

**Village of Riverwoods, Illinois**

**Annual Financial Report**

**For the Year Ended  
December 31, 2006**

**Village of Riverwoods, Illinois**  
**TABLE OF CONTENTS**

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	Page
<b>INDEPENDENT AUDITORS' REPORT</b>	1 - 2
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	3 - 8
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Net Assets - Modified Cash Basis	9
Statement of Activities - Modified Cash Basis	10 - 11
Governmental Funds	
Combining Statement of Assets and Liabilities Arising from Cash Transactions	12
Combining Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balances	13
Reconciliation of the Combining Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Modified Cash Basis	14
Enterprise Funds	
Combining Statement of Net Assets Arising from Cash Transactions	15
Combining Statement of Revenues Collected, Expenses Paid, and Changes in Fund Net Assets	16
Combining Statement of Cash Flows	17
Agency Fund	
Statement of Changes in Assets and Liabilities - Performance Bond Fund	18
Index for Notes to the Financial Statements	19 - 20
Notes to the Financial Statements	21 - 38
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Illinois Municipal Retirement Fund Pension Data - Schedule of Funding Progress (Unaudited)	39
Statement of Revenues Collected and Expenditures Paid and Changes in Fund Balance - Appropriation and Actual - General Fund	40
Statement of Revenues Collected and Expenditures Paid and Changes in Fund Balance - Appropriation and Actual - Police Fund	41 - 42
Note to the Required Supplementary Information	43

**Village of Riverwoods, Illinois**  
**TABLE OF CONTENTS (Continued)**

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	Page
<b>SUPPLEMENTAL DATA</b>	
Statement of Revenues Collected - Appropriation and Actual - General Fund	44
Statement of Expenditures Paid - Appropriation and Actual - General Fund	45 - 46
Nonmajor Governmental Funds	
Combining Statement of Assets and Liabilities Arising from Cash Transactions	47 - 50
Combining Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balances (Deficits)	51 - 54
Statements of Revenues Collected, Expenditures Paid, and Changes in Fund Balances (Deficits) - Appropriation and Actual	
Motor Fuel Tax Fund	55
SSA #5 Duffy Roads Fund	56
SSA #7 Russell Storm Sewer Fund	57
Cherrywood Sewer SSA 8	58
North Duffy Sewer SSA 9	59
North Robinwood Sewer SSA 10	60
Forest Glen Water SSA 11	61
South Robinwood Water SSA 15	62
Hiawatha Road SSA 19	63
Whigham Burr Oak SSA 20	64
Enterprise Funds	
Statements of Revenues Collected, Expenses Paid, and Changes in Retained Earnings - Appropriation and Actual	
Consolidated Water Fund	65 - 66
Sewer Fund	67 - 68
Capital Assets Used in the Operation of Governmental Funds	
Schedule by Source	69
Schedule by Function and Activity	70
Schedule of Changes by Function and Activity	71

**Village of Riverwoods, Illinois**  
**TABLE OF CONTENTS (Continued)**

---

	Page
<b>OTHER SUPPLEMENTAL INFORMATION</b>	
Schedule of Cash and Investments	72 - 73
Schedule of Insurance in Force	74
Schedules of Annual Debt Service Requirements	
Cherrywood Sewer - Special Service Area Number 8	75
North Duffy Sewer - Special Service Area Number 9	76
North Robinwood Sewer - Special Service Area Number 10	77
Forest Glen Water - Special Service Area Number 11	78
South Robinwood Water - Special Service Area Number 15	79
Hiawatha Road - Special Service Area Number 19	80
Whigham-Burr Oak - Special Service Area Number 20	81
Thornmeadow Sewer - Special Service Area Number 7	82
South Riverwood Sewer - Special Service Area Number 12	83
North Central Water - Special Service Area Number 14	84
North Robinwood Water - Special Service Area Number 16	85
Northwest Water - Special Service Area Number 17	86
Cherrywood Road - Special Service Area Number 18	87
General Fund	
Schedule of Revenues Collected - Trend Information	88
Schedule of Expenditures Paid - Trend Information	89
Police Fund	
Schedule of Revenues Collected - Trend Information	90
Schedule of Expenditures Paid - Trend Information	91
Consolidated Water Fund	
Schedule of Revenues Collected - Trend Information	92
Schedule of Expenditures Paid - Trend Information	93
Sewer Fund	
Schedule of Revenues Collected - Trend Information	94
Schedule of Expenditures Paid - Trend Information	95

**INDEPENDENT AUDITORS' REPORT**

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor  
Members of the Board of Trustees  
Village of Riverwoods, Illinois

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Riverwoods, Illinois, as of and for the year ended December 31, 2006, which collectively comprise the Village's basic cash basis financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Riverwoods' 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.

As described in Note A-3. to the financial statements, the Village of Riverwoods, Illinois, prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the basic cash basis financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the primary government's governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Riverwoods, Illinois, as of December 31, 2006, and the respective revenues collected, expenditures paid, changes in fund balances, and cash flows, where applicable, for the year then ended, on the basis of accounting described in Note A-3.

(Continued)

The Honorable Mayor  
Members of the Board of Trustees  
Village of Riverwoods, Illinois

(Continued)

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The management's discussion and analysis on pages 3 through 8 and retirement fund historical data, budgetary comparison information, and notes to the required supplementary information on pages 39 through 43 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the cash basis financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund statements and schedules and capital assets used in the operations of governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and capital assets used in the operations of governmental funds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

MILLER, COOPER & CO., LTD.

  
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Certified Public Accountants

Northbrook, Illinois  
December 20, 2007

**Village of Riverwoods, Illinois**  
**Management's Discussion and Analysis**  
**December 31, 2006**

The Village of Riverwoods hereby presents a comparative analysis of its financial operations. The usefulness of this information will continue to increase over time, where sufficient data exists to identify long-term trends.

Governmental Accounting Standards are designed to provide two perspectives of the Village's financial performance; a focus on the Village as a whole (government-wide) and a focus on the major individual funds. Both perspectives (government-wide and major fund) provide a broader basis upon which to compare and judge the Village's financial accountability. This improved accountability is in part achieved by

- a. Consolidating financial transactions (eliminating activities between certain funds and focusing on major funds),
- b. Allocating specific revenues that finance operations to those expenditures, and
- c. Displaying information about long-term financial decisions (showing whether debt is used to finance operations, the extent of financial investments made in capital, and the impact of outstanding or newly issued debt).

**FINANCIAL HIGHLIGHTS (2005 versus 2006) - COMPARATIVE ANALYSIS**

Village revenues collected from governmental activities increased from \$3,599,697 to \$3,986,496, while revenues collected from business-type activities (water and sewer systems) decreased from \$2,097,763 to \$1,862,130.

Village expenditures for governmental activities increased from \$2,189,106 to \$2,424,033, while expenses paid for business-type activities decreased from \$1,555,808 to \$1,427,329.

The net assets of the Village, \$24,607,118, exceeded its liabilities (\$3,974,915) by a ratio of 6 to 1.

The Village's cash balances at the end of the fiscal year totaled \$7,649,560, against a monthly total expenditure average of \$320,947.

Of the Village's total liabilities, \$3,974,915, at the end of the fiscal year, only \$708,560 was due within one year.

During 2006, the Village's net assets increased by approximately 9%.

**ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS**

The Village's General Fund increased its fund balance by \$1,476,203. Most non-enterprise revenue sources for the Village are received into the General Fund. While some administrative and general costs are allocated to the Consolidated Water Fund and Sewer Fund, the bulk of operating expenditures are incurred in running the administrative and building departments within the Village. Thus, an increase in the fund balance of the General Fund indicates that the Village is financially performing well and is able to cover the costs of its day-to day operations. The General Fund has a diverse set of revenue sources,

including its share of state sales tax and state income tax. Other sources rise with the increase in billings for utility and telecommunications services. As these revenue sources generally increased, so did the overall revenues collected by the Village.

The General Fund is the only fund with significant cash, cash equivalents, and investments and is *de facto* likely to be the source of funds for nonrecurring repairs or capital expenses (except to the extent of borrowed funds).

The Consolidated Water Fund and Sewer Fund are the Enterprise Funds within the Village. It is important to understand that nonoperating revenues and expenditures in these funds include the special service area property taxes and debt service for various special service area bonds that paid for sewer and water system improvements. Between 1992 and 2003, the Village formed 14 special service areas that installed sewers or water mains.

After excluding nonoperating revenues from special service area taxes, the operating revenues collected in the Consolidated Water Fund exceeded operating expenditures paid (and depreciation) by \$21,018. The Village, in late 2006, concluded a new water purchase agreement with the Village of Northbrook, under which the Village's costs of purchasing water will decrease. The Village intends to maintain the same charges to its residents in order to expand the excess of operating revenue over expenditures. Purchases of water from Northbrook are anticipated to commence in early 2008.

The operating revenues of the Sewer Fund consist mainly of sewer tap-on fees, but few properties in the Village remain to be connected to the Village's sewer system. The Village has historically not charged user charges to its residents because residents pay sewer user charges to Lake County, whose department of public works provides routine maintenance of sewers in the Village and provides wastewater treatment. After excluding nonoperating revenues from special service area taxes, the Sewer Fund experienced a deficiency of operating revenues collected over operating expenditures paid (and depreciation) of \$195,595. The Village is working with Lake County to collect a Village user fee surcharge from residents to address this deficiency.

The Police Fund collected revenues and paid for expenditures very consistently with the department budget, despite rising fuel costs for squad cars and health insurance costs.

The Village's Special Revenue Funds had no unusual activity. The Debt Service Funds were maintained to track receipt of special service area taxes and debt service of the corresponding bond issues.

## **DESCRIPTION OF SIGNIFICANT CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY**

The Village receives an annual operating grant from the state of Illinois for deposit in the Motor Fuel Tax Fund. The total received and deposited in 2006 was \$112,305. The Village applies the balance in the Motor Fuel Tax Fund to a 10-year program of street repair and maintenance.

The Village also received two capital grants totaling \$118,904, of which \$90,000 was a gift from the Riverwoods Residents Association, to defray a portion of the costs of extending a multi-use path along Riverwoods Road. Village funds were used to complete the extension. The total cost of the extension project was approximately \$202,000. The other capital grant was \$28,904 received as part of an ongoing COPS grant, which has been used to sustain the Village's police department.

The Village did not incur any new long-term debt in 2006, and continues to service existing bond issues from the special service areas.

## REPORTING THE VILLAGE AS A WHOLE

### Government-Wide Financial Statements

The Village's Annual Report includes two government-wide financial statements, which are presented in full on pages 9 through 11 of this report. These statements provide both long-term and short-term information about the Village's overall financial status. Financial reporting presented here uses modified cash basis of accounting. Interfund activity is eliminated and the cost of assets with a long service life is spread out over future years so that capital expenditures are amortized (through depreciation) when the benefits are realized.

The first government-wide statement is the *Statement of Net Assets* that presents information about all of the Village's assets and liabilities, with the difference reported as *net assets*.

The second government-wide statement is the *Statement of Activities*, which reports how the Village's net assets changed during the current fiscal year. All current year revenues and expenses are included when the cash is received or paid.

Below is a table summarizing the *Statement of Net Assets*, which is presented in its entirety on page 9 of this report. The Village's total net assets for the current year were \$24,607,118, of which \$14,390,256 represents governmental net assets and \$10,216,862 represents business-type activity net assets.

### SUMMARY STATEMENT OF NET ASSETS

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2006	2005	2006	2005	2006	2005
Current Assets	\$12,345,866	\$11,060,195	\$ 947,895	\$ 764,239	\$13,293,761	\$11,824,434
Noncurrent Assets	3,116,873	2,984,944	12,171,399	12,483,203	15,288,272	15,468,147
Total Assets	15,462,739	14,045,139	13,119,294	13,247,442	28,582,033	27,292,581
Noncurrent Liabilities due within One Year	151,239	144,378	557,321	563,849	708,560	708,227
Noncurrent Liabilities	775,277	926,516	2,344,211	2,901,532	3,119,488	3,828,048
Other Liabilities	145,967	146,452	900	-	146,867	146,452
Total Liabilities	1,072,483	1,217,346	2,902,432	3,465,381	3,974,915	4,682,727
Net Assets:						
Invested in Capital Assets, net of Debt	2,190,357	1,914,050	9,269,867	9,017,822	11,460,224	10,931,872
Unrestricted	12,199,899	10,913,743	946,995	764,239	13,146,894	11,677,982
Total Net Assets	<b>\$14,390,256</b>	<b>\$12,827,793</b>	<b>\$10,216,862</b>	<b>\$ 9,782,061</b>	<b>\$24,607,118</b>	<b>\$22,609,854</b>

Over a multiyear period, an increase or decrease in net assets can detect an improvement or deterioration in the financial position of the Village as a whole. However, one would need to evaluate nonfinancial factors, such as the condition of Village infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved.

On the next two pages is a table summarizing the *Statement of Activities*, which is presented in its entirety on pages 10 through 11 of this report.

