
Note payable	997,008
Accounts payable	1,389,914
Accrued liabilities	171,291
Accrued interest	542,300
Deposits	135,499
Compensated absences	105,123
<b>Total current liabilities</b>	<u>4,962,032</u>
<b>Long-term Liabilities, net of current maturities</b>	
Unamortized bond premiums	296,560
Deferred amounts on refunding	45,462
General obligation bonds	17,016,055
Note payable	22,751,128
<b>Total long-term liabilities</b>	<u>40,109,205</u>
<b>Total liabilities</b>	<u>45,071,237</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	74,356,474
Unrestricted	28,761,335
<b>Total net assets</b>	<u>103,117,809</u>
<b>Total liabilities and net assets</b>	<u>\$ 148,189,046</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, 2009**

	Business-Type Activities
Operating revenues:	
Charges for services	\$ 11,882,799
Fines and fees	1,120,686
Developer contributions	144,228
Reimbursements	67,905
Other	15,574
<b>Total operating revenues</b>	<b>13,231,192</b>
Operating expenses:	
Water and sewer	7,865,615
Depreciation	3,970,841
Amortization	10,883
<b>Total operating expenses</b>	<b>11,847,339</b>
<b>Operating income</b>	<b>1,383,853</b>
Non-operating income (expense):	
Interest income	846,147
Interest expense	(1,297,811)
<b>Total non-operating income (expense)</b>	<b>(451,664)</b>
<b>Income before transfers</b>	<b>932,189</b>
Transfers out	(2,480,000)
<b>Change in net assets</b>	<b>(1,547,811)</b>
Net assets:	
May 1, 2008	104,665,620
<b>April 30, 2009</b>	<b>\$ 103,117,809</b>

See Notes to Basic Financial Statements.

Village of Romeoville, Illinois

Statement of Cash Flows - Enterprise Funds  
Year Ended April 30, 2009

	Business-Type Activities
Cash Flows from Operating Activities	
Cash received from customers	\$ 13,069,232
Cash received from developers	161,491
Payments to employees	(3,056,525)
Payments to suppliers	(4,420,725)
Net cash provided by operating activities	<u>5,753,473</u>
Cash flows from non-capital financing activities	
Transfers out	<u>(2,480,000)</u>
Net cash used in non-capital financing activities	<u>(2,480,000)</u>
Cash flows from capital and related financing activities	
Additions to capital assets	(7,029,260)
Proceeds from general obligation bonds	4,865,000
Proceeds from note payable	1,380,369
Principal payments, general obligation bonds	(1,197,702)
Principal payments, alternate revenue bonds	(5,275,000)
Principal payments, note payable	(588,895)
Issuance costs paid on general obligation bonds issued	(82,408)
Premiums received on general obligation bonds issued	92,996
Interest paid	(2,022,338)
Net cash used in capital and related financing activities	<u>(9,857,238)</u>
Cash flows from investing activities	
Cash receipts from interest income	<u>846,147</u>
Net decrease in cash and cash equivalents	<u>(5,737,618)</u>
Cash and equivalents:	
May 1, 2008	<u>31,778,620</u>
April 30, 2009	<u>\$ 26,041,002</u>

(continued)

**Village of Romeoville, Illinois**

**Statement of Cash Flows - Enterprise Funds - (Continued)**  
**Year Ended April 30, 2009**

	Business-Type Activities
Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 1,383,853</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,970,841
Amortization	10,883
Changes in assets and liabilities	
Accounts receivable	(17,732)
Accounts payable	345,255
Accrued liabilities	43,110
Deposits	17,263
Total adjustments	<u>4,369,620</u>
Net cash provided by operating activities	<u>\$ 5,753,473</u>
Supplemental Schedule of Non-Cash Capital Activities	
Accrued interest capitalized during construction phase	<u>\$ 417,617</u>

See Notes to Basic Financial Statements.

**Village of Romeoville, Illinois**

**Statement of Fiduciary Net Assets  
Pension Trust Funds  
April 30, 2009**

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**Assets**

Cash and cash equivalents	\$ 68,985
Investments:	
U.S. government and agency obligations	9,940,044
Local government bonds	250,855
Money market funds	1,188,765
Mutual funds	5,783,470
Annuity contracts	1,723,107
Accrued interest receivable	<u>75,224</u>
<b>Total assets</b>	<u><b>19,030,450</b></u>

**Liabilities**

Accounts payable	<u>1,122</u>
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**Net Assets**

Held in trust for pension benefits	<u><u>\$ 19,029,328</u></u>
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See Notes to Basic Financial Statements.

**Village of Romeoville, Illinois**

**Statement of Changes in Fiduciary Net Assets  
Pension Trust Funds  
Year Ended April 30, 2009**

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**Additions:**

**Contributions:**

Employer	\$ 1,398,407
Employee	601,783
<b>Total contributions</b>	<u>2,000,190</u>

**Investment income (loss):**

Net depreciation in fair value of investments	(2,506,698)
Interest	640,819
<b>Total investment income (loss)</b>	<u>(1,865,879)</u>

<b>Total additions</b>	<u>134,311</u>
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**Deductions:**

Benefits	777,598
Administrative expense	23,471

<b>Total deductions</b>	<u>801,069</u>
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<b>Change in net assets</b>	(666,758)
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**Net assets held in trust for employees' pension benefits:**

May 1, 2008	<u>19,696,086</u>
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April 30, 2009	<u>\$ 19,029,328</u>
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See Notes to Basic Financial Statements.



## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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

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

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

#### ***Financial Reporting Entity***

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

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

Fiscal dependency on the primary government.

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

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

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

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

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

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

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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

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

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

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

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

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

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

***Downtown TIF Fund*** – This fund is used to account for all development costs and activities of the Downtown TIF District.

***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**

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#### **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

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**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 \$1,715,428. Of this amount \$417,617 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

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

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

##### **Capital Assets (continued)**

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

	<u>Estimated Useful Lives</u>
Buildings and property	40 years
Machinery and equipment	5 – 20 years
Furniture and fixtures	5 – 20 years
Vehicles	5 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**

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

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

**Long-Term Obligations (Continued)**

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

**Restricted Net Assets**

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

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

Imposed by law through constitutional provisions or enabling legislation.

**Fund Balance Reserves**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**Elimination and Reclassification**

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

**Use of Estimates**

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

**New Accounting Pronouncements**

Effective May 1, 2008, the Village adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* on a prospective basis.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

#### Note 2. Cash and Investments

##### Deposits

##### *Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of April 30, 2009, none of the deposits were exposed to custodial credit risk due to being uninsured and uncollateralized.

##### Investments

As of April 30, 2009, the Village had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 1,008,719	\$ 445,773	\$ 317,630	\$ 245,316	\$ -
U.S. Treasury Strips	1,815,145	364,544	1,450,601	-	-
U.S. agencies - FFCB	1,479,810	-	1,241,490	238,320	-
U.S. agencies - FHLB	3,622,694	25,038	3,218,860	290,644	88,152
U.S. agencies - FHLMC	1,940,338	-	739,730	-	1,200,608
U.S. agencies - FNMA	7,831,459	-	4,143,610	207,257	3,480,592
U.S. agencies - GNMA	2,351,516	-	-	7,857	2,343,659
Local Government Bonds	250,855	-	154,962	74,249	21,644
Illinois Funds *	38,950,566	38,950,566	-	-	-
Illinois Metropolitan Investment Fund *	9,437,559	9,437,559	-	-	-
Money Market Funds *	1,299,963	1,299,963	-	-	-
<b>Total</b>	<b>\$ 69,988,624</b>	<b>\$ 50,523,443</b>	<b>\$ 11,266,883</b>	<b>\$ 1,063,643</b>	<b>\$ 7,134,655</b>

\* Weighted average maturity is less than one year.

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

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

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

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

## **Village of Romeoville, Illinois**

### **Notes to Basic Financial Statements**

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

As of April 30, 2009, investments in Illinois Funds and Illinois Metropolitan Investment Fund were rated AAA by Standard and Poor's. The FFCB, FHLB, FHLMC, and FNMA were rated Aaa by Moody's Investors Services and AAA by Standard and Poor's. The Local government bonds were rated Aa3 – A1 by Moody's Investors Services or AAA – A by Standard and Poor's. The 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 percent of the Village's investments are in FNMA's. The investment is 10.1 percent 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 3. Property Taxes**

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

The 2008 property tax assessment, which was levied in December 2008, is to finance the budget for the fiscal year beginning May 1, 2009 and the revenue to be produced from that assessment is to be recognized during that period; provided the "available" criteria has been met. "Available" means when due or receivable within the current period, and collected within that fiscal period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For governmental fund types, property taxes collected in advance of the fiscal year for which they are levied are recorded as unearned revenue and recognized as revenue in the year for which they are levied except for employee pension taxes which are recognized as revenue in the year in which they are received. Property taxes accounted for in the enterprise fund are recognized as revenue at the time they are levied. A reduction for collection losses based on historical collection experience has been provided on uncollected tax levies.

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



**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

**Note 4. Capital Assets**

A summary of the changes in capital assets for governmental activities of the Village for the year ended April 30, 2009, is as follows:

	Balance, May 1, 2008	Additions	Deletions	Balance, April 30, 2009
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 168,082,530	\$ 2,201,800	\$ -	\$ 170,284,330
Construction in progress	4,194,091	21,802,982	8,388,750	17,608,323
Total capital assets not being depreciated	172,276,621	24,004,782	8,388,750	187,892,653
<b>Capital assets being depreciated:</b>				
Buildings and property	21,063,631	4,565,994	-	25,629,625
Machinery and equipment	2,562,064	86,534	-	2,648,598
Furniture and fixtures	1,592,444	30,943	-	1,623,387
Vehicles	6,243,321	542,121	-	6,785,442
Infrastructure	146,614,216	1,383,581	-	147,997,797
Total capital assets being depreciated	178,075,676	6,609,173	-	184,684,849
<b>Less accumulated depreciation for:</b>				
Buildings and property	8,423,467	723,801	-	9,147,268
Machinery and equipment	1,016,628	250,747	-	1,267,375
Furniture and fixtures	816,050	112,853	-	928,903
Vehicles	3,916,115	632,167	-	4,548,282
Infrastructure	51,533,831	4,960,441	-	56,494,272
Total accumulated depreciation	65,706,091	6,680,009	-	72,386,100
<b>Total capital assets being depreciated, net</b>	<b>112,369,585</b>	<b>(70,836)</b>	<b>-</b>	<b>112,298,749</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 284,646,206</b>	<b>\$ 23,933,946</b>	<b>\$ 8,388,750</b>	<b>\$ 300,191,402</b>

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2009, is as follows:

	Balance, May 1, 2008	Additions	Deletions	Balance, April 30, 2009
<b>Business-type activities</b>				
Capital assets not being depreciated:				
Land	\$ 20,728	\$ -	\$ -	\$ 20,728
Construction in progress	977,406	6,921,051	7,097,510	800,947
Total capital assets not being depreciated	998,134	6,921,051	7,097,510	821,675
Capital assets being depreciated:				
Buildings and property	2,201,940	1,224,215	-	3,426,155
Machinery and equipment	5,841,595	29,239	-	5,870,834
Vehicles	1,028,569	288,784	-	1,317,353
Infrastructure	137,487,138	6,081,098	-	143,568,236
Other equipment	910,541	-	-	910,541
Total capital assets being depreciated	147,469,783	7,623,336	-	155,093,119
Less accumulated depreciation for:				
Building including permanent fixtures	111,760	104,833	-	216,593
Machinery and equipment	4,318,580	398,409	-	4,716,989
Vehicles	579,938	160,276	-	740,214
Infrastructure	29,632,518	3,266,798	-	32,899,316
Other equipment	559,595	40,525	-	600,120
Total accumulated depreciation	35,202,391	3,970,841	-	39,173,232
Total capital assets being depreciated, net	112,267,392	3,652,495	-	115,919,887
<b>Business-type activities</b>				
Capital assets, net	\$ 113,265,526	\$ 10,573,546	\$ 7,097,510	\$ 116,741,562

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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

Depreciation was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,782,235
Public safety	2,780,525
Public works	1,458,251
Culture and recreation	658,998
	<u>6,680,009</u>
<b>Total depreciation expense - governmental activities</b>	<b>\$ 6,680,009</b>
Business-type activities:	
Water and Sewer	<u>\$ 3,970,841</u>

#### Note 5. Long-Term Obligations

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2009:

	Outstanding Debt as of May 1, 2008	Additions	Reductions	Outstanding Debt as of April 30, 2009	Due Within One Year
General obligation bonds	\$ 33,555,346	\$ 48,138,409	\$ 812,298	\$ 80,881,457	\$ 1,549,103
Alternate revenue bonds	2,530,000	-	440,000	2,090,000	135,000
Unamortized bond premiums	498,433	-	29,374	469,059	-
Unamortized bond issue costs	(520,011)	(1,701,082)	(76,404)	(2,144,689)	-
Capital leases	888,448	171,848	198,907	861,389	198,177
Compensated absences	2,936,508	919,124	909,616	2,946,016	81,782
OPEB obligation *	-	50,246	-	50,246	-
Pension obligation *	1,458,098	133,271	-	1,591,369	-
	<u>\$ 41,346,822</u>	<u>\$ 47,711,816</u>	<u>\$ 2,313,791</u>	<u>\$ 86,744,847</u>	<u>\$ 1,964,062</u>

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

General obligation bond additions include \$1,002,525 in accreted interest on capital appreciation bonds.

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2009:

	Outstanding Debt as of May 1, 2008	Additions	Reductions	Outstanding Debt as of April 30, 2009	Due Within One Year
General obligation bonds	\$ 14,969,654	\$ 4,865,000	\$ 1,197,702	\$ 18,636,952	\$ 1,620,897
Alternate revenue bonds	5,275,000	-	5,275,000	-	-
Note payable	22,956,662	1,380,369	588,895	23,748,136	997,008
Deferred amounts on refunding	50,604	-	5,142	45,462	-
Unamortized bond premiums	217,511	92,996	13,947	296,560	-
Unamortized bond issue costs	(258,995)	(82,408)	(29,972)	(311,431)	-
	<u>\$ 43,210,436</u>	<u>\$ 6,255,957</u>	<u>\$ 7,050,714</u>	<u>\$ 42,415,679</u>	<u>\$ 2,617,905</u>

On June 30, 2008, the Village issued \$10,800,000 of General Obligation Bonds, Series 2008A, for the purpose of capital improvements, including but not limited to a new Village hall/police station complex and two new fire stations, together with all necessary land and rights in land, professional, legal, engineering, electrical, financial and other services, and costs of borrowing. Interest rates range from 3.25 percent to 4.125 percent.

On June 30, 2008, the Village issued \$36,335,884 of General Obligation Bonds, Series 2008B, for the purpose that the Village acquire, construct and install certain public capital improvements, including but not limited to a new Village hall/police station complex and two new fire stations, together with all necessary land and rights in land, professional, legal, engineering, electrical, financial and other services, and costs of borrowing. Interest rates range from 5.12 percent to 5.85 percent.

On November 3, 2008, the Village issued \$4,865,000 of General Obligation Bonds, Series 2008C, with an average interest rate of 3.84 percent to advance refund \$4,875,000 of General Obligation Bonds (Alternate Revenue Bonds), Refunding Bonds Series 1999, with an average interest rate of 4.58 percent. The proceeds of \$4,957,996 (including premium of \$92,996) were used to purchase \$4,876,628 of U.S. government securities and pay issuance costs of \$82,408. 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, 2008, the Series 1999 bonds were called and paid in full. The refunding resulted in an economic gain of approximately \$198,000 and had the effect of maintaining the life of the bonds while decreasing the Village's future debt service by \$239,100.

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

Outstanding debt as of April 30, 2009, consists of the following:

**General Obligation Bonds:**

General Obligation Refunding Bonds, Series 1997B, dated November 15, 1997, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$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 4.9% to 5.0%. \$ 350,000

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 \$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%. 2,885,000

General Obligation Bonds, Series 2002A, dated September 15, 2002 provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$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, and \$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%. 1,610,000

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 \$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, and \$545,000 in 2025. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.0%. 20,870,000

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 \$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, and \$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%. 3,080,000

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

General Obligation Bonds (continued):

General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$10,000 in 2010, \$540,000 in 2011, \$560,000 in 2012, \$580,000 in 2013, \$605,000 in 2014, \$590,000 in 2015, \$620,000 in 2016, \$640,000 in 2017, and \$675,000 in 2018. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%. \$ 4,820,000

General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$2,000,000 in 2018, \$2,225,000 in 2019, \$3,925,000 in 2020, and \$4,750,000 in 2021. Interest is due on June 30 and December 30 of each year at rates varying from 4.0% to 4.375%. 12,900,000

General Obligation Bonds, Series 2008A, dated June 30, 2008, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$275,000 in 2010, \$475,000 in 2011, \$400,000 in 2012, \$700,000 in 2013, \$850,000 in 2014, \$1,175,000 in 2015, \$1,575,000 in 2016, \$2,050,000 in 2017, \$700,000 in 2018, \$1,150,000 in 2019, \$1,000,000 in 2020, and \$450,000 in 2021. Interest is due on June 30 and December 30 of each year at rates varying from 3.25% to 4.125%. 10,800,000

General Obligation (Capital Appreciation) Bonds, Series 2008B, dated June 30, 2008, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$2,779,425 in 2022, \$2,846,160 in 2023, \$2,675,040 in 2024, \$2,506,740 in 2025, \$2,545,205 in 2026, \$2,390,830 in 2027, \$2,243,605 in 2028, \$2,103,400 in 2029, \$1,974,180 in 2030, \$1,851,460 in 2031, \$1,739,010 in 2032, \$1,640,210 in 2033, \$1,546,740 in 2034, \$1,458,275 in 2035, \$1,374,620 in 2036, \$1,295,515 in 2037, \$1,220,765 in 2038, \$1,136,460 in 2039, and \$1,008,244 in 2040. Interest is due on December 30 of each year at rates varying from 5.12% to 5.85% (Includes accreted interest of \$1,002,525). 37,338,409

General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$335,000 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, \$770,000 in 2018, and \$1,245,000 in 2019. Interest is due on June 30 and December 30 of each year at rates varying from 3.5% to 4.0%. 4,865,000

Unamortized bond issuance costs (2,388,781)

Unamortized bond premium 765,619

Unamortized gain on bond refunding 45,462

**Total General Obligation Bonds 97,940,709**

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

**Alternate Revenue Bonds:**

General Obligation Bonds (Alternate Revenue Bonds), Series 2002B, dated September 15, 2002, provide for the serial retirement of bonds on December 30 of each year in annual amounts of \$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 3.4% to 4.3%.

\$ 2,090,000

Unamortized bond issuance costs

(67,339)

**Total Alternate Revenue Bonds**

2,022,661

Capital leases

861,389

Note Payable, dated August 1, 2008, provides for retirement of principal on December 1 and June 1 of each year in the amount of \$792,259, including interest at 2.5%, through June 1, 2027. Final principal and interest payment is due on December 1, 2027 in the amount of \$630,570.

23,748,136

Compensated absences

2,946,016

OPEB obligation

50,246

Pension obligation

1,591,369

**Total Long-Term Debt**

\$ 129,160,526

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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

The future debt service requirements to amortize the outstanding debt other than compensated absences and pension obligations as of April 30, 2009, are as follows:

Fiscal Year	Governmental			
	General Obligation Bonds		Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
2010	\$ 1,549,103	\$ 2,013,966	\$ 135,000	\$ 85,815
2011	1,889,318	1,710,929	170,000	81,225
2012	2,172,978	1,666,412	-	75,105
2013	2,641,644	1,574,071	-	75,105
2014	3,049,456	1,477,878	-	75,105
2015-2019	19,225,549	5,299,621	1,785,000	232,170
2020-2024	20,770,625	10,358,189	-	-
2025-2029	12,334,780	20,237,470	-	-
2030-2034	8,751,600	23,748,400	-	-
2035-2039	6,485,635	26,014,365	-	-
2040	1,008,244	5,191,756	-	-
	<u>\$ 79,878,932</u>	<u>\$ 99,293,057</u>	<u>\$ 2,090,000</u>	<u>\$ 624,525</u>

Fiscal Year	Business-type				Total
	General Obligation Bonds		Note Payable		
	Principal	Interest	Principal	Interest	
2010	\$ 1,620,897	\$ 810,470	\$ 997,008	\$ 587,510	\$ 7,799,769
2011	1,670,682	749,261	1,022,089	562,429	7,855,933
2012	1,782,022	641,289	1,047,801	536,717	7,922,324
2013	1,858,356	574,673	1,074,159	510,359	8,308,367
2014	1,950,544	489,860	1,101,181	483,337	8,627,361
2015-2019	9,754,451	1,220,406	5,935,632	1,986,958	45,439,787
2020-2024	-	-	6,720,743	1,201,847	39,051,404
2025-2029	-	-	5,849,523	326,860	38,748,633
2030-2034	-	-	-	-	32,500,000
2035-2039	-	-	-	-	32,500,000
2040	-	-	-	-	6,200,000
	<u>\$ 18,636,952</u>	<u>\$ 4,485,959</u>	<u>\$ 23,748,136</u>	<u>\$ 6,196,017</u>	<u>\$ 234,953,578</u>

Governmental general obligation bonds interest maturities include \$1,002,525 in accreted interest, which is included under long-term debt on the statement of net assets.