### SUMMARY STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2006	2005	2006	2005	2006	2005
Revenues Collected						
Program Revenue						
Charges for services						
Police	\$247,497	\$183,146	\$ -	\$ -	\$ 247,497	\$ 183,146
Water	-	-	1,049,323	1,154,043	1,049,323	1,154,043
Sewer	-	-	18,631	126,804	18,631	126,804
Grant Revenue						
Capital	90,000	-	-	-	90,000	-
Police	28,904	113,753	-	-	28,904	113,753
Public Works	112,305	113,968	-	-	112,305	113,968
<b>Total Program Revenues</b>	<b>478,706</b>	<b>410,867</b>	<b>1,067,954</b>	<b>1,280,847</b>	<b>1,546,660</b>	<b>1,691,714</b>
General Revenues and Transfers						
Property Taxes	627,095	606,557	726,142	759,016	1,353,237	1,365,573
Intergovernmental	799,088	695,109	-	-	799,088	695,109
Utility fees	1,066,347	985,258	-	-	1,066,347	985,258
Licenses, permits	569,026	425,790	-	-	599,026	425,790
Miscellaneous		157,171		2,052	-	159,223
Impact Fees	35,000	37,000			35,000	37,000
Contributed capital	-	-	-	14,861	-	14,861
Interest income transfers	-	281,945	-	40,987	-	322,932
Other Revenues	(27,573)	-	-	-	(27,573)	-
Transfers	(6,063)	-	6,063	-	-	-
Interest Income	444,870	-	61,971	-	506,841	-
<b>Total General Revenues and Transfers</b>	<b>3,507,790</b>	<b>3,188,830</b>	<b>794,176</b>	<b>816,916</b>	<b>4,301,966</b>	<b>4,005,746</b>
<b>Total Revenues Collected</b>	<b>3,986,496</b>	<b>3,599,697</b>	<b>1,862,130</b>	<b>2,097,763</b>	<b>5,848,566</b>	<b>5,697,460</b>

Expenses Paid						
Administrative, general government	1,267,027	878,406			1,267,027	878,406
Police	974,536	879,562			974,536	879,562
Public Works	128,508	370,560			128,508	370,560
Interest	53,962	60,578			53,962	60,578
Consolidated Water	-	-	1,118,520	1,259,575	1,118,520	1,259,575
Sewer	-	-	308,809	296,233	308,809	296,233
<b>Total Expenses Paid</b>	<b>2,424,033</b>	<b>2,189,106</b>	<b>1,427,329</b>	<b>1,555,808</b>	<b>3,851,362</b>	<b>3,744,914</b>
Increase in Net Assets	1,562,463	1,410,591	434,801	541,955	1,997,264	1,952,546
Net Assets, beginning of year	12,827,793	11,565,943	9,782,061	9,240,106	22,609,854	20,806,049
Restatement	-	(148,741)	-	-	-	(148,741)
Net Assets, beginning of year, as restated	-	11,417,202	-	9,240,106	-	20,657,308
Net Assets, Ending	<u>\$14,390,256</u>	<u>\$12,827,793</u>	<u>\$10,216,862</u>	<u>\$9,782,061</u>	<u>\$24,607,118</u>	<u>\$22,609,854</u>

An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues (such as state-shared revenues) from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, the building department, and police department. Business-type activities include water and sewer utilities.

The Village's financial reporting includes only the funds of the Village (primary government). The Village is not accountable for any outside organizations; therefore, no adjustments were made to include financial information from other legally separate entities in this report.

## REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

### Fund Financial Statements

The Village has three kinds of funds. Accordingly, the Village's annual report includes basic *Government Fund Financial Statements*, which are presented on pages 12 through 13 of this report; basic *Proprietary Fund Financial Statements*, which are presented on pages 15 through 17 of this report; and the *Agency Fund Financial Statement*, which is presented on page 18 of this report.

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws

and regulations. Within the basic financial statements, major fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The Village's three kinds of funds are described below.

*Governmental funds* are reported in the fund financial statements included later in this annual report, and they encompass essentially the same functions reported as governmental activities in the government-wide financial statements.

However, the governmental fund statements present short-term fiscal accountability by focusing on the use of spendable resources and balances of spendable resources available at the end of the year, on a modified cash basis of accounting. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. The governmental-wide financial statements present a long-term view.

Comparisons between the individual governmental fund statements and the government-wide statements provide information about financing decisions and the amount invested in maintaining and improving infrastructure. These two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances reconcile the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the General Fund. Budgetary comparison schedules for other funds can be found in a later section of this annual report. These statements and schedules demonstrate compliance with the Village's budget.

*Proprietary funds* reported in the fund financial statements are for those services in which the Village charges customers a fee. In the Village, the only proprietary funds are the enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are primarily provided to customers external to the Village organization: these services in the Village consist of the water and sewer utilities.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements.

*Agency funds*, such as the performance bond fund, are reported in the *Agency Fund Financial Statements*, but are excluded from the government-wide reporting. Resources reported in the performance bond fund, for example, are not available to fund Village programs.

## **OTHER**

At the close of the fiscal year, the Village's population was approximately 4,000.

The average selling price of homes in Riverwoods for homes sold in 2006 was \$936,500.

**BASIC FINANCIAL STATEMENTS**

**Village of Riverwoods, Illinois**  
**STATEMENT OF NET ASSETS - MODIFIED CASH BASIS**  
December 31, 2006

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 5,857,687	\$ 1,791,873	\$ 7,649,560
Investments	5,444,087	200,000	5,644,087
Internal balances	1,044,092	(1,044,092)	-
Other current assets	-	114	114
<b>Total current assets</b>	<u>12,345,866</u>	<u>947,895</u>	<u>13,293,761</u>
<b>Noncurrent assets</b>			
<b>Capital assets not being depreciated</b>			
Land	2,363,300	-	2,363,300
Capital assets, net of accumulated depreciation	<u>753,573</u>	<u>12,171,399</u>	<u>12,924,972</u>
<b>Total noncurrent assets</b>	<u>3,116,873</u>	<u>12,171,399</u>	<u>15,288,272</u>
<b>Total assets</b>	<u>15,462,739</u>	<u>13,119,294</u>	<u>28,582,033</u>
<b>LIABILITIES</b>			
Other liabilities	6,011	900	6,911
Due to agency fund	139,956	-	139,956
<b>Noncurrent liabilities</b>			
Due within one year	151,239	557,321	708,560
Due in more than one year	<u>775,277</u>	<u>2,344,211</u>	<u>3,119,488</u>
<b>Total liabilities</b>	<u>1,072,483</u>	<u>2,902,432</u>	<u>3,974,915</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	2,190,357	9,269,867	11,460,224
Unrestricted	<u>12,199,899</u>	<u>946,995</u>	<u>13,146,894</u>
<b>Total net assets</b>	<u>\$ 14,390,256</u>	<u>\$ 10,216,862</u>	<u>\$ 24,607,118</u>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**  
December 31, 2006

Functions/programs	Expenses	Program Revenues Collected		
		Charges for Services	Operating Grants	Capital Grants
<b>Governmental activities</b>				
Administration and general government	\$ 1,267,027	\$ -	\$ -	\$ -
Police	974,536	247,497	-	118,904
Public works	128,508	-	112,305	-
Interest	53,962	-	-	-
<b>Total governmental activities</b>	<b>2,424,033</b>	<b>247,497</b>	<b>112,305</b>	<b>118,904</b>
<b>Business-type activities</b>				
Consolidated water	1,118,520	1,049,323	-	-
Sewer	308,809	18,631	-	-
<b>Total business-type activities</b>	<b>1,427,329</b>	<b>1,067,954</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 3,851,362</b>	<b>\$ 1,315,451</b>	<b>\$ 112,305</b>	<b>\$ 118,904</b>

General revenues  
Property and road and bridge taxes  
Intergovernmental  
Utility fees  
Licenses and permits  
Impact Fees  
Other revenues  
Transfers  
Interest income

Total general revenue

Change in net assets

Net assets, beginning of year

Net assets, end of year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (1,267,027)	\$ -	\$ (1,267,027)
(608,135)	-	(608,135)
(16,203)	-	(16,203)
(53,962)	-	(53,962)
<u>(1,945,327)</u>	<u>-</u>	<u>(1,945,327)</u>
-	(69,197)	(69,197)
-	(290,178)	(290,178)
-	(359,375)	(359,375)
<u>(1,945,327)</u>	<u>(359,375)</u>	<u>(2,304,702)</u>
627,095	726,142	1,353,237
799,088	-	799,088
1,066,347	-	1,066,347
569,026	-	569,026
35,000	-	35,000
(27,573)	-	(27,573)
(6,063)	6,063	-
444,870	61,971	506,841
<u>3,507,790</u>	<u>794,176</u>	<u>4,301,966</u>
1,562,463	434,801	1,997,264
<u>12,827,793</u>	<u>9,782,061</u>	<u>22,609,854</u>
<u>\$ 14,390,256</u>	<u>\$ 10,216,862</u>	<u>\$ 24,607,118</u>

**Village of Riverwoods, Illinois**  
**Governmental Funds**  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
ARISING FROM CASH TRANSACTIONS  
December 31, 2006

	<u>General</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,828,951	\$ 158,827	\$ 869,909	\$ 5,857,687
Investments	5,444,087	-	-	5,444,087
Due from other funds	1,184,264	-	15,965	1,200,229
<b>Total assets</b>	<b>\$ <u>11,457,302</u></b>	<b>\$ <u>158,827</u></b>	<b>\$ <u>885,874</u></b>	<b>\$ <u>12,502,003</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Due to other funds	\$ 155,921	\$ 25,312	\$ 114,860	\$ 296,093
Other liabilities	6,011	-	-	6,011
<b>Total liabilities</b>	<b><u>161,932</u></b>	<b><u>25,312</u></b>	<b><u>114,860</u></b>	<b><u>302,104</u></b>
<b>Fund balances</b>				
Unreserved, designated	2,473,459	-	-	2,473,459
Unreserved, undesignated	8,821,911	133,515	771,014	9,726,440
<b>Total fund balances</b>	<b><u>11,295,370</u></b>	<b><u>133,515</u></b>	<b><u>771,014</u></b>	<b>12,199,899</b>
	<b>\$ <u>11,457,302</u></b>	<b>\$ <u>158,827</u></b>	<b>\$ <u>885,874</u></b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	3,116,873
Bonds payable and other liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	<u>(926,516)</u>
<b>Net assets of governmental activities</b>	<b>\$ <u>14,390,256</u></b>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**Governmental Funds**  
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES  
PAID, AND CHANGES IN FUND BALANCES  
For the year ended December 31, 2006

	<u>General</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues collected				
Property taxes				
Police	\$ -	\$ 371,532	\$ -	\$ 371,532
Special service areas	-	-	225,371	225,371
Township road and bridge taxes	30,192	-	-	30,192
Intergovernmental	799,088	-	112,305	911,393
Grants and contributions	90,000	28,904	-	118,904
Utility fees	1,066,347	-	-	1,066,347
Licenses and permits	569,026	-	-	569,026
Fines and forfeits	-	247,497	-	247,497
Impact fees	-	35,000	-	35,000
Interest income	287,881	118,751	38,238	444,870
Other	37,279	33,752	-	71,031
Total revenues collected	<u>2,879,813</u>	<u>835,436</u>	<u>375,914</u>	<u>4,091,163</u>
Expenditures paid				
Personal services	404,929	760,199	-	1,165,128
Contractual services	976,007	116,738	207,663	1,300,408
Commodities	22,674	40,009	-	62,683
Capital outlay	-	73,425	-	73,425
Debt service	-	-	197,300	197,300
Total expenditures paid	<u>1,403,610</u>	<u>990,371</u>	<u>404,963</u>	<u>2,798,944</u>
Excess (deficiency) of revenues collected over expenditures paid	1,476,203	(154,935)	(29,049)	1,292,219
Other financing uses				
Transfers out	-	-	(6,063)	(6,063)
Net changes in fund balances	1,476,203	(154,935)	(35,112)	1,286,156
Fund balances				
Beginning of year	<u>9,819,167</u>	<u>\$ 288,450</u>	<u>\$ 806,126</u>	<u>10,913,743</u>
End of year	<u>\$ 11,295,370</u>	<u>\$ 133,515</u>	<u>\$ 771,014</u>	<u>\$ 12,199,899</u>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
RECONCILIATION OF THE COMBINING STATEMENT OF REVENUES COLLECTED,  
EXPENDITURES PAID, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES -MODIFIED CASH BASIS  
For the year ended December 31, 2006

---

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 1,286,156

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation depreciation in the current period. 131,929

The repayment of the principal of long-term debt consumes the current financial resources of government funds. 144,378

Change in net assets of governmental activities \$ 1,562,463

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The accompanying notes are an integral part of this statement.