Village of Romeoville, Illinois

Notes to Basic Financial Statements

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

The 2005, 2007A, 2008C bonds and note payable are to be paid charges for service from the Water and Sewer Fund. The 2004 bonds are to be paid from property tax revenue of the General and Recreation Fund and charges for service from the Water and Sewer Fund. The 2008A and 2008B are to be paid from property tax revenue of the corporate fund. These pledges will remain until all bonds are retired. The amount of the pledges remaining as of April 30, 2009 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Percentage of Revenue Pledged
2004	Water/Sewer Service Charges	\$ 7,406,621	12/30/2017	2.26%
2004	Property Taxes Corporate	19,446,990	12/30/2024	41.56%
2004	Property Taxes Recreation	284,216	12/30/2024	1.37%
2005	Water/Sewer Service Charges	3,409,257	12/15/2015	11.05%
2007A	Water/Sewer Service Charges	6,044,817	12/30/2017	1.97%
2008A	Property Taxes Corporate	14,030,984	12/30/2020	0.00%
2008B	Property Taxes Corporate	120,700,000	12/30/1939	0.00%
2008C	Water/Sewer Service Charges	6,262,216	12/30/2018	0.00%
Note Payable	Water/Sewer Service Charges	29,944,153	12/1/2027	6.67%

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

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2009 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired
2004	Water/Sewer Service Charges	\$ 11,882,799	\$ 268,929
2004	Property Taxes Corporate	2,254,458	936,974
2004	Property Taxes Recreation	1,305,384	17,819
2005	Water/Sewer Service Charges	11,882,799	1,312,818
2007A	Water/Sewer Service Charges	11,882,799	233,845
2008A	Property Taxes Corporate	2,254,458	-
2008B	Property Taxes Corporate	2,254,458	-
2008C	Water/Sewer Service Charges	11,882,799	-
Note Payable	Water/Sewer Service Charges	11,882,799	792,259

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 6. Capital Lease Obligation

The Village leases vehicles under capital leases, which expire between September 2010 and May 2014. Annual lease payments, including interest ranging from 3.15% to 4.28%, range from \$31,530 to \$58,725. The cost of the capital assets acquired under the capital leases was \$1,481,486, all of which is included in governmental activities vehicles.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2009 are as follows:

Year ending April 30:	
2010	\$ 232,234
2011	232,234
2012	200,704
2013	142,408
2014	104,597
Thereafter	45,872
Total minimum lease payments	958,049
Less amount representing interest	96,660
Present value of future minimum lease payments	861,389
Less current portion	198,177
Long-term portion	\$ 663,212

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

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

##### Illinois Municipal Retirement Fund

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

**Funding Policy.** As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 9.29 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost.** For 2008, the Village's annual pension cost of \$868,035 for the Regular plan was equal to your employer's required and actual contributions.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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

##### Three-Year Trend Information

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2008	\$ 868,035	100%	\$ -
12/31/2007	837,417	100%	-
12/31/2006	743,803	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006, valuation was 24 years.

*Funded Status and Funding Progress.* As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 75.15 percent funded. The actuarial accrued liability for benefits was \$19,076,604 and the actuarial value of assets was \$14,336,552, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,740,052. The covered payroll (annual payroll of active employees covered by the plan) was \$9,343,761 and the ratio of the UAAL to the covered payroll was 50.73 percent.

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

#### 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, 2008.

Covered employees are currently required to contribute 9.91 percent of their base salary to the Police Pension Plan. The member rate is determined by State Statute. The Village is required to contribute at an actuarially determined amount. The employer rate for fiscal year ended April 30, 2008, was 22.84 percent of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2009 were as follows:

Annual required contribution	\$ 1,169,134
Interest on net pension obligation	81,839
Adjustment to annual requirement contribution	(29,692)
Annual pension cost	1,221,281
Contributions made	1,121,630
Increase in net pension obligation	99,651
Net pension obligation, beginning of year	1,306,175
Net pension obligation, end of year	<u>\$ 1,405,826</u>

The annual required contribution for the year ended April 30, 2008, was determined as part of the April 30, 2008, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2008, was 25 years.

As of April 30, 2008, the most recent actuarial valuation date, the regular plan was 61.76 percent funded. The actuarial accrued liability for benefits was \$28,304,804 and the actuarial value of assets was \$17,480,366, resulting in an underfunded actuarial accrued liability (UAAL) of \$10,824,438. The covered payroll (annual payroll of active employees covered by the plan) was \$4,495,763 and the ratio of the UAAL to the covered payroll was 240.77 percent.

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

**Trend Information**

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
4/30/2009	1,221,281	1,121,630	91.8%	\$ 1,405,826
4/30/2008	1,057,738	1,026,984	97.1%	1,336,929
4/30/2007	950,568	916,863	96.5%	1,306,175

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

At April 30, 2008, the Police Pension Plan membership consisted of:

Retirees and beneficiaries receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	29
Active non-vested plan members	33
	<hr/>
<b>Total members</b>	<b>78</b>

**Firefighters' Pension Plan**

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The Firefighters' Pension Plan is a fund of the Village and does not issue separate financial statements.

The Firefighters' Pension Plan's most recent actuary was completed as of the year ended April 30, 2008.

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 2008 was 15.87 percent of covered payroll.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2009 were as follows:

Annual required contribution	\$ 293,777
Interest on net pension obligation	20,564
Adjustment to annual requirement contribution	(3,944)
Annual pension cost	310,397
Contributions made	276,777
Increase in net pension obligation	33,620
Net pension obligation, beginning of year	151,923
	<hr/>
Net pension obligation, end of year	<b>\$ 185,543</b>

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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

The annual required contribution for the year ended April 30, 2008, was determined as part of the April 30, 2008, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0 percent investment rate of return, (b) projected salary increases of 5.5 percent, (c) 3.0 percent per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of Firefighters' Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2008, was 25 years.

As of April 30, 2008, the most recent actuarial valuation date, the regular plan was 68.11 percent funded. The actuarial accrued liability for benefits was \$3,253,029 and the actuarial value of assets was \$2,215,720, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,037,309. The covered payroll (annual payroll of active employees covered by the plan) was \$1,167,102 and the ratio of the UAAL to the covered payroll was 88.88 percent.

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

#### Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation (Asset)
4/30/2009	\$ 310,397	\$ 276,777	89.2%	\$ 185,543
4/30/2008	188,246	185,159	98.4%	155,010
4/30/2007	158,592	154,873	97.7%	151,923

At April 30, 2008, the Firefighters' Pension Plan membership consisted of:

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

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

**Combining Statement of Fiduciary Net Assets  
Pension Trust Funds  
April 30, 2009**

	Firefighters' Pension	Police Pension	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 731	\$ 68,254	\$ 68,985
Investments:			
U.S. government and agency obligations	1,760,099	8,179,945	9,940,044
Local government bonds	250,855	-	250,855
Money market funds	64,439	1,124,326	1,188,765
Mutual funds	591,963	5,191,507	5,783,470
Annuity contracts	-	1,723,107	1,723,107
Accrued interest receivable	30,371	44,853	75,224
<b>Total assets</b>	<b>2,698,458</b>	<b>16,331,992</b>	<b>19,030,450</b>
<b>Liabilities</b>			
Accounts payable	636	486	1,122
<b>Net Assets</b>			
Held in trust for pension benefits	\$ 2,697,822	\$ 16,331,506	\$ 19,029,328

Village of Romeoville, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Changes in Fiduciary Net Assets

Pension Trust Funds

Year Ended April 30, 2009

	Firefighters' Pension	Police Pension	Total
<b>Additions:</b>			
Contributions:			
Employer	\$ 276,777	\$ 1,121,630	\$ 1,398,407
Employee	108,414	493,369	601,783
<b>Total contributions</b>	<b>385,191</b>	<b>1,614,999</b>	<b>2,000,190</b>
Investment income (loss):			
Net depreciation in fair value of investments	(24,305)	(2,482,393)	(2,506,698)
Interest	137,546	503,273	640,819
<b>Total investment income (loss)</b>	<b>113,241</b>	<b>(1,979,120)</b>	<b>(1,865,879)</b>
<b>Total additions</b>	<b>498,432</b>	<b>(364,121)</b>	<b>134,311</b>
<b>Deductions:</b>			
Benefits	-	777,598	777,598
Administrative expense	16,330	7,141	23,471
<b>Total deductions</b>	<b>16,330</b>	<b>784,739</b>	<b>801,069</b>
<b>Change in net assets</b>	<b>482,102</b>	<b>(1,148,860)</b>	<b>(666,758)</b>
Net assets held in trust for employees' pension benefits:			
May 1, 2008	2,215,720	17,480,366	19,696,086
April 30, 2009	\$ 2,697,822	\$ 16,331,506	\$ 19,029,328



## **Village of Romeoville, Illinois**

### **Notes to Basic Financial Statements**

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#### **Note 8. Risk Management**

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

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

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

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

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

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

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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

Individual fund interfund receivable and payable balances as of April 30, 2009, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major Governmental Funds:		
General Fund:		
Recreation Fund	\$ 1,162,599	\$ -
Downtown TIF Fund	8,711	-
Water and Sewer Fund	-	3,019,829
Non-Major Governmental Fund	-	1,544,233
	<u>1,171,310</u>	<u>4,564,062</u>
Recreation Fund:		
General Fund	-	1,162,599
Water and Sewer Fund	-	700,000
	-	<u>1,862,599</u>
Downtown TIF Fund:		
General Fund	-	8,711
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	3,019,829	-
Recreation Fund	700,000	-
	<u>3,719,829</u>	<u>-</u>
Non-Major Governmental Funds:		
General Fund	1,544,233	-
Non-Major Governmental Fund	2,392	2,392
	<u>1,546,625</u>	<u>2,392</u>
Total	<u>\$ 6,437,764</u>	<u>\$ 6,437,764</u>

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

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

Individual interfund advances receivable and payable balances as of April 30, 2009, are as follows:

<u>Fund</u>	<u>Advances to</u>	<u>Advances from</u>
Major Governmental Fund:		
General Fund:		
Non-Major Governmental Fund	\$ 817,514	\$ -
Non-Major Governmental Fund:		
General Fund	-	817,514
Total	<u>\$ 817,514</u>	<u>\$ 817,514</u>

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

**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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

Interfund transfers for the year ended April 30, 2009, are as follows:

<u>Fund</u>	<u>Transfer From</u>	<u>Transfer To</u>
Major Governmental Funds:		
General Fund:		
Recreation Fund	\$ -	\$ 1,643,500
Non-Major Governmental Fund	29,000	750,000
Water and Sewer Fund	2,480,000	-
	<u>2,509,000</u>	<u>2,393,500</u>
Recreation Fund:		
General Fund	1,643,500	-
Non-Major Governmental Fund	-	17,819
	<u>1,643,500</u>	<u>17,819</u>
Downtown TIF Fund:		
Non-Major Governmental Fund	2,009,052	234,774
	<u>2,009,052</u>	<u>234,774</u>
Major Enterprise Fund:		
Water and Sewer Fund:		
General Fund	-	2,480,000
	<u>-</u>	<u>2,480,000</u>
Non-Major Governmental Funds:		
General Fund	750,000	29,000
Recreation Fund	17,819	-
Downtown TIF Fund	234,774	2,009,052
	<u>1,002,593</u>	<u>2,038,052</u>
Total	<u>\$ 7,164,145</u>	<u>\$ 7,164,145</u>

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

**Deficit Fund Balance**

As of April 30, 2009, the following fund had a deficit fund balances:

<u>Fund</u>	<u>Amount</u>	<u>Intended Financing</u>
Local Gas Tax Fund	\$ 763,806	Home Rule Gas Tax

Village of Romeoville, Illinois

Notes to Basic Financial Statements

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

***Budget Over Expenditures***

As of April 30, 2009, the following fund overexpended their budget:

<u>Fund</u>	<u>Amount</u>
Romeo Road TIF Fund	\$ 27,951

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

The Village adopted GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*, as of June 30, 2009 on a prospective basis. The Village recorded a \$50,246 liability due to the adoption of this Standard.