# Village of Riverwoods, Illinois

## Enterprise Funds

### COMBINING STATEMENT OF NET ASSETS ARISING FROM CASH TRANSACTIONS

December 31, 2006

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,010,742	\$ 781,131	\$ 1,791,873
Investments	200,000	-	200,000
Due from other funds	27,043	29,045	56,088
Other current assets	114	-	114
<b>Total current assets</b>	<u>1,237,899</u>	<u>810,176</u>	<u>2,048,075</u>
Noncurrent assets:			
Capital assets	10,739,546	5,725,408	16,464,954
Accumulated depreciation	<u>(2,262,146)</u>	<u>(2,031,409)</u>	<u>(4,293,555)</u>
<b>Total noncurrent assets</b>	<u>8,477,400</u>	<u>3,693,999</u>	<u>12,171,399</u>
<b>Total assets</b>	<u>9,715,299</u>	<u>4,504,175</u>	<u>14,219,474</u>
<b>LIABILITIES</b>			
Current liabilities			
Due to other funds	883,042	217,138	1,100,180
Bonds payable due within one year	274,729	282,592	557,321
Other current liabilities	900	-	900
<b>Total current liabilities</b>	<u>1,158,671</u>	<u>499,730</u>	<u>1,658,401</u>
Noncurrent liabilities			
Bonds payable	<u>1,312,550</u>	<u>1,031,661</u>	<u>2,344,211</u>
<b>Total noncurrent liabilities</b>	<u>1,312,550</u>	<u>1,031,661</u>	<u>2,344,211</u>
<b>Total liabilities</b>	<u>2,471,221</u>	<u>1,531,391</u>	<u>4,002,612</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	6,890,121	2,379,746	9,269,867
Unrestricted	<u>353,957</u>	<u>593,038</u>	<u>946,995</u>
<b>Total net assets</b>	<u>\$ 7,244,078</u>	<u>\$ 2,972,784</u>	<u>\$ 10,216,862</u>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**Enterprise Funds**  
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENSES PAID,  
AND CHANGES IN FUND NET ASSETS  
For the year ended December 31, 2006

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Operating revenues collected			
Charges for sales and services	\$ 1,049,323	\$ 18,631	\$ 1,067,954
Operating expenses paid	813,948	98,739	912,687
Depreciation	214,357	115,487	329,844
Total operating expenses paid and depreciation	<u>1,028,305</u>	<u>214,226</u>	<u>1,242,531</u>
Excess (deficiency) of operating revenues collected over operating expenses paid and depreciation	<u>21,018</u>	<u>(195,595)</u>	<u>(174,577)</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	361,582	364,560	726,142
Interest income	46,306	15,665	61,971
Debt service - interest	(87,578)	(90,219)	(177,797)
Other	(2,637)	(4,364)	(7,001)
Total nonoperating revenues collected (expenses paid)	<u>317,673</u>	<u>285,642</u>	<u>603,315</u>
Excess of revenues collected over expenses paid and depreciation before other financing sources	338,691	90,047	428,738
Other financing sources			
Transfers in	<u>6,063</u>	<u>-</u>	<u>6,063</u>
Change in net assets	344,754	90,047	434,801
Net assets, beginning of year	<u>6,899,324</u>	<u>2,882,737</u>	<u>9,782,061</u>
Net assets, end of year	<u>\$ 7,244,078</u>	<u>\$ 2,972,784</u>	<u>\$ 10,216,862</u>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**Enterprise Funds**  
**COMBINING STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS**  
**For the year ended December 31, 2006**

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>			
Excess (deficiency) of operating revenues collected over operating expenses paid and depreciation	\$ 21,018	\$ (195,595)	\$ (174,577)
Adjustments to reconcile excess (deficiency) of operating revenues collected over operating expenses paid and depreciation, to net cash provided by (used in) operating activities			
Depreciation	<u>214,357</u>	<u>115,487</u>	<u>329,844</u>
Net cash provided by (used in) operating activities	<u>235,375</u>	<u>(80,108)</u>	<u>155,267</u>
<b>Cash flows from capital and related financing activities</b>			
Property tax revenues collected	361,582	364,560	726,142
Principal paid on revenue bonds	(262,427)	(301,422)	(563,849)
Interest paid on revenue bonds	(87,578)	(90,219)	(177,797)
Purchase of capital assets (net of capital contributed)	<u>(18,040)</u>	<u>-</u>	<u>(18,040)</u>
Net cash used in capital and related financing activities	<u>(6,463)</u>	<u>(27,081)</u>	<u>(33,544)</u>
<b>Cash flows from noncapital financing activities</b>			
Transfers from other funds	6,063	-	6,063
Other	<u>(732)</u>	<u>(4,364)</u>	<u>(5,096)</u>
Net cash provided by (used in) noncapital financing activities	<u>5,331</u>	<u>(4,364)</u>	<u>967</u>
<b>Cash flows from investing activities</b>			
Interest received	<u>46,306</u>	<u>15,665</u>	<u>61,971</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>280,549</b>	<b>(95,888)</b>	<b>184,661</b>
<b>Cash and cash equivalents</b>			
Beginning of year	<u>730,193</u>	<u>877,019</u>	<u>1,607,212</u>
End of year	<u>\$ 1,010,742</u>	<u>\$ 781,131</u>	<u>\$ 1,791,873</u>

The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**Agency Fund - Performance Bond Fund**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
For the year ended December 31, 2006

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	<u>January 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2006</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 590,146	\$ 297,829	\$ 308,627	\$ 579,348
Investments	30,951	1,547	-	32,498
Due from developers				
Escrow bonds	38,673	68,974	2,904	104,743
Due from other funds	<u>139,956</u>	<u>-</u>	<u>-</u>	<u>139,956</u>
<b>Total assets</b>	<b>\$ <u>799,726</u></b>	<b>\$ <u>368,350</u></b>	<b>\$ <u>311,531</u></b>	<b>\$ <u>856,545</u></b>
<b>LIABILITIES</b>				
Due to developers				
Performance bonds	\$ 652,006	\$ 224,143	\$ 214,342	\$ 661,807
Escrow bonds	<u>147,720</u>	<u>72,329</u>	<u>25,311</u>	<u>194,738</u>
<b>Total liabilities</b>	<b>\$ <u>799,726</u></b>	<b>\$ <u>296,472</u></b>	<b>\$ <u>239,653</u></b>	<b>\$ <u>856,545</u></b>

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The accompanying notes are an integral part of this statement.

**Village of Riverwoods, Illinois**  
**INDEX FOR NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

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	Page
<b>NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>	
1. Reporting Entity	21
2. Government-Wide and Fund Financial Statements	21 - 22
3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	22 - 23
4. Appropriations	23
5. Cash and Cash Equivalents	23
6. Investments	23
7. Interfund Receivables/Payables	23
8. Capital Assets	24
9. Long-Term Obligations	24
10. Fund Equity	24
11. Interfund Transactions	25
12. Property Taxes	25
<b>NOTE B - LEGAL COMPLIANCE AND ACCOUNTABILITY</b>	
1. Deficit Fund Balances of Individual Funds	25
<b>NOTE C - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS</b>	
1. Explanation of certain differences between the governmental funds combining statement of revenues collected, expenditures paid, and changes in fund balances and the government-wide statement of activities - modified cash basis	26
<b>NOTE D - DEPOSITS AND INVESTMENTS</b>	26 - 27
<b>NOTE E - CAPITAL ASSETS</b>	
1. Governmental	28
2. Enterprise	29
3. Depreciation	29

(Continued)

**Village of Riverwoods, Illinois**  
**INDEX FOR NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
December 31, 2006

---

	Page
NOTE F - LONG-TERM DEBT	
1.    Changes in Long-Term Liabilities	30 - 31
2.    Annual Debt Service Requirements to Maturity	32
NOTE G - INTERFUND RECEIVABLES AND PAYABLES	33 - 34
NOTE H - INTERFUND TRANSFERS	35
NOTE I - JOINT VENTURES	
1.    Solid Waste Agency of Lake County (SWALCO)	36
2.    Northeastern Illinois Regional Crime Laboratory (NIRCL)	36
3.    Northern Suburban Special Recreation Association (NSSRA)	37
NOTE J - ILLINOIS MUNICIPAL RETIREMENT FUND	37 - 38

(Concluded)

**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Village of Riverwoods, Illinois (Village), have been prepared using the cash basis of accounting which is a comprehensive basis of accounting (except for the entity-wide statements, which have been prepared using the modified cash basis of accounting) not in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The cash basis of accounting is a method that is acceptable under state statutes. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

1. **Reporting Entity**

The Village was incorporated on December 14, 1959. These financial statements present the Village (the primary government) and its component units, if applicable. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationships with the primary government. No entities met the requirements to be reported as a component unit.

2. **Government-Wide and Fund Financial Statements**

The Village uses funds to report on its cash basis financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the payment of bond principal and interest (debt service funds), and the acquisition or construction of capital assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of income is necessary or useful to sound financial administration. Enterprise (proprietary) funds provide goods or services from such activities to outside parties.

**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

---

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. Agency funds are used to account for assets that the Village holds on behalf of others, as their agent.

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

The government-wide financial statements are prepared using the modified cash basis of accounting. The modified cash basis of accounting omits recognition of certain revenues and the related assets, such as taxes receivable, until received rather than when earned. Also, certain expenditures and the related liabilities, such as accounts payable and accrued items, are recognized when paid rather than when the obligation is incurred. The financial statements reflect assets and liabilities arising from cash transactions, revenues collected, and expenditures/expenses paid. The modified cash basis of accounting is a comprehensive basis of accounting other than GAAP.

The Village reports the following major governmental funds:

The *General Fund* 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 *Police Fund* accounts for operations associated with the Village's Police Department.

The Village reports the following major proprietary funds:

The *Consolidated Water Fund* accounts for the provision of water 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 billing and collection.

The *Sewer Fund* accounts for the provision of sewerage services to the residents of the Village and operation of the sewer infrastructure. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and billing and collection.

Amounts reported as *program revenues* include charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues*, rather than as program revenues. Likewise, general revenues include all taxes.

**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues collected and expenditures paid from nonoperating items. Operating revenues and expenditures generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Consolidated Water enterprise fund, and of the Sewer enterprise fund are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap-on fees intended to recover the cost of connecting new customers to the system. Operating expenditures for enterprise funds include the cost of sales and services and administrative expenses. All revenues and expenditures not meeting this definition (except depreciation on capital assets) are reported as nonoperating revenues and expenditures.

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

4. Appropriations

The Village budgets on the cash basis of accounting. The appropriation ordinance, which is the legal authority to spend, was passed on March 21, 2006, and was not amended during the year. All appropriations lapse at the fiscal year-end. The Village appropriated for all funds, with the exception of the capital projects

5. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits in interest-bearing checking accounts, and certificates of deposits with original maturities of three months or less from the date of acquisition.

6. Investments

Investments consist of certificates of deposit, mutual funds, U.S. Government Agency Securities, and U.S. Treasury Notes with maturities greater than three months. All investments are stated at cost or amortized cost, which approximate fair value.

7. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from other funds" or "Due to other funds" on the statement of assets and liabilities arising from cash transactions. Those not eliminated for the entity-wide statements are titled "Internal balances".

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**8. Capital Assets**

Capital assets, which include property, plant, and equipment and infrastructure assets (e.g. roads, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 and an estimated useful life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

The following estimated useful lives are used to compute depreciation:

Buildings and improvements	40 years
Office equipment	5 - 10 years
Infrastructure - roads	20 years
Infrastructure - storm sewers	50 years
Vehicles	5 years
Water/sewer systems *	20 - 50 years

\* Including pumping stations and reservoirs, water tower, water mains, and sewers

**9. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net assets. Bonds payable are reported net of the applicable bond premium or discount.

**10. Fund Equity**

Designations of fund balance represent management plans that are subject to change. Designated fund balances in the General Fund represent Board plans for future use of financial resources, as follows:

Police impact fees	\$ <u>2,473,459</u>
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**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues collected, expenditures paid, or expenses paid. Transactions that constitute reimbursements to a fund for expenditures/expenses paid initially from it, that are properly applicable to another fund, are recorded as expenditures/expenses paid in the reimbursing fund and as reductions of expenditures/expenses paid in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

12. Property Taxes

Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance, which was passed on December 5, 2006). Tax bills are payable in two installments, on or about June 1 and on or about September 1 of the following year. The County collects such taxes and remits them periodically. Property tax revenues are recognized when collected.

NOTE B - LEGAL COMPLIANCE AND ACCOUNTABILITY

1. Deficit Fund Balances of Individual Funds

The following funds had deficits in fund balance as of December 31, 2006:

<u>Fund</u>	<u>Deficit Balance</u>
Duffy Roads SSA 5	\$ (7,694)
Hiawatha Road Projects SSA 19	(5,500)
Whigham Burr Oak Projects SSA 20	(21,543)

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE C - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

1. Explanation of certain differences between the governmental funds combining statement of revenues collected, expenditures paid, and changes in fund balances and the government-wide statement of activities - modified cash basis

One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$	202,781
Depreciation expense		(62,248)
Disposals		<u>(8,604)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$	<u>131,929</u>

**NOTE D - DEPOSITS AND INVESTMENTS**

At December 31, 2006, the Village had the following investments and maturities:

Investment Type	Investment Maturities (In Years)		
	Less than 1	1 - 5	6 - 10
The Illinois Funds *	\$ 7,126,250	\$ -	\$ -
Money Market/Liquid Assets	259,917	-	-
Certificates of Deposit	795,000	2,005,220	-
Federal Home Loan Mortgage	-	231,215	1,102,387
Federal Home Loan Bank	259,432	-	380,000
Federal Farm Credit Bank	129,862	-	-
Federal National Mortgage Assoc.	149,199	100,610	102,116
U.S. Treasuries	-	129,129	-
	<u>\$ 8,719,660</u>	<u>\$ 2,466,174</u>	<u>\$ 1,584,503</u>

\* These items are considered cash equivalents for purposes of the statement of net assets and the governmental funds combining statement of assets and liabilities arising for cash transactions.

**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

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NOTE D - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to Statement of Net Assets - Modified Cash Basis

Investments per table above	\$ 12,770,337
Less amounts included in cash and cash equivalents:	
The Illinois Funds	<u>(7,126,250)</u>
Investments per statement of net assets - modified cash basis	\$ <u>5,644,087</u>

Interest Rate Risk

The Village's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increased interest rates. The objective is to maintain a core portfolio with maturities of less than one year.

Credit Risk

State law and the Village's investment policy limit investments in commercial paper, corporate bonds, and mutual bond funds to the two top ratings issued by nationally recognized statistical rating organizations. The Village's investment policy does not impose further limits on investment choices. As of December 31, 2006, The Illinois Funds Money Market and Prime Funds were rated AAAM by Standard and Poor's.