Plan Description

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

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document." The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2009, the Village contributed \$27,552 to the plan for retired elected officials, which represents 100 percent of their premiums. Non elected official plan members receiving benefits contributed \$41,309, or 100 percent of the total premiums, through their required contribution.

Annual OPEB Cost and Net OPEB Obligation

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

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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

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

Annual required contribution	\$ 77,798
Interest on net OPEB obligation	-
Adjustment to annual requirement contribution	-
Annual OPEB cost (expense)	77,798
Contributions made	27,552
Increase in net OPEB obligation	50,246
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	\$ 50,246

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 was as follows:

Year Ending	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
04/30/2009	\$ 77,798	35.4%	\$ 50,246
04/30/2008	N/A	N/A	N/A
04/30/2007	N/A	N/A	N/A

#### Funded Status and Funding Progress

As of April 30, 2009, the most recent actuarial valuation date, the plan was 100 percent unfunded. The actuarial accrued liability for benefits was \$735,666, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$735,666. The covered payroll (annual payroll of active employees covered by the plan) was \$17,051,158 and the ratio of UAAL to the covered payroll was 4.3 percent.

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

## **Village of Romeoville, Illinois**

### **Notes to Basic Financial Statements**

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#### **Note 10. Post Retirement Healthcare Plan (continued)**

##### Actuarial Methods and Assumptions

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

In the April 30, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent discount rate (includes inflation at 3.0 percent) annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 6.0 percent, and anticipated participation of 20.0 percent to 100 percent based on position of employee. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2009 was 30 years.

#### **Note 11. Defeased Debt**

The Village defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Village's financial statements. As of April 30, 2009, \$10,179,088 of bonds outstanding are considered defeased.

#### **Note 12. Commitments**

As of April 30, 2009, the Village had open contracts for the purchase of equipment and services totaling approximately \$5,153,000.

On July 18, 2007, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of an 80 acre parcel of land located on Weber Road. This agreement runs for an eight year period, commencing on the occupancy of various parcels in the development. Subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$4,000,000. As of April 30, 2009, the Village has remitted \$372,986 related to this agreement of which \$110,864 is included in accrued liabilities.

On August 15, 2007, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of a 76 acre parcel of land located on Weber Road known as Romeoville Crossings. This agreement runs for a seven year period, commencing on the occupancy of Wal-Mart in February 2008. Subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$5,200,000. As of April 30, 2009, the Village has remitted \$551,373 related to this agreement of which \$172,023 is included in accrued liabilities.

On December 2, 2008, the Village entered into an agreement with a developer to provide possibly future economic assistance for the development of a 39.775 acre parcel of land located on Weber Road. Commencing on the occupancy of the Meijer Store and subject to some restrictions and priorities, the Village will remit 50 percent of sales taxes generated in the development up to \$4,800,000. The assistance shall continue until the total reimbursement amount of \$4,800,000 is paid in full to the developer. As of April 30, 2009, the Village has not remitted any reimbursement to the developer.

## Village of Romeoville, Illinois

### Notes to Basic Financial Statements

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#### Note 12. Commitments (continued)

On September 17, 2007, the Village entered into an agreement with a developer to provide future economic assistance for the development of the Romeo Redevelopment Plan. This agreement reimburses the developer a portion of the developer's costs in acquiring the redevelopment site and/or constructing those redevelopment improvements which are redevelopment costs in the total amount of \$350,000. As of April 30, 2009, the agreement is considered to have been fully executed. The Village has remitted \$174,396 to this agreement of which \$57,729 is included in accrued liabilities and \$175,604 has been classified as costs incurred by the Village for the redevelopment and used to offset the payment to the developer.

#### Note 13. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The total amount of bonds outstanding at April 30, 2009 is \$43,060,000.

On July 31, 2008, the Village issued \$5,500,000 of Industrial Development Revenue Bonds, Series 2008, to CGI Real Estate, LLC for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The total amount of Bonds outstanding at April 30, 2009 is \$5,500,000.

#### Note 14. Litigation

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

#### Note 15. New Governmental Accounting Standards

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

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the Village beginning with its year ending April 30, 2010. This statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

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

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported on governmental funds.

Management has not yet determined the impact, if any these Statements will have on the financial position and results of operations of the Village.



**Village of Romeoville, Illinois**

**Notes to Basic Financial Statements**

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**Note 16. Subsequent Events**

**Village debt:** On May 4, 2009, the Village issued \$6,700,000 of General Obligation Bonds, Series 2009, for the purpose of providing for the related costs and expenses of the 2009 open space project. Interest rates range from 3.00 percent to 4.25 percent.

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## Required Supplementary Information

**Village of Romeoville, Illinois**

**Illinois Municipal Retirement Fund  
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	\$ 14,336,552	\$ 19,076,604	\$ 4,740,052	75.15 %	\$ 9,343,761	50.73 %
12/31/2007	14,533,936	16,954,438	2,420,502	85.72	8,723,099	27.75
12/31/2006	13,189,931	14,375,684	1,185,753	91.75	7,460,413	15.89

**Village of Romeoville, Illinois**

**Police Pension Fund  
Schedule of Funding Progress**

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

**Village of Romeoville, Illinois**

**Firefighters' Pension Fund  
Schedule of Funding Progress**

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

**Village of Romeoville, Illinois**

**Post Retirement Healthcare Plan  
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2009	\$	\$ 735,666	\$ 735,666	- %	\$ 17,051,158	4.31 %
04/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
04/30/2007	N/A	N/A	N/A	N/A	N/A	N/A

**Village of Romeoville, Illinois**

**Schedule of Employer Contributions  
Police Pension Fund**

Fiscal Year	Annual Required Contribution	Percentage Contributed	
2009	\$ 1,169,134	95.94	%
2008	1,026,752	99.93	
2007	918,577	99.81	
2006	778,062	99.90	
2005	954,062	53.96	
2004	N/A	N/A	



**Village of Romeoville, Illinois**

**Schedule of Employer Contributions  
Firefighters' Pension Fund**

<b>Fiscal Year</b>		<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	
2009	\$	293,777	94.21	%
2008		184,642	100.28	
2007		154,866	100.00	
2006		116,273	100.45	
2005		92,360	89.04	
2004		N/A	N/A	

**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
General Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 8,817,400	\$ 8,791,463	\$ (25,937)
Other taxes	17,094,550	14,249,678	(2,844,872)
Interest	900,000	217,170	(682,830)
Fines	680,000	645,190	(34,810)
Licenses and permits	2,044,000	1,568,431	(475,569)
Charges for services	4,544,500	3,822,247	(722,253)
Intergovernmental	4,806,400	4,844,985	38,585
Developer contributions	-	29,239	29,239
Other	756,100	660,584	(95,516)
<b>Total revenues</b>	<b>39,642,950</b>	<b>34,828,987</b>	<b>(4,813,963)</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	10,716,550	8,756,871	1,959,679
Public safety	16,559,200	15,233,202	1,325,998
Public works	7,423,700	6,952,140	471,560
<b>Debt service:</b>			
Principal	242,800	198,907	43,893
Interest and fees	29,800	33,328	(3,528)
Capital outlay	4,967,700	3,972,546	995,154
<b>Total expenditures</b>	<b>39,939,750</b>	<b>35,146,994</b>	<b>4,792,756</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(296,800)</b>	<b>(318,007)</b>	<b>(21,207)</b>
<b>Other financing sources (uses):</b>			
Lease issuance	-	171,848	171,848
Transfer in	2,509,000	2,509,000	-
Transfer (out)	(2,212,200)	(2,393,500)	(181,300)
<b>Total other financing sources (uses)</b>	<b>296,800</b>	<b>287,348</b>	<b>(9,452)</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>(30,659)</b>	<b>\$ (30,659)</b>
<b>Fund balance:</b>			
May 1, 2008		11,048,589	
April 30, 2009		\$ 11,017,930	

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, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 1,311,600	\$ 1,305,384	\$ (6,216)
Other taxes	1,142,000	591,465	(550,535)
Interest	70,000	31,617	(38,383)
Charges for services	801,800	812,830	11,030
Intergovernmental	900,000	182,200	(717,800)
Developer contributions	-	90,000	90,000
Other	106,400	96,966	(9,434)
<b>Total revenues</b>	<b>4,331,800</b>	<b>3,110,462</b>	<b>(1,221,338)</b>
<b>Expenditures:</b>			
Current: Culture and recreation:			
Operations:			
Salaries	377,900	370,671	7,229
Contractual	93,500	71,552	21,948
Commodities	32,500	25,461	7,039
Other	347,700	337,441	10,259
Recreation programs:			
Salaries	864,500	872,558	(8,058)
Contractual	280,500	201,989	78,511
Commodities	327,800	280,796	47,004
Park maintenance:			
Salaries	600,700	589,385	11,315
Contractual	473,500	242,521	230,979
Commodities	54,500	41,037	13,463
Recreation center:			
Salaries	372,800	370,275	2,525
Contractual	204,500	156,694	47,806
Commodities	50,000	49,965	35
Capital outlay	10,675,000	661,290	10,013,710
<b>Total expenditures</b>	<b>14,755,400</b>	<b>4,271,635</b>	<b>10,483,765</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(10,423,600)</b>	<b>(1,161,173)</b>	<b>9,262,427</b>
<b>Other financing sources (uses):</b>			
Bond proceeds	8,000,000	-	(8,000,000)
Transfer in	1,643,500	1,643,500	-
Transfer (out)	(17,900)	(17,819)	81
<b>Total other financing sources (uses)</b>	<b>9,625,600</b>	<b>1,625,681</b>	<b>(7,999,919)</b>
<b>Change in fund balance</b>	<b>\$ (798,000)</b>	<b>464,508</b>	<b>\$ 1,262,508</b>
<b>Fund balance:</b>			
May 1, 2008		442,715	
April 30, 2009		\$ 907,223	

See Note to Required Supplementary Information.