Custodial Credit Risk

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

Concentration of Credit Risk

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in an overconcentration in a security, maturity, issuer, or class of

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE E - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2006, was as follows:

<u>1. Governmental</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 2,363,300	\$ -	\$ -	\$ 2,363,300
Capital assets being depreciated				
Buildings and improvements	595,580	-	-	595,580
Office equipment	145,771	7,195	-	152,966
Infrastructure	46,995	144,226	-	191,221
Vehicles	131,806	51,360	41,510	141,656
Total capital assets being depreciated	<u>920,152</u>	<u>202,781</u>	<u>41,510</u>	<u>1,081,423</u>
Less accumulated depreciation for:				
Buildings and improvements	113,936	11,912	-	125,848
Office equipment	116,832	9,878	-	126,710
Infrastructure	1,880	3,825	-	5,705
Vehicles	65,860	36,633	32,906	69,587
Total accumulated depreciation	<u>298,508</u>	<u>62,248</u>	<u>32,906</u>	<u>327,850</u>
Total capital assets being depreciated, net	<u>621,644</u>	<u>140,533</u>	<u>8,604</u>	<u>753,573</u>
Governmental activities capital assets, net	<u>\$ 2,984,944</u>	<u>\$ 140,533</u>	<u>\$ 8,604</u>	<u>\$ 3,116,873</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE E - CAPITAL ASSETS (Continued)**

2. <u>Enterprise</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Capital assets being depreciated</b>				
Pumping stations and reservoirs	\$ 2,866,149	\$ -	\$ -	\$ 2,866,149
Water tower	50,000	-	-	50,000
Water mains	7,805,357	18,040	-	7,823,397
Sewers	<u>5,725,408</u>	<u>-</u>	<u>-</u>	<u>5,725,408</u>
Total capital assets being depreciated	<u>16,446,914</u>	<u>18,040</u>	<u>-</u>	<u>16,464,954</u>
<b>Less accumulated depreciation for:</b>				
Pumping stations and reservoirs	672,175	57,323	-	729,498
Water tower	1,000	1,000	-	2,000
Water mains	1,374,614	156,034	-	1,530,648
Sewers	<u>1,915,922</u>	<u>115,487</u>	<u>-</u>	<u>2,031,409</u>
Total accumulated depreciation	<u>3,963,711</u>	<u>329,844</u>	<u>-</u>	<u>4,293,555</u>
Business-type activities capital assets, net	<u>\$ 12,483,203</u>	<u>\$ (311,804)</u>	<u>\$ -</u>	<u>\$ 12,171,399</u>

**3. Depreciation**

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental activities</b>	
Administration and general government	\$ 19,825
Police	38,599
Public works	<u>3,824</u>
Total depreciation expense - governmental activities	<u>\$ 62,248</u>
<b>Business-type activities</b>	
Consolidated water	\$ 214,357
Sewer	<u>115,487</u>
Total depreciation expense - business-type activities	<u>\$ 329,844</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE F - LONG-TERM DEBT**

**1. Changes in Long-Term Liabilities**

During the year, the following changes occurred in liabilities reported in the governmental funds:

	<u>January 1,</u> <u>2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31,</u> <u>2006</u>	<u>Due Within</u> <u>One Year</u>
<b>Special Service Area Bonds:</b>					
Special Service Area Number 8					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%. \$	153,289	\$ -	\$ 27,910	\$ 125,379	\$ 29,222
Special Service Area Number 9					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%.	40,876	-	7,443	33,433	7,792
Special Service Area Number 10					
Issued December 15, 1999. Due					
January 10, 2020, interest at 6.29%.	141,286	-	5,551	135,735	6,271
Special Service Area Number 11					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%.	124,903	-	22,741	102,162	23,810
Special Service Area Number 15					
Issued December 15, 1999. Due					
January 10, 2010, interest at 5.55%.	227,736	-	40,767	186,969	43,030
Special Service Area Number 19					
Issued November 18, 2002. Due					
February 1, 2013, interest at 6.00%.	136,395	-	14,848	121,547	15,765
Special Service Area Number 20					
Issued December 2, 2003. Due					
February 1, 2014, interest at 3.70%.	246,409	-	25,118	221,291	26,069
	<u>246,409</u>	<u>-</u>	<u>25,118</u>	<u>221,291</u>	<u>26,069</u>
<b>Total</b>	<b>\$ 1,070,894</b>	<b>\$ -</b>	<b>\$ 144,378</b>	<b>\$ 926,516</b>	<b>\$ 151,959</b>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE F - LONG-TERM DEBT (Continued)**

**1. Changes in Long-Term Liabilities (Continued)**

During the year, the following changes occurred in long-term liabilities reported in enterprise funds:

	<u>January 1,</u> <u>2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31,</u> <u>2006</u>	<u>Due Within</u> <u>One Year</u>
<b>Special Service Area Bonds:</b>					
<b>Duffy Sewer</b>					
Issued June 28, 1995. Fully repaid on December 31, 2006.	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ -
<b>Thornmeadow Sewer</b>					
Issued January 1, 1997. Due January 1, 2008, interest at 4.80%.	98,000	-	31,000	67,000	33,000
<b>South Riverwood Sewer</b>					
Issued June 5, 2000. Due February 1, 2011, interest at 5.85%.	1,482,675	-	235,422	1,247,253	249,592
<b>North Central Water</b>					
Issued August 15, 2001. Due August 1, 2011, interest at 4.60%.	1,536,814	-	227,940	1,308,874	238,546
<b>North Robinwood Water</b>					
Issued December 15, 1999. Due January 10, 2020, interest at 6.29%.	128,675	-	5,077	123,598	5,735
<b>Northwest Water</b>					
Issued August 17, 2000. Due February 1, 2011, interest at 5.25%.	145,214	-	23,383	121,831	24,644
<b>Cherrywood Road</b>					
Issued September 22, 2000. Due August 1, 2010, interest at 7.00%.	39,003	-	6,027	32,976	6,462
<b>Total</b>	<u>\$ 3,465,381</u>	<u>\$ -</u>	<u>\$ 563,849</u>	<u>\$ 2,901,532</u>	<u>\$ 557,979</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

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**NOTE F - LONG-TERM DEBT** (Continued)

**2. Annual Debt Service Requirements to Maturity**

**ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS**

Years Ending <u>December 31</u>	Special Service Area Bonds <u>Governmental</u>	Special Service Area Bonds <u>Proprietary</u>	<u>Total</u>
2007	\$ 198,354	\$ 703,636	\$ 901,990
2008	198,353	703,004	901,357
2009	198,354	669,004	867,358
2010	198,354	669,004	867,358
2011	71,857	489,273	561,130
2012-2020	<u>253,704</u>	<u>121,843</u>	<u>375,547</u>
	1,118,976	3,355,764	4,474,740
Less interest	<u>192,460</u>	<u>454,232</u>	<u>646,692</u>
	<u>\$ 926,516</u>	<u>\$ 2,901,532</u>	<u>\$ 3,828,048</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE G - INTERFUND RECEIVABLES AND PAYABLES**

At December 31, 2006, interfund receivables and payables consist of the following:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<b>Governmental Funds</b>		
General		
Police	\$ 25,312	\$ -
Nonmajor governmental funds		
Motor Fuel Tax	58,772	-
Duffy Roads	-	15,965
Consolidated Water	883,042	-
Sewer	217,138	-
Total General fund	<u>1,184,264</u>	<u>15,965</u>
Police		
General	<u>-</u>	<u>25,312</u>
Total Police fund	<u>-</u>	<u>25,312</u>
Motor Fuel Tax		
General	<u>-</u>	<u>58,772</u>
Total Motor Fuel Tax fund	<u>-</u>	<u>58,772</u>
Duffy Roads		
General	15,965	-
Sewer	<u>-</u>	<u>29,045</u>
Total Duffy Roads funds	<u>15,965</u>	<u>29,045</u>
Special Service Area Number 19		
Consolidated Water	<u>-</u>	<u>5,500</u>
Total Special Service Area Number 19 fund	<u>-</u>	<u>5,500</u>
Special Service Area Number 20		
Consolidated Water	<u>-</u>	<u>21,543</u>
Total Special Service Area Number 20 fund	<u>-</u>	<u>21,543</u>
Total Governmental funds	<u>1,200,229</u>	<u>156,137</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE G - INTERFUND RECEIVABLES AND PAYABLES (Continued)**

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Enterprise Funds		
Consolidated Water		
General	\$ -	\$ 883,042
Special Service Area Number 19	5,500	-
Special Service Area Number 20	21,543	-
Total Consolidated Water fund	<u>27,043</u>	<u>883,042</u>
Sewer		
General	-	217,138
Duffy Roads	29,045	-
Total Sewer fund	<u>29,045</u>	<u>217,138</u>
Total Enterprise funds	<u>56,088</u>	<u>1,100,180</u>
Total Governmental and Enterprise Funds	1,256,317	1,256,317
Elimination of amounts due to/from funds of the same type	<u>(100,049)</u>	<u>(100,049)</u>
Total	<u>\$ 1,156,268</u>	<u>\$ 1,156,268</u>
General Fund		
Agency Fund-Performance Bond	\$ -	\$ 139,956
Total General Fund	<u>-</u>	<u>139,956</u>
Agency Fund-Performance Bond		
General	139,956	-
Total Agency Fund-Performance Bond	<u>139,956</u>	<u>-</u>
Total - Statement of Net Assets and Statement of Changes in Assets and Liabilities - Agency Fund Performance Bond Fund	<u>\$ 139,956</u>	<u>\$ 139,956</u>

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

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**NOTE H - INTERFUND TRANSFERS**

The following interfund transfers were made during 2006:

	<u>Transfers In</u>	<u>Transfers Out</u>
Whigham Burr Oak Projects SSA 20		
Consolidated Water	\$ -	\$ 6,063
Total Whigham Burr Oak Projects SSA 20	-	6,063
Consolidated Water		
Whigham Burr Oak Projects SSA 20	6,063	-
Total Consolidated Water fund	6,063	-
Total - Statement of Activities	\$ 6,063	\$ 6,063

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

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**NOTE I - JOINT VENTURES**

**1. Solid Waste Agency of Lake County (SWALCO)**

The Village is a member of the Solid Waste Agency of Lake County (the "Agency") which consists of 42 municipalities. The Agency is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the "Acts"). The Agency is empowered under the Acts to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

The percentage share of the Village, based on formulas contained in the Agency agreement as of December 31, 2006, is 0.94%. This percentage share is subject to change in future years based on the population and equalized assessed valuation of the municipalities.

The members form a contiguous geographic service area which is located in Lake County. Under the Agency Agreement, additional members may join the Agency upon the approval of each member.

The Agency is governed by a Board of Directors which consists of one appointed mayor, president, trustee, or chief administrative officer from each member municipality. Each Director has an equal vote. The Board of Directors determines the policies of the Agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by the Agency, adopts by-laws, rules, and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Complete financial statements are available from the Solid Waste Agency of Lake County, 18 North County Street, Waukegan, Illinois 60085-4351.

**2. Northeastern Illinois Regional Crime Laboratory (NIRCL)**

The Village is a member of the Northeastern Illinois Regional Crime Laboratory (the Laboratory), formerly known as the Northern Illinois Police Crime Laboratory. Each of the 39 members of the Laboratory are assessed annual fees based on their population, and assessments are due in May of each year. The Laboratory is organized as a tax-exempt organization qualifying under Internal Revenue Code Section 501(c)(3). The Village contributed \$9,111 to the Laboratory during 2006.

Complete financial statements are available from the Northeastern Illinois Regional Crime Laboratory, 1000 Butterfield Road, Suite 1009, Vernon Hills, Illinois 60061.

**Village of Riverwoods, Illinois**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

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NOTE I - JOINT VENTURES (Continued)

3. Northern Suburban Special Recreation Association (NSSRA)

The Village, along with twelve other governments, has entered into a joint agreement to provide cooperative recreational programs and other activities for handicapped and impaired individuals. Each partner agency provides funding based on a two-part formula that includes that partner's relative share of the aggregate equalized valuation and that partner's relative share of the aggregate gross population. The Village contributed \$38,292 to the Association during the current fiscal year.

The Village does not have a direct financial interest in the Association; therefore, its investment therein is not reported within the financial statements. Upon dissolution of the Association, the assets, if any, shall be divided among the members in accordance with an equitable formula as determined by a unanimous vote of the Board of Directors of the Association.

A complete financial statement for the Association can be obtained from the Association's administrative offices at 3105 MacArthur Blvd., Northbrook, Illinois 60062.

NOTE J - ILLINOIS MUNICIPAL RETIREMENT FUND

The defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. 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.

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

Employees participating in IMRF are required to contribute 4.50% 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 Village's rate for calendar year 2006 was 10.09% of payroll. The Village's 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 an open basis). The amortization period at December 31, 2006, was 26 years.

**Village of Riverwoods, Illinois**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2006

**NOTE J - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

For the year ended December 31, 2006, the Village's annual pension cost of \$81,465 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2004, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions include (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002 - 2004 experience study.

Trend information for the employer's annual pension cost, percentage of annual pension cost contributed, and net pension obligation for the last three years consists of the following:

Actuarial Valuation Date	Annual Required Contribution	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2006	\$ 81,465	\$ 81,465	100%	\$ -
12/31/2005	70,811	70,811	100%	-
12/31/2004	63,461	63,461	100%	-

**REQUIRED SUPPLEMENTARY INFORMATION**

**Village of Riverwoods, Illinois**  
 Illinois Municipal Retirement Fund Pension Data  
 SCHEDULE OF FUNDING PROGRESS  
December 31, 2006  
 (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2006	\$ 653,012	\$ 869,712	\$ 216,700	75.08%	\$ 807,380	26.84%
12/31/2005	503,925	656,811	152,886	76.72%	746,949	20.47%
12/31/2004	428,462	551,263	122,801	77.72%	698,913	17.57%
12/31/2003	341,165	431,002	89,837	79.16%	660,254	13.61%
12/31/2002	310,984	355,747	44,763	87.42%	568,365	7.88%
12/31/2001	186,488	245,045	58,557	76.10%	325,907	17.97%
12/31/2000	111,776	170,653	58,877	65.50%	238,309	24.71%
12/31/1999	67,811	142,977	75,166	47.43%	205,610	36.56%
12/31/1998	174,061	262,029	87,968	66.43%	151,804	57.95%
12/31/1997	154,902	228,730	73,828	67.72%	131,823	56.01%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$705,177. On a market basis, the funded ratio would be 81.08%.

\* Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002 - 2004 Experience Study.

The principal changes were:

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

## Village of Riverwoods, Illinois

### General Fund

#### STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL

For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Township road and bridge tax	\$ 24,000	\$ 30,192	\$ 6,192
Intergovernmental	715,200	799,088	83,888
Grants and contributions	-	90,000	90,000
Utility fees	1,145,000	1,066,347	(78,653)
License and permits	419,000	569,026	150,026
Interest income	37,000	287,881	250,881
Other revenues	295,000	37,279	(257,721)
	<u>2,635,200</u>	<u>2,879,813</u>	<u>244,613</u>
Expenditures paid			
Personal services	496,300	404,929	91,371
Contractual services	1,629,500	976,007	653,493
Commodities	49,000	22,674	26,326
Capital outlay	5,510,000	-	5,510,000
	<u>7,684,800</u>	<u>1,403,610</u>	<u>6,281,190</u>
Excess (deficiency) of revenues collected over expenditures paid	(5,049,600)	1,476,203	6,525,803
Other financing uses			
Transfers out	(650,000)	-	650,000
Net change in fund balance	<u>\$ (5,699,600)</u>	1,476,203	<u>\$ 7,175,803</u>
Fund Balances			
Beginning of year		<u>9,819,167</u>	
End of year		<u>\$ 11,295,370</u>	

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# Village of Riverwoods, Illinois

## Police Fund

### STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL

For the year ended December 31, 2006

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	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Property taxes	\$ 416,000	\$ 371,532	\$ (44,468)
COPS grant	10,000	28,904	18,904
Fines and forfeits	196,000	247,497	51,497
Impact fees	-	35,000	35,000
Interest income	-	118,751	118,751
Other revenues	800	33,752	32,952
	<u>622,800</u>	<u>835,436</u>	<u>212,636</u>
Total revenues collected			
Expenditures paid			
Personal services			
Salaries	587,800	600,733	(12,933)
Health insurance	55,000	63,522	(8,522)
FICA	45,000	45,240	(240)
IMRF	36,000	50,704	(14,704)
Unemployment insurance	100	-	100
	<u>723,900</u>	<u>760,199</u>	<u>(36,299)</u>
Total personal services			
Contractual services			
Legal	31,000	34,240	(3,240)
Crime laboratory	10,000	9,111	889
Other professional	100,000	71,396	28,604
Contingency	100,000	-	100,000
Training	4,000	1,991	2,009
Postage	600	-	600
	<u>245,600</u>	<u>116,738</u>	<u>128,862</u>
Total contractual services			

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(Continued)

# Village of Riverwoods, Illinois

## Police Fund

### STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID AND CHANGES IN FUND BALANCES - APPROPRIATION AND ACTUAL (Continued)

For the year ended December 31, 2006

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	<u>Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Commodities			
Telephone	\$ 5,700	\$ 4,055	\$ 1,645
Travel	4,500	266	4,234
Office expenses	14,000	5,098	8,902
Fuel for squad cars	45,000	28,048	16,952
Miscellaneous	<u>70,000</u>	<u>2,542</u>	<u>67,458</u>
Total commodities	<u>139,200</u>	<u>40,009</u>	<u>99,191</u>
Capital outlay			
Squad cars and related equipment	80,000	68,891	11,109
Police officer equipment	<u>9,000</u>	<u>4,534</u>	<u>4,466</u>
Total capital outlay	<u>89,000</u>	<u>73,425</u>	<u>15,575</u>
Total expenditures paid	<u>1,197,700</u>	<u>990,371</u>	<u>207,329</u>
(Deficiency) of revenues collected over expenditures paid	(574,900)	(154,935)	419,965
Other financing sources			
Transfers in	<u>350,000</u>	<u>-</u>	<u>350,000</u>
Net change in fund balance	<u>\$ (224,900)</u>	(154,935)	<u>\$ 69,965</u>
Fund Balances			
Beginning of year		<u>288,450</u>	
End of year		<u>\$ 133,515</u>	

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**Village of Riverwoods, Illinois**  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
For the year ended December 31, 2006

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1. Appropriations

All departments of the Village submit requests for appropriation to the Mayor so that an appropriation ordinance may be prepared. The appropriation ordinance is prepared by fund and includes requested appropriations for the next fiscal year.

The proposed appropriation ordinance is presented to the Board of Trustees for review. The Board of Trustees holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the appropriations ordinance.

The Mayor is authorized to transfer appropriated amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.

The appropriations may be amended by the Board of Trustees. During the year, there were no supplemental appropriations.

Expenditures may not legally exceed appropriations at the fund level.

**SUPPLEMENTAL DATA**

**Village of Riverwoods, Illinois**  
**General Fund**  
**STATEMENT OF REVENUES COLLECTED**  
**APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Taxes			
State income taxes	\$ 304,000	\$ 317,401	\$ 13,401
Sales and local use taxes	345,000	357,254	12,254
Hotel tax	65,000	122,492	57,492
Township road and bridge tax	24,000	30,192	6,192
Personal property replacement taxes	1,200	1,941	741
Total taxes	<u>739,200</u>	<u>829,280</u>	<u>90,080</u>
Utility fees			
Telecommunications	600,000	511,849	(88,151)
Electric	320,000	295,059	(24,941)
Gas	225,000	259,439	34,439
Total utility fees	<u>1,145,000</u>	<u>1,066,347</u>	<u>(78,653)</u>
Licenses and permits			
Liquor licenses	20,000	16,500	(3,500)
Cable television franchise fees	40,000	43,520	3,520
Construction fees	275,000	218,232	(56,768)
Cell tower lease	80,000	82,160	2,160
Special inspection	4,000	6,785	2,785
Elevator permits	-	12,240	12,240
Forester fees	-	19,002	19,002
Forest program	-	150,941	150,941
Engineer fees	-	19,646	19,646
Total licenses and permits	<u>419,000</u>	<u>569,026</u>	<u>150,026</u>
Interest income	<u>37,000</u>	<u>287,881</u>	<u>250,881</u>
Other revenues			
Impact fees	180,000	-	(180,000)
Donation for bike path	90,000	90,000	-
Miscellaneous revenue	25,000	37,279	12,279
Total other revenues	<u>295,000</u>	<u>127,279</u>	<u>(167,721)</u>
Total revenues collected	<u>\$ 2,635,200</u>	<u>\$ 2,879,813</u>	<u>\$ 244,613</u>

## Village of Riverwoods, Illinois

### General Fund

#### STATEMENT OF EXPENDITURES PAID APPROPRIATION AND ACTUAL For the year ended December 31, 2006

Expenditures paid	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Personal services			
Salaries	\$ 378,000	\$ 307,646	\$ 70,354
FICA	30,600	25,881	4,719
IMRF	45,700	30,076	15,624
Unemployment insurance	2,000	2,976	(976)
Health insurance	40,000	38,350	1,650
Total personal services	<u>496,300</u>	<u>404,929</u>	<u>91,371</u>
Contractual services			
Maintenance - building	35,000	22,880	12,120
Maintenance - equipment	10,000	5,888	4,112
Maintenance - grounds	13,500	24,722	(11,222)
Maintenance - streets	100,000	11,600	88,400
Maintenance - drainage/culvert	85,000	14,702	70,298
Maintenance - bike path	30,000	-	30,000
Insurance	170,000	52,036	117,964
Telephone	50,000	15,193	34,807
Travel and meetings	31,000	9,103	21,897
Training	1,000	-	1,000
Postage	19,000	8,187	10,813
Advertising	4,000	355	3,645
Village Voice	15,000	12,387	2,613
Printing	2,000	628	1,372
Accounting	25,000	18,555	6,445
Engineering	225,000	130,590	94,410
Legal	150,000	104,994	45,006
Inspection fees	10,000	44,492	(34,492)
Other professional	140,000	167,933	(27,933)
Dues and subscriptions	5,000	1,944	3,056
NSSRA	30,000	38,292	(8,292)
Forest program	75,000	75,545	(545)
Theater In The Woods	15,000	10,000	5,000
Arts & Riverwoods	15,000	14,000	1,000
Family Day	5,000	-	5,000
Snow removal	60,000	23,888	36,112
Signs	2,000	1,705	295
Street lighting	2,000	1,628	372
Contingency	200,000	-	200,000
Miscellaneous	105,000	164,760	(59,760)
Total contractual services	<u>1,629,500</u>	<u>976,007</u>	<u>653,493</u>

(Continued)

**Village of Riverwoods, Illinois**  
**General Fund**  
STATEMENT OF EXPENDITURES PAID  
APPROPRIATION AND ACTUAL (Continued)  
For the year ended December 31, 2006

	Original and Final Appropriation	Actual	Variance - Favorable (Unfavorable)
Commodities			
Office supplies	\$ 37,000	\$ 13,337	\$ 23,663
Publications	2,000	71	1,929
Maintenance supplies	5,000	-	5,000
Operating supplies	<u>5,000</u>	<u>9,266</u>	<u>(4,266)</u>
Total commodities	<u>49,000</u>	<u>22,674</u>	<u>26,326</u>
Capital outlay			
Land acquisition	5,000,000	-	5,000,000
Bike path	500,000	-	500,000
Equipment	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total capital outlay	<u>5,510,000</u>	<u>-</u>	<u>5,510,000</u>
Total expenditures paid	<u>7,684,800</u>	<u>1,403,610</u>	<u>6,281,190</u>
Other financing uses			
Transfers out	<u>650,000</u>	<u>-</u>	<u>650,000</u>
Total expenditures paid and other financing uses	<u>\$ 8,334,800</u>	<u>\$ 1,403,610</u>	<u>\$ 6,931,190</u>

**Village of Riverwoods, Illinois**  
**Nonmajor Governmental Funds**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**ARISING FROM CASH TRANSACTIONS**  
December 31, 2006

	<u>Special Revenue Funds</u>			
	<u>Motor Fuel Tax</u>	<u>Duffy Roads SSA 5</u>	<u>Russell Storm Sewer SSA 7</u>	<u>Total Special Revenue Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 583,722	\$ 5,386	\$ 39,442	\$ 628,550
Due from other funds	-	15,965	-	15,965
Total assets	<u>\$ 583,722</u>	<u>\$ 21,351</u>	<u>\$ 39,442</u>	<u>\$ 644,515</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
<b>Liabilities</b>				
Due to other funds	\$ 58,772	\$ 29,045	\$ -	\$ 87,817
<b>Fund balances (deficits)</b>				
Unreserved, undesignated	<u>524,950</u>	<u>(7,694)</u>	<u>39,442</u>	<u>556,698</u>
Total liabilities and fund balances (deficits)	<u>\$ 583,722</u>	<u>\$ 21,351</u>	<u>\$ 39,442</u>	<u>\$ 644,515</u>

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Debt Service Funds

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Cherrywood Sewer SSA 8	North Duffy Sewer SSA 9	North Robinwood Sewer SSA 10	Forest Glen Water SSA 11
\$ 42,022	\$ 10,988	\$ 23,999	\$ 39,687
-	-	-	-
\$ 42,022	\$ 10,988	\$ 23,999	\$ 39,687
\$ -	\$ -	\$ -	\$ -
42,022	10,988	23,999	39,687
\$ 42,022	\$ 10,988	\$ 23,999	\$ 39,687

(Continued)

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**Village of Riverwoods, Illinois**  
**Nonmajor Governmental Funds**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**ARISING FROM CASH TRANSACTIONS (Continued)**  
December 31, 2006

	Debt Service Funds (Continued)			
	South Robinwood Water SSA 15	Hiawatha Road SSA 19	Whigham Burr Oak SSA 20	Total Debt Service Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 71,042	\$ 30,759	\$ 22,862	\$ 241,359
Due from other funds	-	-	-	-
Total assets	\$ 71,042	\$ 30,759	\$ 22,862	\$ 241,359
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Fund balances (deficits)				
Unreserved, undesignated	71,042	30,759	22,862	241,359
Total liabilities and fund balances (deficits)	\$ 71,042	\$ 30,759	\$ 22,862	\$ 241,359

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Capital Projects Funds				Total Nonmajor Governmental Funds
Hiawatha Road Projects SSA 19	Whigham Burr Oak Projects SSA 20	Total Capital Projects Funds		
\$ -	\$ -	\$ -	\$	869,909
<u>-</u>	<u>-</u>	<u>-</u>		<u>15,965</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$	<u>885,874</u>
\$ 5,500	\$ 21,543	\$ 27,043	\$	114,860
<u>(5,500)</u>	<u>(21,543)</u>	<u>(27,043)</u>		<u>771,014</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$	<u>885,874</u>

(Concluded)

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**Village of Riverwoods, Illinois**  
**Nonmajor Governmental Funds**  
**COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES**  
**PAID, AND CHANGES IN FUND BALANCES (DEFICITS)**  
For the year ended December 31, 2006