## **Village of Romeoville, Illinois**

### **Note to Required Supplementary Information**

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#### **Note 1. Budget Information**

##### **Budgetary Basis of Accounting**

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

##### **Budgetary Process**

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

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

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## Supplementary Information

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
<b>Property taxes:</b>			
Corporate tax levy	\$ 2,265,300	\$ 2,254,458	\$ (10,842)
Fire protection levy	291,900	291,743	(157)
Police protection levy	535,900	533,366	(2,534)
Ambulance levy	619,900	619,390	(510)
Audit tax levy	75,400	75,074	(326)
Social security levy	1,226,100	1,220,243	(5,857)
Street levy	503,000	510,707	7,707
Refuse disposal levy	575,300	572,584	(2,716)
Tort immunity levy	1,321,800	1,315,491	(6,309)
Police pension levy	1,126,200	1,121,630	(4,570)
Fire pension levy	276,600	276,777	177
<b>Total property taxes</b>	<b>8,817,400</b>	<b>8,791,463</b>	<b>(25,937)</b>
<b>Other taxes:</b>			
Sales tax	5,351,850	4,224,703	(1,127,147)
Use tax	480,900	521,046	40,146
Utility tax:			
Electric	2,800,000	2,875,539	75,539
Gas	850,000	778,741	(71,259)
Telephone	1,575,000	1,487,257	(87,743)
Water	235,000	219,864	(15,136)
Charitable games tax	-	391	391
Fire Insurance tax	35,000	-	(35,000)
Automobile rental tax	4,100	5,417	1,317
Home rule sales tax	4,262,700	3,266,360	(996,340)
Home rule gas tax	700,000	577,591	(122,409)
Real estate transfer tax	800,000	292,769	(507,231)
<b>Total other taxes</b>	<b>17,094,550</b>	<b>14,249,678</b>	<b>(2,844,872)</b>
<b>Interest</b>	<b>900,000</b>	<b>217,170</b>	<b>(682,830)</b>
<b>Fines:</b>			
Court fines	350,000	332,073	(17,927)
Court supervision fines - vehicle	30,000	-	(30,000)
Administrative tickets	8,000	10,440	2,440
Parking tickets	24,000	23,909	(91)
Dog/animal fines	6,000	6,169	169
Forfeiture of cash police department	10,000	55,999	45,999
False alarm fines	27,000	26,700	(300)
Vehicle impound fees	225,000	189,900	(35,100)
<b>Total fines</b>	<b>680,000</b>	<b>645,190</b>	<b>(34,810)</b>
<b>Licenses and permits:</b>			
Business licenses	62,000	66,450	4,450
Liquor licenses	50,000	52,308	2,308
Business permits	75,000	85,800	10,800
Solicitor permits	2,500	5,650	3,150
Building permits	1,500,000	1,073,448	(426,552)
Garage sale permits	3,000	2,985	(15)
Inspection permits	350,000	280,744	(69,256)
Animal tags	1,500	1,046	(454)
<b>Total licenses and permits</b>	<b>2,044,000</b>	<b>1,568,431</b>	<b>(475,569)</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
<b>Charges for services:</b>			
Vacancy inspection fees	\$ -	\$ 1,550	\$ 1,550
Cable TV franchise fee	316,000	313,782	(2,218)
Ambulance fees	400,000	330,437	(69,563)
Rental income	12,000	16,871	4,871
NSF check charges	400	650	250
Administration fees	6,000	3,984	(2,016)
Zoning board maps/variance	75,000	105,648	30,648
Code books	100	-	(100)
Rental inspection fees	70,000	80,900	10,900
Construction reinspection fees	50,000	17,547	(32,453)
Sprint rental fees	23,300	24,438	1,138
Engineering fees	750,000	310,277	(439,723)
Fire prevention service fees	12,000	15,425	3,425
Fire academy	353,700	203,199	(150,501)
Rubbish collection fees	2,475,000	2,394,113	(80,887)
Portable sign/pennant permit	1,000	3,426	2,426
<b>Total charges for services</b>	<b>4,544,500</b>	<b>3,822,247</b>	<b>(722,253)</b>
<b>Intergovernmental:</b>			
State income tax	3,402,900	3,172,690	(230,210)
Replacement tax	170,000	165,107	(4,893)
Auto theft	61,000	60,805	(195)
State grants	-	40,750	40,750
Federal grants	50,000	55,681	5,681
D.A.R.E. program revenue	7,500	15,000	7,500
Lockport fire agreement	1,115,000	1,334,952	219,952
<b>Total intergovernmental</b>	<b>4,806,400</b>	<b>4,844,985</b>	<b>38,585</b>

(continued)



Village of Romeoville, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
Developer contributions	\$ -	\$ 29,239	\$ 29,239
Other:			
Will County grants	54,000	61,524	7,524
Fingerprinting	100	1,228	1,128
Good neighbor donations	2,000	-	(2,000)
General donations	10,000	8,200	(1,800)
Bolingbrook shared revenue	80,000	-	(80,000)
Police special detail	45,000	46,580	1,580
Training reimbursement	15,000	5,100	(9,900)
Community development reimbursement	100,000	58,731	(41,269)
Workers compensation reimbursement	45,000	629	(44,371)
Liaison officer	35,000	86,782	51,782
Other reimbursements	35,000	78,383	43,383
Insurance reimbursements	20,000	20,147	147
Reimbursement of legal fees	10,000	100	(9,900)
Health insurance contributions	129,000	139,378	10,378
Hazardous material reimbursements	25,000	1,991	(23,009)
Rain barrel program	-	1,105	1,105
AT&T landscaping fees	-	7,500	7,500
Police/accident reports	7,000	7,352	352
Fire reports	1,000	680	(320)
Marquette TIF distribution	73,000	73,151	151
Mosquito abatement	15,000	13,422	(1,578)
Cobra retiree contribution	15,000	41,309	26,309
Developer's breakfast	11,000	2,400	(8,600)
Sale of property	8,000	693	(7,307)
Miscellaneous income	10,000	3,290	(6,710)
MSC guarantee	10,000	-	(10,000)
Advertising	1,000	909	(91)
<b>Total other</b>	<b>756,100</b>	<b>660,584</b>	<b>(95,516)</b>
<b>Total revenues</b>	<b>\$ 39,642,950</b>	<b>\$ 34,828,987</b>	<b>\$ (4,813,963)</b>

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
<b>General government:</b>			
Mayor:			
Salaries	\$ 48,400	\$ 47,548	\$ 852
Contractual	16,000	7,532	8,468
Commodities	9,000	4,885	4,115
<b>Total mayor</b>	<b>73,400</b>	<b>59,965</b>	<b>13,435</b>
<b>General Village Board:</b>			
Salaries	172,600	128,629	43,971
Contractual	91,000	43,810	47,190
Commodities	146,000	121,973	24,027
<b>Total general village board</b>	<b>409,600</b>	<b>294,412</b>	<b>115,188</b>
<b>Village administration:</b>			
Salaries	382,200	383,176	(976)
Contractual	611,200	926,829	(315,629)
Commodities	41,200	23,213	17,987
<b>Total village administration</b>	<b>1,034,600</b>	<b>1,333,218</b>	<b>(298,618)</b>
<b>Personnel:</b>			
Salaries	253,000	249,991	3,009
Contractual	2,928,000	2,566,962	361,038
Commodities	30,350	24,933	5,417
<b>Total personnel</b>	<b>3,211,350</b>	<b>2,841,886</b>	<b>369,464</b>
<b>Operations:</b>			
Salaries	78,500	78,184	316
Contractual	70,500	65,565	4,935
Commodities	9,500	6,991	2,509
Other	2,266,900	754,058	1,512,842
<b>Total operations</b>	<b>2,425,400</b>	<b>904,798</b>	<b>1,520,602</b>

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
General government: (continued)			
Economic development:			
Contractual	\$ 14,000	\$ 5,546	\$ 8,454
Village clerk:			
Salaries	82,400	70,239	12,161
Contractual	38,000	15,428	22,572
Commodities	2,000	165	1,835
Total village clerk	122,400	85,832	36,568
Finance department:			
Administration:			
Salaries	565,600	598,026	(32,426)
Contractual	5,000	3,566	1,434
Commodities	59,500	85,102	(25,602)
Total administration	630,100	686,694	(56,594)
General services:			
Salaries	25,000	635	24,365
Contractual	356,000	381,896	(25,896)
Commodities	18,000	18,179	(179)
Other	8,000	36,081	(28,081)
Total general services	407,000	436,791	(29,791)
Information services:			
Salaries	357,400	335,119	22,281
Contractual	516,400	375,864	140,536
Commodities	37,000	34,526	2,474
Total information services	910,800	745,509	165,291
Total finance department	1,947,900	1,868,994	78,906
Community services and development:			
Administration:			
Salaries	675,500	652,301	23,199
Contractual	48,000	44,372	3,628
Commodities	27,800	20,770	7,030
Total administration	751,300	717,443	33,857

(continued)

Village of Romeoville, Illinois

Schedule of General Fund Expenditures - Budget and Actual (continued)  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
General government: (continued)			
Community services and development: (continued)			
Inspectional services:			
Salaries	\$ 560,200	\$ 568,670	\$ (8,470)
Contractual	161,200	75,335	85,865
Commodities	5,200	772	4,428
<b>Total inspectional services</b>	<b>726,600</b>	<b>644,777</b>	<b>81,823</b>
<b>Total community services and development</b>	<b>1,477,900</b>	<b>1,362,220</b>	<b>115,680</b>
<b>Total general government</b>	<b>10,716,550</b>	<b>8,756,871</b>	<b>1,959,679</b>
Public safety:			
Police and fire commission:			
Salaries	31,300	22,818	8,482
Contractual	94,000	57,151	36,849
Commodities	4,000	1,010	2,990
<b>Total police and fire commission</b>	<b>129,300</b>	<b>80,979</b>	<b>48,321</b>
Police department:			
Administration:			
Salaries	1,959,600	1,974,506	(14,906)
Contractual	11,500	7,733	3,767
Commodities	4,000	3,593	407
<b>Total administration</b>	<b>1,975,100</b>	<b>1,985,832</b>	<b>(10,732)</b>
Operations:			
Salaries	7,355,300	7,215,147	140,153
Contractual	397,500	333,387	64,113
Commodities	179,500	163,230	16,270
Other	12,500	7,977	4,523
<b>Total operations</b>	<b>7,944,800</b>	<b>7,719,741</b>	<b>225,059</b>
Support services:			
Salaries	1,040,000	934,544	105,456
Contractual	30,000	32,984	(2,984)
Commodities	8,000	17,833	(9,833)
<b>Total support services</b>	<b>1,078,000</b>	<b>985,361</b>	<b>92,639</b>
<b>Total police department</b>	<b>10,997,900</b>	<b>10,690,934</b>	<b>306,966</b>

(continued)

Village of Romeoville, Illinois

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

Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
<b>Public safety: (continued)</b>			
Fire and ambulance department:			
Administration:			
Salaries	\$ 4,291,500	\$ 3,626,566	\$ 664,934
Contractual	530,500	372,285	158,215
Commodities	199,100	180,654	18,446
<b>Total fire and ambulance department</b>	<b>5,021,100</b>	<b>4,179,505</b>	<b>841,595</b>
<b>Fire academy:</b>			
Administration:			
Salaries	215,300	118,790	96,510
Contractual	43,400	22,972	20,428
Commodities	59,000	61,436	(2,436)
<b>Total fire academy</b>	<b>317,700</b>	<b>203,198</b>	<b>114,502</b>
<b>Romeoville emergency management agency:</b>			
Administration:			
Salaries	26,700	22,763	3,937
Contractual	7,500	3,883	3,617
Commodities	7,000	6,329	671
<b>Total administration</b>	<b>41,200</b>	<b>32,975</b>	<b>8,225</b>
Operations:			
Contractual	35,500	30,099	5,401
Commodities	5,500	5,461	39
<b>Total operations</b>	<b>41,000</b>	<b>35,560</b>	<b>5,440</b>
Communications:			
Contractual	11,000	10,051	949
<b>Total Romeoville emergency management agency</b>	<b>93,200</b>	<b>78,586</b>	<b>14,614</b>
<b>Total public safety</b>	<b>16,559,200</b>	<b>15,233,202</b>	<b>1,325,998</b>