	<u>Special Revenue Funds</u>			
	<u>Motor Fuel Tax</u>	<u>Duffy Roads SSA 5</u>	<u>Russell Storm Sewer SSA 7</u>	<u>Total Special Revenue Funds</u>
Revenues collected				
Property taxes	\$ -	\$ 6,426	\$ 11,515	\$ 17,941
Intergovernmental	112,305	-	-	112,305
Interest income	34,567	-	-	34,567
<b>Total revenues collected</b>	<u>146,872</u>	<u>6,426</u>	<u>11,515</u>	<u>164,813</u>
Expenditures paid				
Current				
Contractual services	201,638	2,500	3,525	207,663
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures paid</b>	<u>201,638</u>	<u>2,500</u>	<u>3,525</u>	<u>207,663</u>
Excess (deficiency) of revenues collected over expenditures paid	(54,766)	3,926	7,990	(42,850)
Other financing uses				
Transfers out	-	-	-	-
<b>Net change in fund balances</b>	(54,766)	3,926	7,990	(42,850)
Fund balances (deficits)				
Beginning of year	<u>579,716</u>	<u>(11,620)</u>	<u>31,452</u>	<u>599,548</u>
End of year	<u>\$ 524,950</u>	<u>\$ (7,694)</u>	<u>\$ 39,442</u>	<u>\$ 556,698</u>

Debt Service Funds

	Cherrywood Sewer SSA 8	North Duffy Sewer SSA 9	North Robinwood Sewer SSA 10	Forest Glen Water SSA 11
\$	34,917	\$ 9,564	\$ 15,050	\$ 29,219
	-	-	-	-
	<u>327</u>	<u>239</u>	<u>52</u>	<u>1,029</u>
	<u>35,244</u>	<u>9,803</u>	<u>15,102</u>	<u>30,248</u>
	-	-	-	-
	27,910	7,443	5,551	21,702
	<u>7,205</u>	<u>1,921</u>	<u>9,236</u>	<u>5,870</u>
	<u>35,115</u>	<u>9,364</u>	<u>14,787</u>	<u>27,572</u>
	129	439	315	2,676
	-	-	-	-
	129	439	315	2,676
	<u>41,893</u>	<u>10,549</u>	<u>23,684</u>	<u>37,011</u>
\$	<u><u>42,022</u></u>	<u><u>10,988</u></u>	<u><u>23,999</u></u>	<u><u>39,687</u></u>

(Continued)

**Village of Riverwoods, Illinois**  
**Nonmajor Governmental Funds**  
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES  
PAID, AND CHANGES IN FUND BALANCES (DEFICITS)  
For the year ended December 31, 2006

	Debt Service Funds (Continued)			
	South Robinwood Water SSA 15	Hiawatha Road SSA 19	Whigham Burr Oak SSA 20	Total Debt Service Funds
Revenues collected				
Property taxes	\$ 54,573	\$ 29,152	\$ 34,955	\$ 207,430
Intergovernmental	-	-	-	-
Interest income	1,330	410	284	3,671
<b>Total revenues collected</b>	<b>55,903</b>	<b>29,562</b>	<b>35,239</b>	<b>211,101</b>
Expenditures paid				
Current				
Contractual services	-	-	-	-
Debt service				
Principal	40,767	14,848	25,117	143,338
Interest	12,639	8,078	9,013	53,962
<b>Total expenditures paid</b>	<b>53,406</b>	<b>22,926</b>	<b>34,130</b>	<b>197,300</b>
Excess (deficiency) of revenues collected over expenditures paid	2,497	6,636	1,109	13,801
Other financing uses				
Transfers out	-	-	-	-
<b>Net change in fund balances</b>	<b>2,497</b>	<b>6,636</b>	<b>1,109</b>	<b>13,801</b>
Fund balances (deficits)				
Beginning of year	68,545	24,123	21,753	227,558
End of year	\$ 71,042	\$ 30,759	\$ 22,862	\$ 241,359

<u>Capital Projects Funds</u>			
<u>Hiawatha Road Projects SSA 19</u>	<u>Whigham Burr Oak Projects SSA 20</u>	<u>Total Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 225,371
-	-	-	112,305
-	-	-	38,238
<u>-</u>	<u>-</u>	<u>-</u>	<u>375,914</u>
-	-	-	207,663
-	-	-	143,338
<u>-</u>	<u>-</u>	<u>-</u>	<u>53,962</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>404,963</u>
-	-	-	(29,049)
<u>-</u>	<u>(6,063)</u>	<u>(6,063)</u>	<u>(6,063)</u>
-	(6,063)	(6,063)	(35,112)
<u>(5,500)</u>	<u>(15,480)</u>	<u>(20,980)</u>	<u>806,126</u>
<u>\$ (5,500)</u>	<u>\$ (21,543)</u>	<u>\$ (27,043)</u>	<u>\$ 771,014</u>

(Concluded)

**Village of Riverwoods, Illinois**

**Motor Fuel Tax Fund**

**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND  
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**

For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Intergovernmental	\$ 120,000	\$ 112,305	\$ (7,695)
Interest income	7,000	34,567	27,567
Total revenues collected	127,000	146,872	19,872
Expenditures paid			
Contractual services	31,000	201,638	(170,638)
Net change in fund balance	<u>\$ 96,000</u>	<u>(54,766)</u>	<u>\$ (150,766)</u>
Fund balance			
Beginning of year		<u>579,716</u>	
End of year		<u>\$ 524,950</u>	

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**Village of Riverwoods, Illinois**  
**SSA #5 Duffy Roads Fund**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND DEFICIT - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property taxes	\$ 4,000	\$ 6,426	\$ 2,426
Expenditures paid			
Contractual services	183,000	2,500	180,500
Commodities	17,000	-	17,000
Miscellaneous	20,000	-	20,000
Total expenditures paid	<u>220,000</u>	<u>2,500</u>	<u>217,500</u>
Net change in fund balance	\$ <u>(216,000)</u>	3,926	\$ <u>219,926</u>
Fund deficit			
Beginning of year		<u>(11,620)</u>	
End of year		<u>\$ (7,694)</u>	

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**Village of Riverwoods, Illinois**  
**SSA #7 Russell Storm Sewer Fund**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax - special maintenance	\$ 12,000	\$ 11,515	\$ (485)
Expenditures paid			
Contractual services	35,000	3,525	31,475
Commodities	12,000	-	12,000
Capital outlay	55,000	-	55,000
Miscellaneous	25,000	-	25,000
Total expenses paid	<u>127,000</u>	<u>3,525</u>	<u>123,475</u>
Net change in fund balance	\$ <u>(115,000)</u>	7,990	\$ <u>122,990</u>
Fund balance			
Beginning of year		<u>31,452</u>	
End of year		\$ <u><u>39,442</u></u>	

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**Village of Riverwoods, Illinois**  
**Cherrywood Sewer SSA 8**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 35,000	\$ 34,917	\$ (83)
Interest income	-	327	327
Total revenues collected	<u>35,000</u>	<u>35,244</u>	<u>244</u>
Expenditures paid			
Debt service			
Principal	36,000	27,910	8,090
Interest	<u>10,000</u>	<u>7,205</u>	<u>2,795</u>
Total expenditures paid	<u>46,000</u>	<u>35,115</u>	<u>10,885</u>
Net change in fund balance	<u>\$ (11,000)</u>	129	<u>\$ 11,129</u>
Fund balance			
Beginning of year		<u>41,893</u>	
End of year		<u>\$ 42,022</u>	

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**Village of Riverwoods, Illinois**  
**North Duffy Sewer SSA 9**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues collected			
Property tax	\$ 9,500	\$ 9,564	\$ 64
Interest income	<u>200</u>	<u>239</u>	<u>39</u>
Total revenues collected	<u>9,700</u>	<u>9,803</u>	<u>103</u>
Expenditures paid			
Debt service			
Principal	30,000	7,443	22,557
Interest	<u>3,000</u>	<u>1,921</u>	<u>1,079</u>
Total expenditures paid	<u>33,000</u>	<u>9,364</u>	<u>23,636</u>
Net change in fund balance	<u>\$ (23,300)</u>	439	<u>\$ 23,739</u>
Fund balance			
Beginning of year		<u>10,549</u>	
End of year		<u>\$ 10,988</u>	

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**Village of Riverwoods, Illinois**  
**North Robinwood Sewer SSA 10**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues collected			
Property tax	\$ 15,000	\$ 15,050	\$ 50
Interest income	<u>1,500</u>	<u>52</u>	<u>(1,448)</u>
Total revenues collected	<u>16,500</u>	<u>15,102</u>	<u>(1,398)</u>
Expenditures paid			
Debt service			
Principal	10,000	5,551	4,449
Interest	<u>6,000</u>	<u>9,236</u>	<u>(3,236)</u>
Total expenditures paid	<u>16,000</u>	<u>14,787</u>	<u>1,213</u>
Net change in fund balance	<u>\$ 500</u>	315	<u>\$ (185)</u>
Fund balance			
Beginning of year		<u>23,684</u>	
End of year		<u>\$ 23,999</u>	

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**Village of Riverwoods, Illinois**  
**Forest Glen Water SSA 11**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	Original and Final Appropriation	Actual	Variance - Favorable (Unfavorable)
Revenues collected			
Property tax	\$ 29,000	\$ 29,219	\$ 219
Interest income	1,450	1,029	(421)
Total revenues collected	<u>30,450</u>	<u>30,248</u>	<u>(202)</u>
Expenditures paid			
Debt service			
Principal	21,000	21,702	(702)
Interest	7,000	5,870	1,130
Total expenditures paid	<u>28,000</u>	<u>27,572</u>	<u>428</u>
Net change in fund balance	\$ <u>2,450</u>	2,676	\$ <u>226</u>
Fund balance			
Beginning of year		<u>37,011</u>	
End of year		\$ <u><u>39,687</u></u>	

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**Village of Riverwoods, Illinois**  
**South Robinwood Water SSA 15**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 54,000	\$ 54,573	\$ 573
Interest income	600	1,330	730
Total revenues collected	<u>54,600</u>	<u>55,903</u>	<u>1,303</u>
Expenditures paid			
Debt service			
Principal	40,000	40,767	(767)
Interest	15,000	12,639	2,361
Total expenditures paid	<u>55,000</u>	<u>53,406</u>	<u>1,594</u>
Net change in fund balance	\$ <u>(400)</u>	2,497	\$ <u>2,897</u>
Fund balance			
Beginning of year		<u>68,545</u>	
End of year		<u>\$ 71,042</u>	

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**Village of Riverwoods, Illinois**  
**Hiawatha Road SSA 19**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues collected			
Property tax	\$ 28,000	\$ 29,152	\$ 1,152
Maintenance	5,000	-	(5,000)
Interest income	25	410	385
	<u>33,025</u>	<u>29,562</u>	<u>(3,463)</u>
Total revenues collected			
Expenditures paid			
Debt service			
Principal	1,600	14,848	(13,248)
Interest	7,600	8,078	(478)
	<u>9,200</u>	<u>22,926</u>	<u>(13,726)</u>
Total expenditures paid			
Net change in fund balance	\$ <u>23,825</u>	6,636	\$ <u>(17,189)</u>
Fund balance			
Beginning of year		<u>24,123</u>	
End of year		\$ <u>30,759</u>	

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**Village of Riverwoods, Illinois**  
**Whigham Burr Oak SSA 20**  
**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND**  
**CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL**  
For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 34,200	\$ 34,955	\$ 755
Interest income	25	284	259
	<hr/>	<hr/>	<hr/>
Total revenues collected	34,225	35,239	1,014
	<hr/>	<hr/>	<hr/>
Expenditures paid			
Debt service			
Principal	25,000	25,117	(117)
Interest	10,000	9,013	987
	<hr/>	<hr/>	<hr/>
Total expenditures paid	35,000	34,130	870
	<hr/>	<hr/>	<hr/>
Net change in fund balance	\$ <u>(775)</u>	1,109	\$ <u>1,884</u>
Fund balance			
Beginning of year		<hr/> 21,753	
End of year		\$ <u><u>22,862</u></u>	

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## Village of Riverwoods, Illinois

### Consolidated Water Fund

STATEMENT OF REVENUES COLLECTED, EXPENSES PAID, AND  
CHANGES IN RETAINED EARNINGS - APPROPRIATION AND ACTUAL  
For the year ended December 31, 2006

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating revenues collected			
Charges for sales and services	\$ <u>1,195,000</u>	\$ <u>1,049,323</u>	\$ <u>(145,677)</u>
Operating expenses paid			
Operations			
Personal services			
Salaries	63,000	27,159	35,841
FICA	6,000	2,078	3,922
IMRF	5,000	-	5,000
Unemployment insurance	<u>200</u>	<u>-</u>	<u>200</u>
Total personal services	<u>74,200</u>	<u>29,237</u>	<u>44,963</u>
Contractual services			
Maintenance	522,000	29,399	492,601
Utilities	-	22,267	(22,267)
Water purchases	1,000,000	606,330	393,670
Engineering services	65,000	1,408	63,592
Legal services	20,000	-	20,000
Other professional services	300,000	124,739	175,261
Other	<u>42,000</u>	<u>-</u>	<u>42,000</u>
Total contractual services	<u>1,949,000</u>	<u>784,143</u>	<u>1,164,857</u>
Commodities	<u>100,000</u>	<u>568</u>	<u>99,432</u>
Capital outlay	<u>1,675,000</u>	<u>-</u>	<u>1,675,000</u>
Total operating expenses paid	3,798,200	813,948	2,984,252
Depreciation	<u>-</u>	<u>214,357</u>	<u>(214,357)</u>
Total operations	<u>3,798,200</u>	<u>1,028,305</u>	<u>2,769,895</u>

(Continued)

**Village of Riverwoods, Illinois**  
**Consolidated Water Fund**  
**STATEMENT OF REVENUES COLLECTED, EXPENSES PAID, AND**  
**CHANGES IN RETAINED EARNINGS - APPROPRIATION AND ACTUAL (Continued)**  
For the year ended December 31, 2006

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Excess (deficiency) of operating revenues collected over operating expenses paid and depreciation	\$ <u>(2,603,200)</u>	\$ <u>21,018</u>	\$ <u>2,624,218</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	361,000	361,582	582
Interest income	3,875	46,306	42,431
Special maintenance tax	2,000	-	(2,000)
Debt service-principal	(257,500)	-	257,500
Debt service-interest	(97,400)	(87,578)	9,822
Other income	-	789	789
Other expense	-	(3,426)	(3,426)
Total nonoperating revenues collected (expenses paid)	<u>11,975</u>	<u>317,673</u>	<u>305,698</u>
Excess (deficiency) of revenues collected over expenses paid before other financing sources	(2,591,225)	338,691	2,929,916
Other financing sources			
Transfers in	<u>250,000</u>	<u>6,063</u>	<u>(243,937)</u>
Net increase (decrease) in fund balance	\$ <u><u>(2,341,225)</u></u>	344,754	\$ <u><u>2,685,979</u></u>
Retained earnings, beginning of year		<u>6,899,324</u>	
Retained earnings, end of year		\$ <u><u>7,244,078</u></u>	

# Village of Riverwoods, Illinois

## Sewer Fund

### STATEMENT OF REVENUES COLLECTED, EXPENSES PAID, AND CHANGES IN RETAINED EARNINGS - APPROPRIATION AND ACTUAL For the year ended December 31, 2006

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	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating revenues collected			
Charges for sales and services	\$ 90,400	\$ 18,631	\$ (71,769)
Operating expenses paid			
Operations			
Personal services			
Salaries	10,500	6,849	3,651
FICA	2,000	524	1,476
IMRF	2,000	-	2,000
Unemployment insurance	600	-	600
Total personal services	<u>15,100</u>	<u>7,373</u>	<u>7,727</u>
Contractual services			
Maintenance - utility system	400,000	21,609	378,391
Maintenance - other	8,000	48,566	(40,566)
Engineering services	3,000	-	3,000
Legal services	20,000	-	20,000
Sewer connection	50,000	3,538	46,462
Utilities	1,000	-	1,000
Other professional services	21,200	17,653	3,547
Total contractual services	<u>503,200</u>	<u>91,366</u>	<u>411,834</u>
Commodities	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Capital outlay	<u>154,500</u>	<u>-</u>	<u>154,500</u>
Total operating expenses paid	\$ <u>682,800</u>	\$ <u>98,739</u>	\$ <u>584,061</u>

(Continued)

# Village of Riverwoods, Illinois

## Sewer Fund

### STATEMENT OF REVENUES COLLECTED, EXPENSES PAID, AND CHANGES IN RETAINED EARNINGS - APPROPRIATION AND ACTUAL (Continued)

For the year ended December 31, 2006

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	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Depreciation	\$ -	\$ 115,487	\$ (115,487)
Total operating expenses paid and depreciation	<u>682,800</u>	<u>214,226</u>	<u>468,574</u>
Deficiency of operating revenues collected over operating expenses paid	<u>(592,400)</u>	<u>(195,595)</u>	<u>396,805</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	364,000	364,560	560
Interest income	-	15,665	15,665
Debt service-principal	(255,000)	-	255,000
Debt service-interest	(140,000)	(90,219)	49,781
Other income	-	75	75
Other expense	<u>-</u>	<u>(4,439)</u>	<u>(4,439)</u>
Total nonoperating revenues collected (expenses paid)	<u>(31,000)</u>	<u>285,642</u>	<u>316,642</u>
Excess (deficiency) of revenues collected expenses paid before other financing sources	<u>(623,400)</u>	<u>90,047</u>	<u>713,447</u>
Other financing sources			
Transfer in from General Fund	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Net increase (decrease) in fund balance	\$ <u><u>(573,400)</u></u>	<u>90,047</u>	\$ <u><u>663,447</u></u>
Retained earnings, beginning of year		<u>2,882,737</u>	
Retained earnings, end of year		\$ <u><u>2,972,784</u></u>	

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**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

**Village of Riverwoods, Illinois**  
Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
December 31, 2006

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Governmental funds capital assets:

Land

    Parcels \$ 1,855,000

    Rights of way 508,300

Buildings and improvements 595,580

Infrastructure

    Sidewalks 144,226

    Storm sewers 46,995

Equipment

    Office equipment 152,966

    Vehicles 141,656

Total governmental funds capital assets \$ 3,444,723

Investments in governmental funds capital assets by source:

General revenues \$ 3,444,723

**Village of Riverwoods, Illinois**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
December 31, 2006

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FUNCTION AND ACTIVITY	Land	Buildings and Improvements	Infrastructure	Equipment	Total
Administration and general government	\$ 1,855,000	\$ 400,000	\$ -	\$ 129,892	\$ 2,384,892
Police	-	195,580	-	164,730	360,310
Public works	<u>508,300</u>	<u>-</u>	<u>191,221</u>	<u>-</u>	<u>699,521</u>
Total governmental funds capital	<u>\$ 2,363,300</u>	<u>\$ 595,580</u>	<u>\$ 191,221</u>	<u>\$ 294,622</u>	<u>\$ 3,444,723</u>

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**Village of Riverwoods, Illinois**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
December 31, 2006

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FUNCTION AND ACTIVITY	<u>Capital Assets</u> <u>January 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets</u> <u>December 31, 2006</u>
Administration and general government \$	2,400,771 \$	4,121 \$	20,000 \$	2,384,892
Police	327,386	54,434	21,510	360,310
Public works	555,295	144,226	-	699,521
Total governmental funds capital assets	<u>\$ 3,283,452</u>	<u>\$ 202,781</u>	<u>\$ 41,510</u>	<u>\$ 3,444,723</u>

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**OTHER SUPPLEMENTAL INFORMATION**

**Village of Riverwoods, Illinois**  
**SCHEDULE OF CASH AND INVESTMENTS**  
December 31, 2006

<u>Cash and Investments by Fund</u>	<u>Cash</u>	<u>Investments</u>	<u>Totals</u>
General Fund	\$ 4,828,951	\$ 5,444,087	\$ 10,273,038
Special Revenue Funds:			
Police	158,827	-	158,827
Motor Fuel Tax	583,722	-	583,722
Duffy Roads	5,386	-	5,386
Russell Storm Sewer	39,442	-	39,442
	<u>787,377</u>	<u>-</u>	<u>787,377</u>
Capital Projects Funds:			
Special Service Area # 20	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service Funds:			
Special Service Area # 8	42,022	-	42,022
Special Service Area # 9	10,988	-	10,988
Special Service Area # 10	23,999	-	23,999
Special Service Area # 11	39,687	-	39,687
Special Service Area # 15	71,042	-	71,042
Special Service Area # 19	30,759	-	30,759
Special Service Area # 20	22,862	-	22,862
	<u>241,359</u>	<u>-</u>	<u>241,359</u>
Enterprise Funds:			
Consolidated Water	1,010,742	200,000	1,210,742
Sewer	781,131	-	781,131
	<u>1,791,873</u>	<u>200,000</u>	<u>1,991,873</u>
Agency Fund:			
Performance Bond	<u>579,348</u>	<u>32,498</u>	<u>611,846</u>
Total - All Funds	<u>\$ 8,228,908</u>	<u>\$ 5,676,585</u>	<u>\$ 13,905,493</u>

(Continued)

**Village of Riverwoods, Illinois**  
**SCHEDULE OF CASH AND INVESTMENTS**  
December 31, 2006

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**Cash and Investments by Financial Institution - Book Balances**

The Illinois Funds	\$ 7,126,250
Northside Community Bank	2,210,527
US Bank	108,291
National City	318,540
Wachovia	3,546,669
Citigroup	562,418
JP Morgan	32,498
Cash on hand	<u>300</u>
 Total	 \$ <u><u>13,905,493</u></u>

Total investment income for the year ended December 31, 2006, was \$506,841, which yielded an average rate of return of 3.94%.

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(Concluded)

**Village of Riverwoods, Illinois**  
**SCHEDULE OF INSURANCE IN FORCE**  
December 31, 2006

Description of Coverage	Coverage	Company	Policy Number / Expiration Date of Policy
Comprehensive General Liability		Illinois Municipal League Risk Management Assoc.	0703B0497 December 31, 2007
Fire Policy		"	
Commercial Crime Policy		"	
Blanket Surety Bonds & Coverage		"	
Joint and Separately		"	
President		"	
Treasurer		"	
Clerk		"	
Financial Trustee		"	
Secretary		"	
Accounting Administrator		"	
Building Department Secretary		"	
Bodily Injury/Property		"	
Damage - Auto Non-Owned		"	
Umbrella Liability Policy		"	
Boiler & Machinery Policy		"	
Employee Benefits Errors or Omissions		"	
Auto		"	
Commercial General Liability	\$ 1,500,000 Each Occurrence	"	
Automobile Liability - Any Auto	\$ 1,500,000 Each Occurrence	"	
Workers' Compensation	\$ 2,500,000 Each Occurrence	"	
Reinsurance Coverage	\$ 6,500,000 Each Occurrence	General Reinsurance Corp.	C202 July 15, 2007

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
Cherrywood Sewer  
Special Service Area Number 8  
December 31, 2006

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Dated: August 10, 1999  
Original Issue: \$270,000  
Due: January 10, 2010  
Payment Date: January 10  
Interest Rate: 4.70%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 29,222	\$ 5,892	\$ 35,114
2008	30,595	4,519	35,114
2009	32,024	3,090	35,114
2010	33,538	1,576	35,114
	<u>\$ 125,379</u>	<u>\$ 15,077</u>	<u>\$ 140,456</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 North Duffy Sewer  
 Special Service Area Number 9  
December 31, 2006

---

Dated: August 10, 1999  
 Original Issue: \$72,000  
 Due: January 10, 2010  
 Payment Date: January 10  
 Interest Rate: 4.70%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 7,792	\$ 1,572	\$ 9,364
2008	8,159	1,205	9,364
2009	8,539	825	9,364
2010	8,943	421	9,364
	<u>\$ 33,433</u>	<u>\$ 4,023</u>	<u>\$ 37,456</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
North Robinwood Sewer  
Special Service Area Number 10  
December 31, 2006

Dated: December 15, 1999  
Original Issue: \$164,000  
Due: January 10, 2020  
Payment Date: January 10  
Interest Rate: 6.29%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 6,271	\$ 8,460	\$ 14,731
2008	6,665	8,065	14,730
2009	7,085	7,646	14,731
2010	7,530	7,200	14,730
2011	8,004	6,727	14,731
2012	8,507	6,223	14,730
2013	9,042	5,688	14,730
2014	9,611	5,119	14,730
2015	10,216	4,515	14,731
2016	10,858	3,872	14,730
2017	11,541	3,189	14,730
2018	12,267	2,463	14,730
2019	13,039	1,692	14,731
2020	15,099	874	15,973
	<u>\$ 135,735</u>	<u>\$ 71,733</u>	<u>\$ 207,468</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 Hiawatha Road  
 Special Service Area Number 19  
December 31, 2006

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Dated: November 18, 2002  
 Original Issue: \$167,000  
 Due: February 1, 2013  
 Payment Date: February 1 and August 1  
 Interest Rate: 6.00%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 15,765	\$ 7,161	\$ 22,926
2008	16,722	6,204	22,926
2009	17,771	5,155	22,926
2010	18,868	4,058	22,926
2011	20,034	2,892	22,926
2012	21,267	1,659	22,926
2013	11,120	343	11,463
	<u>\$ 121,547</u>	<u>\$ 27,472</u>	<u>\$ 149,019</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 Whigham-Burr Oak  
 Special Service Area Number 20  
December 31, 2006

Dated: December 2, 2003  
 Original Issue: \$280,750  
 Due: February 1, 2014  
 Payment Dates: February 1 and August 1  
 Interest Rate: 3.70%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 26,069	\$ 8,131	\$ 34,200
2008	27,037	7,163	34,200
2009	28,080	6,120	34,200
2010	29,143	5,057	34,200
2011	30,247	3,953	34,200
2012	31,385	2,815	34,200
2013	32,580	1,620	34,200
2014	16,750	350	17,100
	<u>\$ 221,291</u>	<u>\$ 35,209</u>	<u>\$ 256,500</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 Thornmeadow Sewer  
 Special Service Area Number 7  
December 31, 2006

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Dated: January 1, 1997  
 Original Issue: \$278,800  
 Due: January 1, 2008  
 Payment Dates: January 1 and July 1  
 Interest Rate: 4.80%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 33,000	\$ 1,632	\$ 34,632
2008	<u>34,000</u>	<u>-</u>	<u>34,000</u>
	<u>\$ 67,000</u>	<u>\$ 1,632</u>	<u>\$ 68,632</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 South Riverwood Sewer  
 Special Service Area Number 12  
December 31, 2006

---

Dated: June 5, 2000  
 Original Issue: \$2,300,000  
 Due: February 1, 2011  
 Payment Date: February 1 and August 1  
 Interest Rate: 5.85%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 249,592	\$ 70,369	\$ 319,961
2008	264,475	55,486	319,961
2009	280,316	39,645	319,961
2010	297,509	22,452	319,961
2011	155,361	4,620	159,981
	<u>\$ 1,247,253</u>	<u>\$ 192,572</u>	<u>\$ 1,439,825</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
North Central Water  
Special Service Area Number 14  
December 31, 2006