(continued)

**Village of Romeoville, Illinois**

**Schedule of General Fund Expenditures - Budget and Actual (continued)**  
**Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
<b>Public works:</b>			
<b>Administration:</b>			
Salaries	\$ 466,000	\$ 463,874	\$ 2,126
<b>Buildings and grounds:</b>			
Salaries	1,162,600	1,181,098	(18,498)
Contractual	504,500	343,850	160,650
Commodities	82,000	69,853	12,147
<b>Total buildings and grounds</b>	<b>1,749,100</b>	<b>1,594,801</b>	<b>154,299</b>
<b>Motor pool:</b>			
Salaries	327,700	323,614	4,086
Contractual	226,700	154,743	71,957
Commodities	324,500	395,379	(70,879)
<b>Total motor pool</b>	<b>878,900</b>	<b>873,736</b>	<b>5,164</b>
<b>Streets and sanitation:</b>			
Salaries	1,035,200	1,007,256	27,944
Contractual	3,060,500	2,835,546	224,954
Commodities	234,000	176,927	57,073
<b>Total streets and sanitation</b>	<b>4,329,700</b>	<b>4,019,729</b>	<b>309,971</b>
<b>Total public works</b>	<b>7,423,700</b>	<b>6,952,140</b>	<b>471,560</b>
<b>Debt service:</b>			
Principal	242,800	198,907	43,893
Interest and fees	29,800	33,328	(3,528)
<b>Total debt service</b>	<b>272,600</b>	<b>232,235</b>	<b>40,365</b>
<b>Capital outlay:</b>			
General government	1,003,000	738,222	264,778
Public safety	384,700	643,268	(258,568)
Public works	3,580,000	2,591,056	988,944
<b>Total capital outlay</b>	<b>4,967,700</b>	<b>3,972,546</b>	<b>995,154</b>
<b>Total expenditures</b>	<b>\$ 39,939,750</b>	<b>\$ 35,146,994</b>	<b>\$ 4,792,756</b>

**Non-Major Governmental Funds  
Combining Statements**





Village of Romeoville, Illinois

Combining Balance Sheet  
Non-Major Governmental Funds  
April 30, 2009

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 1,110,480	\$ 955,242	\$ 6,892,910	\$ 8,958,632
Receivables:				
Property taxes	-	1,011,453	-	1,011,453
Accounts	2,976	-	141,603	144,579
Other	53,708	-	-	53,708
Due from other funds	-	-	1,546,625	1,546,625
Due from other governmental units	73,305	-	-	73,305
<b>Total assets</b>	<u>\$ 1,240,469</u>	<u>\$ 1,966,695</u>	<u>\$ 8,581,138</u>	<u>\$ 11,788,302</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 193,747	\$ -	\$ 65,162	\$ 258,909
Due to other funds	-	2,392	-	2,392
Advance from other funds	817,514	-	-	817,514
Deferred revenue	-	1,011,453	-	1,011,453
<b>Total liabilities</b>	<u>1,011,261</u>	<u>1,013,845</u>	<u>65,162</u>	<u>2,090,268</u>
<b>Fund balances, unreserved, reported in:</b>				
Special revenue funds	229,208	-	-	229,208
Debt service funds	-	952,850	-	952,850
Capital projects funds	-	-	8,515,976	8,515,976
<b>Total fund balances</b>	<u>229,208</u>	<u>952,850</u>	<u>8,515,976</u>	<u>9,698,034</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,240,469</u>	<u>\$ 1,966,695</u>	<u>\$ 8,581,138</u>	<u>\$ 11,788,302</u>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Non-Major Governmental Funds  
Year Ended April 30, 2009

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ -	\$ 997,266	\$ 2,462,657	\$ 3,459,923
Other taxes	577,591	-	-	577,591
Interest	40,215	26,270	95,601	162,086
Intergovernmental	1,006,895	-	-	1,006,895
Developer contributions	-	-	28,577	28,577
Other	6,864	12,653	-	19,517
<b>Total revenues</b>	<u>1,631,565</u>	<u>1,036,189</u>	<u>2,586,835</u>	<u>5,254,589</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	762,157	762,157
Public works	1,036,938	-	-	1,036,938
Debt service:				
Principal	-	1,252,298	-	1,252,298
Interest and fees	-	1,657,640	-	1,657,640
Capital outlay	1,653,732	-	464,196	2,117,928
<b>Total expenditures</b>	<u>2,690,670</u>	<u>2,909,938</u>	<u>1,226,353</u>	<u>6,826,961</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,059,105)</u>	<u>(1,873,749)</u>	<u>1,360,482</u>	<u>(1,572,372)</u>
Other financing sources (uses):				
Transfers in	-	767,819	234,774	1,002,593
Transfers (out)	(29,000)	-	(2,009,052)	(2,038,052)
<b>Total other financing sources (uses)</b>	<u>(29,000)</u>	<u>767,819</u>	<u>(1,774,278)</u>	<u>(1,035,459)</u>
<b>Change in fund balance</b>	<u>(1,088,105)</u>	<u>(1,105,930)</u>	<u>(413,796)</u>	<u>(2,607,831)</u>
<b>Fund balances:</b>				
May 1, 2008	<u>1,317,313</u>	<u>2,058,780</u>	<u>8,929,772</u>	<u>12,305,865</u>
April 30, 2009	<u>\$ 229,208</u>	<u>\$ 952,850</u>	<u>\$ 8,515,976</u>	<u>\$ 9,698,034</u>

Village of Romeoville, Illinois

Combining Balance Sheet  
Non-Major Special Revenue Funds  
April 30, 2009

	Motor Fuel Tax	Local Gas Tax	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 1,110,480	\$ -	\$ 1,110,480
Receivables:			
Accounts	2,976	-	2,976
Other	-	53,708	53,708
Due from other governmental units	73,305	-	73,305
<b>Total assets</b>	<b>\$ 1,186,761</b>	<b>\$ 53,708</b>	<b>\$ 1,240,469</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 193,747	\$ -	\$ 193,747
Advances from other funds	-	817,514	817,514
<b>Total liabilities</b>	<b>193,747</b>	<b>817,514</b>	<b>1,011,261</b>
<b>Fund balances (deficits)</b>			
Unreserved	993,014	(763,806)	229,208
<b>Total liabilities and fund balances</b>	<b>\$ 1,186,761</b>	<b>\$ 53,708</b>	<b>\$ 1,240,469</b>

**Village of Romeoville, Illinois**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Non-Major Special Revenue Funds  
Year Ended April 30, 2009**

	Motor Fuel Tax	Local Gas Tax	Total
<b>Revenues:</b>			
Other taxes	\$ -	\$ 577,591	\$ 577,591
Interest	40,215	-	40,215
Intergovernmental	1,006,895	-	1,006,895
Other	6,864	-	6,864
<b>Total revenues</b>	<u>1,053,974</u>	<u>577,591</u>	<u>1,631,565</u>
<b>Expenditures:</b>			
Current: Public works	1,036,938	-	1,036,938
Capital outlay	479,667	1,174,065	1,653,732
<b>Total expenditures</b>	<u>1,516,605</u>	<u>1,174,065</u>	<u>2,690,670</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(462,631)	(596,474)	(1,059,105)
<b>Other financing uses:</b>			
Transfers out	(29,000)	-	(29,000)
<b>Change in fund balance</b>	(491,631)	(596,474)	(1,088,105)
<b>Fund balances (deficits):</b>			
May 1, 2008	<u>1,484,645</u>	<u>(167,332)</u>	<u>1,317,313</u>
April 30, 2009	<u>\$ 993,014</u>	<u>\$ (763,806)</u>	<u>\$ 229,208</u>

Village of Romeoville, Illinois

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Motor Fuel Tax Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ 115,000	\$ 40,215	\$ (74,785)
Intergovernmental:			
Motor fuel tax allotments	1,053,600	1,006,895	(46,705)
Other	-	6,864	6,864
<b>Total revenues</b>	<u>1,168,600</u>	<u>1,053,974</u>	<u>(114,626)</u>
<b>Expenditures:</b>			
Current: Public works:			
Contractual	571,000	671,190	(100,190)
Commodities	300,000	365,748	(65,748)
Capital outlay	1,600,000	479,667	1,120,333
<b>Total expenditures</b>	<u>2,471,000</u>	<u>1,516,605</u>	<u>954,395</u>
Excess (deficiency) of revenues over (under) expenditures	(1,302,400)	(462,631)	839,769
Other financing uses:			
Transfers out	(29,000)	(29,000)	-
<b>Change in fund balance</b>	<u>\$ (1,331,400)</u>	<u>(491,631)</u>	<u>\$ 839,769</u>
<b>Fund balance:</b>			
May 1, 2008		<u>1,484,645</u>	
April 30, 2009		<u>\$ 993,014</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, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Other taxes:			
Home rule gas tax	\$ 700,000	\$ 577,591	\$ (122,409)
Interest	5,000	-	(5,000)
Intergovernmental:			
State grants	70,000	-	(70,000)
<b>Total revenues</b>	<u>775,000</u>	<u>577,591</u>	<u>(197,409)</u>
<b>Expenditures:</b>			
Capital outlay	<u>2,800,000</u>	<u>1,174,065</u>	<u>1,625,935</u>
<b>Change in fund balance</b>	<u>\$ (2,025,000)</u>	<u>(596,474)</u>	<u>\$ 1,428,526</u>
<b>Fund balance (deficit):</b>			
May 1, 2008		<u>(167,332)</u>	
April 30, 2009		<u>\$ (763,806)</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Debt Service Fund  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,000,600	\$ 997,266	\$ (3,334)
Interest	12,700	26,270	13,570
Other	-	12,653	12,653
<b>Total revenues</b>	<u>1,013,300</u>	<u>1,036,189</u>	<u>22,889</u>
Expenditures:			
Debt service:			
Principal	1,152,300	1,252,298	(99,998)
Interest and fees	2,474,200	1,657,640	816,560
<b>Total expenditures</b>	<u>3,626,500</u>	<u>2,909,938</u>	<u>716,562</u>
Excess (deficiency) of revenues over (under) expenditures	(2,613,200)	(1,873,749)	739,451
Other financing sources:			
Transfers in	586,600	767,819	181,219
<b>Change in fund balance</b>	<u>\$ (2,026,600)</u>	<u>(1,105,930)</u>	<u>\$ 920,670</u>
Fund balance:			
May 1, 2008		<u>2,058,780</u>	
April 30, 2009		<u>\$ 952,850</u>	

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Village of Romeoville, Illinois

Combining Balance Sheet  
Non-Major Capital Projects Funds  
April 30, 2009

	Road Improvements Fund	Marquette Center TIF Fund	2004 Construction Fund	2002A Construction Fund	Romeo Road TIF Fund	Total
<b>Assets</b>						
Cash and cash equivalents	\$ 1,229,612	\$ 4,010,683	\$ 659,281	\$ 935,572	\$ 57,762	\$ 6,892,910
Accounts receivable	-	-	141,603	-	-	141,603
Due from other funds	-	1,544,233	-	2,392	-	1,546,625
<b>Total assets</b>	<b>\$ 1,229,612</b>	<b>\$ 5,554,916</b>	<b>\$ 800,884</b>	<b>\$ 937,964</b>	<b>\$ 57,762</b>	<b>\$ 8,581,138</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 928	\$ -	\$ -	\$ 6,505	\$ 57,729	\$ 65,162
<b>Fund balances</b>						
Unreserved	1,228,684	5,554,916	800,884	931,459	33	8,515,976
<b>Total liabilities and fund balances</b>	<b>\$ 1,229,612</b>	<b>\$ 5,554,916</b>	<b>\$ 800,884</b>	<b>\$ 937,964</b>	<b>\$ 57,762</b>	<b>\$ 8,581,138</b>

Village of Romeoville, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Non-Major Capital Projects Funds  
Year Ended April 30, 2009

	Road Improvements Fund	Marquette Center TIF Fund	2004 Construction Fund	2002A Construction Fund	Romeo Road TIF Fund	Total
<b>Revenues:</b>						
Property taxes	\$ -	\$ 2,462,657	\$ -	\$ -	\$ -	\$ 2,462,657
Interest	10,357	60,826	8,144	16,274	-	95,601
Developer contributions	-	-	-	-	28,577	28,577
<b>Total revenues</b>	<b>10,357</b>	<b>2,523,483</b>	<b>8,144</b>	<b>16,274</b>	<b>28,577</b>	<b>2,586,835</b>
<b>Expenditures:</b>						
Current: General government:	-	498,806	-	-	263,351	762,157
Capital outlay	385,581	15,626	4,961	58,028	-	464,196
<b>Total expenditures</b>	<b>385,581</b>	<b>514,432</b>	<b>4,961</b>	<b>58,028</b>	<b>263,351</b>	<b>1,226,353</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(375,224)</b>	<b>2,009,051</b>	<b>3,183</b>	<b>(41,754)</b>	<b>(234,774)</b>	<b>1,360,482</b>
<b>Other financing sources (uses):</b>						
Transfer in	-	-	-	-	234,774	234,774
Transfers (out)	-	(2,009,052)	-	-	-	(2,009,052)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(2,009,052)</b>	<b>-</b>	<b>-</b>	<b>234,774</b>	<b>(1,774,278)</b>
<b>Change in fund balance</b>	<b>(375,224)</b>	<b>(1)</b>	<b>3,183</b>	<b>(41,754)</b>	<b>-</b>	<b>(413,796)</b>
<b>Fund balances:</b>						
May 1, 2008	1,603,908	5,554,917	797,701	973,213	33	8,929,772
<b>April 30, 2009</b>	<b>\$ 1,228,684</b>	<b>\$ 5,554,916</b>	<b>\$ 800,884</b>	<b>\$ 931,459</b>	<b>\$ 33</b>	<b>\$ 8,515,976</b>

**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Road Improvements Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 10,357	\$ 10,357
Expenditures:			
Capital outlay	968,000	385,581	582,419
Change in fund balance	<u>\$ (968,000)</u>	<u>(375,224)</u>	<u>\$ 592,776</u>
Fund balance:			
May 1, 2008		<u>1,603,908</u>	
April 30, 2009		<u>\$ 1,228,684</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, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 2,625,000	\$ 2,462,657	\$ (162,343)
Interest	177,000	60,826	(116,174)
<b>Total revenues</b>	<u>2,802,000</u>	<u>2,523,483</u>	<u>(278,517)</u>
<b>Expenditures:</b>			
Current: General government: Contractual	552,000	498,806	53,194
Capital outlay	-	15,626	(15,626)
<b>Total expenditures</b>	<u>552,000</u>	<u>514,432</u>	<u>37,568</u>
Excess (deficiency) of revenues over (under) expenditures	2,250,000	2,009,051	(240,949)
Other financing uses:			
Transfers out	(2,250,000)	(2,009,052)	240,948
<b>Change in fund balance</b>	<u>\$ -</u>	(1) <u>\$ (1)</u>	
Fund balance:			
May 1, 2008		<u>5,554,917</u>	
April 30, 2009		<u>\$ 5,554,916</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
2004 Construction Fund  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 8,144	\$ 8,144
Expenditures:			
Capital outlay	638,000	4,961	633,039
Change in fund balance	<u>\$ (638,000)</u>	3,183	<u>\$ 641,183</u>
Fund balance:		797,701	
May 1, 2008		<u>\$ 800,884</u>	
April 30, 2009			

**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
2002A Construction Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 16,274	\$ 16,274
Expenditures:			
Capital outlay	794,000	58,028	735,972
Change in fund balance	<u>\$ (794,000)</u>	<u>(41,754)</u>	<u>\$ 752,246</u>
Fund balance:			
May 1, 2008		<u>973,213</u>	
April 30, 2009		<u>\$ 931,459</u>	

**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Romeo Road Tax Increment Financing District Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
Revenues:			
Developer contributions	\$ -	\$ 28,577	\$ 28,577
Expenditures:			
Current: General government: Contractual	235,400	263,351	(27,951)
Excess (deficiency) of revenues over (under) expenditures	(235,400)	(234,774)	626
Other financing sources:			
Transfers in	235,400	234,774	(626)
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance:		33	
May 1, 2008		<u>33</u>	
April 30, 2009		<u>\$ 33</u>	

Village of Romeoville, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Downtown Tax Increment Financing District Fund  
Year Ended April 30, 2009

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 134,000	\$ 150,612	\$ 16,612
Interest	12,000	18,207	6,207
Charges for services	300,000	253,684	(46,316)
Other	-	1,551	1,551
<b>Total revenues</b>	<u>446,000</u>	<u>424,054</u>	<u>(21,946)</u>
<b>Expenditures:</b>			
Current: General government: Contractual	1,164,000	245,009	918,991
Capital outlay	23,584,600	2,402,527	21,182,073
<b>Total expenditures</b>	<u>24,748,600</u>	<u>2,647,536</u>	<u>22,101,064</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(24,302,600)</u>	<u>(2,223,482)</u>	<u>22,079,118</u>
<b>Other financing sources (uses):</b>			
Bond proceeds	19,288,000	-	(19,288,000)
Transfers in	2,250,000	2,009,052	(240,948)
Sale of property	3,000,000	-	(3,000,000)
Transfers (out)	(235,400)	(234,774)	626
<b>Total other financing sources (uses)</b>	<u>24,302,600</u>	<u>1,774,278</u>	<u>(22,528,322)</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>(449,204)</u>	<u>\$ (449,204)</u>
<b>Fund balance:</b>			
May 1, 2008		<u>1,470,940</u>	
April 30, 2009		<u>\$ 1,021,736</u>	



**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual  
Facility Construction Fund  
Year Ended April 30, 2009**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ -	\$ 442,773	\$ 442,773
Charges for services	-	140	140
Intergovernmental, state grants	400,000	-	(400,000)
Other	-	18,550	18,550
<b>Total revenues</b>	<u>400,000</u>	<u>461,463</u>	<u>61,463</u>
<b>Expenditures:</b>			
Debt service:			
Bond issuance costs	-	1,701,082	(1,701,082)
Capital outlay	57,400,000	15,848,736	41,551,264
<b>Total expenditures</b>	<u>57,400,000</u>	<u>17,549,818</u>	<u>39,850,182</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(57,000,000)</b>	<b>(17,088,355)</b>	<b>39,911,645</b>
<b>Other financing sources:</b>			
Bond proceeds	55,000,000	47,135,884	(7,864,116)
<b>Change in fund balance</b>	<u><b>\$ (2,000,000)</b></u>	<u><b>30,047,529</b></u>	<u><b>\$ 32,047,529</b></u>
<b>Fund balance:</b>			
May 1, 2008		<u>3,186,487</u>	
April 30, 2009		<u><u>\$ 33,234,016</u></u>	



**Village of Romeoville, Illinois**

**Schedule of Revenues, Expenditures, and Changes in Net Assets  
Budget and Actual - Water and Sewer Fund  
Year Ended April 30, 2009**

	Budget	Actual
<b>Operating revenues:</b>		
Charges for services:		
Water sales	\$ 5,763,000	\$ 5,425,875
Sewer sales	7,140,000	6,456,924
Fines and fees:		
Late charges	375,000	333,985
Other fees	-	3,317
Tap on fees	410,000	716,744
Reconnection fees	45,000	56,860
NSF Charges	11,000	9,780
Developer contributions	-	144,228
Reimbursements	65,000	67,905
Other	9,800	15,574
<b>Total operating revenues</b>	<b>13,818,800</b>	<b>13,231,192</b>
<b>Operating expenses:</b>		
Finance administration:		
Salaries	347,700	344,234
Contractual	158,000	150,468
Commodities	8,200	32,650
Other	2,875	1,748
<b>Total finance administration</b>	<b>516,775</b>	<b>529,100</b>
Public works administration:		
Contractual	999,000	588,433
Commodities	15,500	10,126
Capital outlay	135,000	69,151
Other	100,000	6,917
<b>Total public works administration</b>	<b>1,249,500</b>	<b>674,627</b>
Public works water distribution:		
Salaries	1,235,700	1,289,219
Contractual	1,510,000	1,151,050
Commodities	979,000	639,369
Capital outlay	4,572,000	2,569,069
<b>Total public works water distribution</b>	<b>8,296,700</b>	<b>5,648,707</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, 2009**

	Budget	Actual
Operating expenses: (continued)		
Public works sewage treatment:		
Salaries	\$ 850,600	\$ 724,731
Contractual	1,536,000	790,346
Commodities	207,500	78,813
Capital outlay	2,442,500	2,800,382
<b>Total public works sewage treatment</b>	<b>5,036,600</b>	<b>4,394,272</b>
Public works sewage collection:		
Salaries	715,100	741,451
Contractual	867,000	625,024
Commodities	73,000	34,865
Capital outlay	3,610,000	2,246,829
<b>Total public works sewage collection</b>	<b>5,265,100</b>	<b>3,648,169</b>
<b>Total</b>	<b>20,364,675</b>	<b>14,894,875</b>
Less capitalized items	-	(7,029,260)
<b>Total operating expenses</b>	<b>20,364,675</b>	<b>7,865,615</b>
<b>Operating income (loss) before depreciation and amortization</b>	<b>(6,545,875)</b>	<b>5,365,577</b>
Depreciation	-	3,970,841
Amortization	-	10,883
<b>Operating income (loss)</b>	<b>(6,545,875)</b>	<b>1,383,853</b>
Non-operating income (expense):		
Interest income	800,000	846,147
Interest expense	(4,100,500)	(1,297,811)
<b>Total non-operating income (expense)</b>	<b>(3,300,500)</b>	<b>(451,664)</b>
<b>Income (loss) before transfers</b>	<b>(9,846,375)</b>	<b>932,189</b>
Transfers out	(2,480,000)	(2,480,000)
<b>Change in net assets</b>	<b>\$ (12,326,375)</b>	<b>(1,547,811)</b>
Net assets:		
May 1, 2008		104,665,620
April 30, 2009		\$ 103,117,809

**Village of Romeoville, Illinois**

**Schedule of Debt Service Requirements  
April 30, 2009**

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Refunding Series 1997B	2010	\$ 55,000	\$ 17,445	\$ 72,445
Dated November 15, 1997	2011	55,000	14,750	69,750
Interest due on June 30	2012	55,000	12,000	67,000
and December 30 at rates	2013	60,000	9,250	69,250
ranging from 4.9% to 5.0%	2014	60,000	6,250	66,250
	2015	65,000	3,250	68,250
		<u>\$ 350,000</u>	<u>\$ 62,945</u>	<u>\$ 412,945</u>
<b>General Obligation Bonds:</b>				
Series 2000A	2010	\$ 365,000	\$ 170,018	\$ 535,018
Dated June 30, 2000	2011	430,000	140,453	570,453
Interest due on June 30	2012	445,000	106,590	551,590
and December 30 at rates	2013	540,000	83,895	623,895
ranging from 5.1% to 8.1%	2014	585,000	56,355	641,355
	2015	520,000	26,520	546,520
		<u>\$ 2,885,000</u>	<u>\$ 583,831</u>	<u>\$ 3,468,831</u>
<b>General Obligation Bonds:</b>				
Series 2002A	2010	\$ 150,000	\$ 75,320	\$ 225,320
Dated September 15, 2002	2011	160,000	67,820	227,820
Interest due on June 30	2012	165,000	59,820	224,820
and December 30 at rates	2013	175,000	51,570	226,570
ranging from 4.1% to 5.0%	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>\$ 1,610,000</u>	<u>\$ 379,335</u>	<u>\$ 1,989,335</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

April 30, 2009

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated September 15, 2004	2010	\$ 1,090,000	\$ 880,348	\$ 1,970,348
Refunding Series 2004	2011	1,280,000	836,748	2,116,748
Interest due on June 30 and	2012	1,710,000	785,548	2,495,548
December 30 at rates of 3.75%	2013	1,810,000	717,148	2,527,148
to 5.0%	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>\$ 20,870,000</u>	<u>\$ 6,267,827</u>	<u>\$ 27,137,827</u>

General Obligation Bonds:				
Dated September 15, 2005	2010	\$ 1,225,000	\$ 99,630	\$ 1,324,630
Refunding series 2005	2011	285,000	62,880	347,880
Interest due on June 15	2012	295,000	53,617	348,617
and December 15 at rates	2013	305,000	44,030	349,030
of 3.0% to 3.6%	2014	315,000	33,965	348,965
	2015	325,000	23,255	348,255
	2016	330,000	11,880	341,880
		<u>\$ 3,080,000</u>	<u>\$ 329,257</u>	<u>\$ 3,409,257</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

April 30, 2009

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated November 15, 2007	2010	\$ 10,000	\$ 207,863	\$ 217,863
Refunding series 2007A	2011	540,000	207,488	747,488
Interest due on June 30	2012	560,000	187,238	747,238
and December 30 at rates	2013	580,000	164,838	744,838
ranging from 3.75% to 5.25%	2014	605,000	141,638	746,638
	2015	590,000	117,438	707,438
	2016	620,000	93,838	713,838
	2017	640,000	69,038	709,038
	2018	675,000	35,438	710,438
		<u>\$ 4,820,000</u>	<u>\$ 1,224,817</u>	<u>\$ 6,044,817</u>

General Obligation Bonds:				
Dated November 15, 2007	2010	\$ -	\$ 543,625	\$ 543,625
Refunding series 2007B	2011	-	543,625	543,625
Interest due on June 30	2012	-	543,625	543,625
and December 30 at rates	2013	-	543,625	543,625
ranging from 4.00% to 4.375%	2014	-	543,625	543,625
	2015	-	543,625	543,625
	2016	-	543,625	543,625
	2017	-	543,625	543,625
	2018	2,000,000	543,625	2,543,625
	2019	2,225,000	463,625	2,688,625
	2020	3,925,000	374,625	4,299,625
	2021	4,750,000	207,813	4,957,813
		<u>\$ 12,900,000</u>	<u>\$ 5,938,688</u>	<u>\$ 18,838,688</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)  
April 30, 2009

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Dated June 30, 2008	2010	\$ 275,000	\$ 612,516	\$ 887,516
Series 2008A	2011	475,000	399,406	874,406
Interest due on June 30	2012	400,000	383,968	783,968
and December 30 at rates	2013	700,000	370,468	1,070,468
ranging from 3.25% to 4.125%	2014	850,000	345,968	1,195,968
	2015	1,175,000	316,218	1,491,218
	2016	1,575,000	273,625	1,848,625
	2017	2,050,000	214,563	2,264,563
	2018	700,000	132,563	832,563
	2019	1,150,000	104,563	1,254,563
	2020	1,000,000	58,563	1,058,563
	2021	450,000	18,563	468,563
		<u>\$ 10,800,000</u>	<u>\$ 3,230,984</u>	<u>\$ 14,030,984</u>
<b>General Obligation (Capital Appreciation) Bonds:</b>				
Dated June 30, 2008	2022	\$ 2,779,425	\$ 2,720,575	\$ 5,500,000
Series 2008B	2023	2,846,160	3,153,840	6,000,000
Interest due on December 30	2024	2,675,040	3,324,960	6,000,000
at rates ranging from 5.12%	2025	2,506,740	3,493,260	6,000,000
to 5.85%	2026	2,545,205	3,954,795	6,500,000
	2027	2,390,830	4,109,170	6,500,000
	2028	2,243,605	4,256,395	6,500,000
	2029	2,103,400	4,396,600	6,500,000
	2030	1,974,180	4,525,820	6,500,000
	2031	1,851,460	4,648,540	6,500,000
	2032	1,739,010	4,760,990	6,500,000
	2033	1,640,210	4,859,790	6,500,000
	2034	1,546,740	4,953,260	6,500,000
	2035	1,458,275	5,041,725	6,500,000
	2036	1,374,620	5,125,380	6,500,000
	2037	1,295,515	5,204,485	6,500,000
	2038	1,220,765	5,279,235	6,500,000
	2039	1,136,460	5,363,540	6,500,000
	2040	1,008,244	5,191,756	6,200,000
		<u>36,335,884</u>	<u>84,364,116</u>	<u>120,700,000</u>
Accreted Interest		1,002,525	(1,002,525)	-
		<u>\$ 37,338,409</u>	<u>\$ 83,361,591</u>	<u>\$ 120,700,000</u>

(continued)



Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

April 30, 2009

	Year Ending	Principal	Interest	Total
<b>General Obligation Bonds:</b>				
Dated November 1, 2008	2010	\$ -	\$ 217,671	\$ 217,671
Refunding series 2008C	2011	335,000	187,020	522,020
Interest due on June 30	2012	325,000	175,295	500,295
and December 30 at rates	2013	330,000	163,920	493,920
ranging from 3.5% to 4.0%	2014	350,000	152,370	502,370
	2015	375,000	138,720	513,720
	2016	400,000	124,095	524,095
	2017	735,000	108,495	843,495
	2018	770,000	79,830	849,830
	2019	1,245,000	49,800	1,294,800
		<u>\$ 4,865,000</u>	<u>\$ 1,397,216</u>	<u>\$ 6,262,216</u>
<b>Alternate Revenue Bonds</b>				
Dated September 15, 2002	2010	\$ 135,000	\$ 85,815	\$ 220,815
Refunding Series 2002B	2011	170,000	81,225	251,225
Interest due on June 30 and	2012	-	75,105	75,105
December 30 at rates of 3.4%	2013	-	75,105	75,105
to 4.3%	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>\$ 2,090,000</u>	<u>\$ 624,525</u>	<u>\$ 2,714,525</u>

(continued)

Village of Romeoville, Illinois

Schedule of Debt Service Requirements (Continued)

April 30, 2009

	Year Ending	Principal	Interest	Total
<b>Note Payable:</b>				
Dated August 1, 2008	2010	\$ 997,008	\$ 587,510	\$ 1,584,518
Illinois Environmental Protection Agency Loan	2011	1,022,089	562,429	1,584,518
Interest due on June 1 and	2012	1,047,801	536,717	1,584,518
December 1 at a rate of 2.5%	2013	1,074,159	510,359	1,584,518
	2014	1,101,181	483,337	1,584,518
	2015	1,128,883	455,635	1,584,518
	2016	1,157,281	427,237	1,584,518
	2017	1,186,394	398,124	1,584,518
	2018	1,216,239	368,279	1,584,518
	2019	1,246,835	337,683	1,584,518
	2020	1,278,201	306,317	1,584,518
	2021	1,310,356	274,162	1,584,518
	2022	1,343,319	241,199	1,584,518
	2023	1,377,112	207,406	1,584,518
	2024	1,411,755	172,763	1,584,518
	2025	1,447,270	137,248	1,584,518
	2026	1,483,678	100,840	1,584,518
	2027	1,521,001	63,517	1,584,518
	2028	1,397,574	25,255	1,422,829
		<u>\$ 23,748,136</u>	<u>\$ 6,196,017</u>	<u>\$ 29,944,153</u>
<b>Capital Lease</b>				
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	2012	56,514	1,782	58,296
at rates of 3.15%		<u>\$ 164,416</u>	<u>\$ 10,472</u>	<u>\$ 174,888</u>
<b>Capital Lease</b>				
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	2012	39,916	5,956	45,872
at rates of 3.48%	2013	41,329	4,543	45,872
	2014	42,791	3,081	45,872
	2015	44,301	1,571	45,872
		<u>\$ 244,124</u>	<u>\$ 31,108</u>	<u>\$ 275,232</u>

(continued)

**Village of Romeoville, Illinois**

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

**April 30, 2009**

	Year Ending	Principal	Interest	Total
<b>Capital Lease</b>				
Dated September 11, 2006	2010	\$ 29,105	\$ 2,425	\$ 31,530
2007 Street Sweeper	2011	30,293	1,237	31,530
Principal and Interest due on September 11 at rates of 4.083%		<u>\$ 59,398</u>	<u>\$ 3,662</u>	<u>\$ 63,060</u>
 <b>Capital Lease</b>				
Dated April 5, 2007	2010	\$ 47,631	\$ 11,094	\$ 58,725
2007 Pierce Pumper	2011	49,668	9,057	58,725
Principal and Interest due on April 5	2012	51,792	6,933	58,725
at rates of 4.28%	2013	54,007	4,718	58,725
	2014	56,317	2,408	58,725
		<u>\$ 259,415</u>	<u>\$ 34,210</u>	<u>\$ 293,625</u>
 <b>Capital Lease</b>				
Dated December 7, 2008	2010	\$ 31,092	\$ 6,719	\$ 37,811
2008 Ford F450 Ambulance	2011	32,650	5,161	37,811
Principal and Interest due on June 1	2012	34,288	3,523	37,811
at rates of 4.083%	2013	36,006	1,805	37,811
		<u>\$ 134,036</u>	<u>\$ 17,208</u>	<u>\$ 151,244</u>