---

Dated: August 15, 2001  
Original Issue: \$2,211,600  
Due: August 1, 2011  
Payment Date: February 1 and August 1  
Interest Rate: 4.60%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 238,546	\$ 57,524	\$ 296,070
2008	249,526	46,544	296,070
2009	261,256	34,814	296,070
2010	273,412	22,658	296,070
2011	286,134	9,936	296,070
	<u>\$ 1,308,874</u>	<u>\$ 171,476</u>	<u>\$ 1,480,350</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 North Robinwood Water  
 Special Service Area Number 16  
December 31, 2006

Dated: December 15, 1999  
 Original Issue: \$150,000  
 Due: January 10, 2020  
 Payment Date: January 10  
 Interest Rate: 6.29%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 5,735	\$ 7,738	\$ 13,473
2008	6,096	7,377	13,473
2009	6,480	6,993	13,473
2010	6,887	6,586	13,473
2011	7,320	6,153	13,473
2012	7,781	5,692	13,473
2013	8,270	5,203	13,473
2014	8,791	4,683	13,474
2015	9,344	4,130	13,474
2016	9,931	3,542	13,473
2017	10,556	2,917	13,473
2018	11,220	2,253	13,473
2019	11,926	1,547	13,473
2020	13,261	796	14,057
	<u>\$ 123,598</u>	<u>\$ 65,610</u>	<u>\$ 189,208</u>

**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
Northwest Water  
Special Service Area Number 17  
December 31, 2006

---

Dated: August 17, 2000  
Original Issue: \$231,000  
Due: February 1, 2011  
Payment Date: February 1 and August 1  
Interest Rate: 5.25%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 24,644	\$ 6,165	\$ 30,809
2008	25,961	4,848	30,809
2009	27,374	3,435	30,809
2010	28,850	1,959	30,809
2011	15,002	402	15,404
	<u>\$ 121,831</u>	<u>\$ 16,809</u>	<u>\$ 138,640</u>

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**Village of Riverwoods, Illinois**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
 Cherrywood Road  
 Special Service Area Number 18  
December 31, 2006

Dated: September 22, 2000  
 Original Issue: \$60,000  
 Due: August 1, 2010  
 Payment Date: February 1 and August 1  
 Interest Rate: 7.00%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2007	\$ 6,462	\$ 2,229	\$ 8,691
2008	6,924	1,767	8,691
2009	7,429	1,262	8,691
2010	7,965	726	8,691
2011	4,196	149	4,345
	<u>\$ 32,976</u>	<u>\$ 6,133</u>	<u>\$ 39,109</u>

**Village of Riverwoods, Illinois**  
**General Fund**  
**SCHEDULE OF REVENUES COLLECTED - TREND INFORMATION**  
Years ended December 31

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Revenues collected</b>					
<b>Taxes</b>					
State income taxes	\$ 317,401	\$ 289,505	\$ 245,728	\$ 252,910	\$ 220,144
Sales and local use taxes	357,254	311,594	251,785	110,281	169,463
Photo processing taxes	-	-	-	-	5,026
Hotel tax	122,492	92,245	68,985	83,336	65,713
Township road and bridge tax	30,192	30,498	-	-	-
Infrastructure sales tax	-	-	-	16,038	-
Personal property replacement taxes	1,941	1,765	-	1,181	1,205
<b>Total taxes</b>	<u>829,280</u>	<u>725,607</u>	<u>566,498</u>	<u>463,746</u>	<u>461,551</u>
<b>Utility fees</b>					
Telecommunications	511,849	559,359	559,184	391,590	330,065
Electric	295,059	315,698	262,758	234,781	163,626
Gas	259,439	110,201	129,760	197,802	135,654
<b>Total utility fees</b>	<u>1,066,347</u>	<u>985,258</u>	<u>951,702</u>	<u>824,173</u>	<u>629,345</u>
<b>Licenses and permits</b>					
Liquor licenses	16,500	20,000	22,500	25,000	30,000
Cable television franchise fees	43,520	37,866	34,316	31,467	19,925
Construction fees	218,232	196,095	226,838	296,914	289,555
Cell tower lease	82,160	80,300	80,603	53,600	57,800
Special inspection	6,785	5,040	3,583	480	9,410
Elevator permits	12,240	8,690	7,576	5,680	3,372
Certificate of occupancy fees	-	-	-	508	450
Forester fees	19,002	28,652	11,735	21,279	15,515
Forest program	150,941	31,675	9,200	4,400	-
Engineer fees	19,646	17,472	12,350	10,313	1,895
Office service reimbursements	-	-	-	373	168
Other	-	-	1,207	65	300
<b>Total licenses and permits</b>	<u>569,026</u>	<u>425,790</u>	<u>409,908</u>	<u>450,079</u>	<u>428,390</u>
<b>Interest income</b>	<u>287,881</u>	<u>109,568</u>	<u>31,824</u>	<u>25,922</u>	<u>16,122</u>
<b>Other revenue</b>					
Impact fees	-	-	60,000	37,000	4,000
Insurance reimbursements	-	-	27,169	-	-
Donation for bike path	90,000	-	-	-	-
Miscellaneous revenue	37,279	132,191	32,662	44,979	11,855
	<u>127,279</u>	<u>132,191</u>	<u>119,831</u>	<u>81,979</u>	<u>15,855</u>
<b>Total revenues collected</b>	<u>\$ 2,879,813</u>	<u>\$ 2,378,414</u>	<u>\$ 2,079,763</u>	<u>\$ 1,845,899</u>	<u>\$ 1,551,263</u>

**Village of Riverwoods, Illinois**  
**General Fund**  
**SCHEDULE OF EXPENDITURES PAID - TREND INFORMATION**  
Years ended December 31

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Expenditures paid</b>					
<b>Personal services</b>					
Salaries	\$ 307,646	\$ 313,019	\$ 305,739	\$ 308,226	\$ 267,096
FICA	25,881	24,057	23,412	23,579	18,853
IMRF	30,076	28,350	29,748	30,170	27,469
Unemployment insurance	2,976	6,083	1,710	1,262	831
Health insurance	38,350	33,865	36,507	34,542	76,287
Total personal services	<u>404,929</u>	<u>405,374</u>	<u>397,116</u>	<u>397,779</u>	<u>390,536</u>
<b>Contractual services</b>					
Maintenance - building	22,880	24,005	30,007	38,240	29,490
Maintenance - equipment	5,888	6,320	1,483	8,900	225
Maintenance - grounds	24,722	12,767	9,971	11,995	10,796
Maintenance - streets	11,600	-	-	-	-
Maintenance - drainage/culvert	14,702	1,770	-	-	-
Maintenance - bike path	-	560	-	-	-
Insurance	52,036	42,552	63,452	108,087	92,640
Telephone	15,193	15,973	21,314	24,432	22,728
Travel and meetings	9,103	9,135	7,619	6,206	4,576
Postage	8,187	7,521	8,100	7,717	7,081
Advertising	355	1,531	2,391	1,480	2,369
Village Voice	12,387	11,308	12,538	13,656	12,620
Printing	628	2,244	2,240	844	-
Accounting	18,555	19,370	17,939	15,654	23,385
Engineering	130,590	130,343	137,227	135,525	68,363
Legal	104,994	110,098	113,709	112,158	108,561
Inspection fees	44,492	17,396	46,413	35,572	-
Other professional	167,933	99,084	108,313	120,840	70,140
Dues and subscriptions	1,944	3,459	2,910	1,832	1,685
NSSRA	38,292	24,454	22,100	18,318	18,189
Forest program	75,545	45,432	44,115	35,145	-
Theater In The Woods	10,000	-	-	-	-
Arts & Riverwoods	14,000	-	-	-	-
Snow removal	23,888	44,558	-	-	-
Signs	1,705	1,586	-	-	-
Street lighting	1,628	967	-	-	-
Miscellaneous	164,760	78,615	71,137	101,798	10,038
Total contractual services	<u>976,007</u>	<u>711,048</u>	<u>722,978</u>	<u>798,399</u>	<u>482,886</u>
<b>Commodities</b>					
Office supplies	13,337	17,700	15,829	20,438	14,464
Publications	71	-	80	203	-
Operating supplies	9,266	-	-	-	-
Total commodities	<u>22,674</u>	<u>17,700</u>	<u>15,909</u>	<u>20,641</u>	<u>14,464</u>
<b>Capital outlay</b>					
Land acquisition	-	-	-	-	686,287
Equipment	-	-	790	-	21,455
Police garage	-	-	-	10,475	115,061
Total capital outlay	<u>-</u>	<u>-</u>	<u>790</u>	<u>10,475</u>	<u>822,803</u>
Total expenditures paid	<u>\$ 1,403,610</u>	<u>1,134,122</u>	<u>1,136,793</u>	<u>\$ 1,227,294</u>	<u>\$ 1,710,689</u>

**Village of Riverwoods, Illinois**  
**Police Fund**  
**SCHEDULE OF REVENUES COLLECTED - TREND INFORMATION**  
Years ended December 31

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	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues collected					
Property taxes	\$ 371,532	\$ 353,603	\$ 326,899	\$ 316,277	\$ 295,712
COPS grant	28,904	113,753	210,103	388,284	-
Fines and forfeits	247,497	183,146	187,301	141,352	89,736
Impact fees	35,000	37,000	-	26,000	32,200
Interest income	118,751	152,101	158,145	120,867	140,839
Other revenues	33,752	24,980	1,784	26,137	9,807
Total revenues collected	\$ <u>835,436</u>	\$ <u>864,583</u>	\$ <u>884,232</u>	\$ <u>1,018,917</u>	\$ <u>568,294</u>

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**Village of Riverwoods, Illinois**  
**Police Fund**  
**SCHEDULE OF EXPENDITURES PAID - TREND INFORMATION**  
Years Ended December 31

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Expenditures paid</b>					
<b>Personal services</b>					
Salaries	\$ 600,733	\$ 544,197	\$ 489,393	\$ 416,620	\$ 322,210
Health insurance	63,522	57,568	43,669	45,105	28,886
FICA	45,240	41,009	33,889	31,901	24,649
IMRF	50,704	41,832	33,441	31,269	24,087
Total personal services	<u>760,199</u>	<u>684,606</u>	<u>600,392</u>	<u>524,895</u>	<u>399,832</u>
<b>Contractual services</b>					
Legal	34,240	26,500	16,160	20,430	8,720
Crime laboratory	9,111	6,111	6,111	6,111	6,051
Training	1,991	1,174	2,108	3,221	-
Other professional	71,396	69,161	66,046	70,232	68,023
Postage	-	-	-	14	-
Total contractual services	<u>116,738</u>	<u>102,946</u>	<u>90,425</u>	<u>100,008</u>	<u>82,794</u>
<b>Commodities</b>					
Telephone	4,055	5,384	4,362	5,195	3,147
Travel	266	45	16	209	1,257
Office expenses	5,098	4,209	4,572	2,300	3,164
Fuel for squad cars	28,048	20,941	18,195	14,403	7,465
Miscellaneous	2,542	7,983	4,045	12,657	8,441
Total commodities	<u>40,009</u>	<u>38,562</u>	<u>31,190</u>	<u>34,764</u>	<u>23,474</u>
<b>Capital outlay</b>					
Squad cars and related equipment	68,891	34,197	52,723	81,830	6,176
Police officer equipment	4,534	1,719	4,704	3,004	6,158
	<u>73,425</u>	<u>35,916</u>	<u>57,427</u>	<u>84,834</u>	<u>12,334</u>
<b>Total expenditures paid</b>	<b>\$ <u>990,371</u></b>	<b>\$ <u>862,030</u></b>	<b>\$ <u>779,434</u></b>	<b>\$ <u>744,501</u></b>	<b>\$ <u>518,434</u></b>

**Village of Riverwoods, Illinois**  
**Consolidated Water Fund**  
**SCHEDULE OF REVENUES COLLECTED - TREND INFORMATION**  
**Years ended December 31**

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	<u>2006</u>		<u>2005</u>		<u>2004</u>		<u>2003</u>
Revenues collected							
Charges for sales and services	\$ 1,049,323	\$	1,154,043	\$	995,610	\$	1,042,030
Property taxes	361,582		358,792		364,127		329,213
Interest income	46,306		29,900		12,644		11,632
Other	789		-		9,030		-
Total revenues collected	<u>\$ 1,458,000</u>	\$	<u>1,542,735</u>	\$	<u>1,381,411</u>	\$	<u>1,382,875</u>

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**Village of Riverwoods, Illinois**  
**Consolidated Water Fund**  
**SCHEDULE OF EXPENDITURES PAID - TREND INFORMATION**  
Years Ended December 31

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	2006	2005	2004	2003
Expenditures paid				
Personal services	\$ 29,237	\$ 28,576	\$ 32,129	\$ 37,246
Contractual services	784,143	917,191	753,793	770,172
Commodities	568	-	-	-
Depreciation	214,357	214,355	211,899	231,972
Debt Service	87,578	99,453	102,635	130,862
Other	3,426	-	-	-
	<u>\$ 1,119,309</u>	<u>\$ 1,259,575</u>	<u>\$ 1,100,456</u>	<u>\$ 1,170,252</u>

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**Village of Riverwoods, Illinois**

**Sewer Fund**

**SCHEDULE OF REVENUES COLLECTED - TREND INFORMATION**

Years ended December 31

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	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues collected				
Charges for sales and services	\$ 18,631	\$ 126,804	\$ 80,874	\$ 164,819
Property taxes	364,560	400,224	408,183	398,879
Interest income	15,665	11,087	3,640	2,480
Other revenues	<u>75</u>	<u>2,249</u>	<u>-</u>	<u>-</u>
Total revenues collected	<u>\$ 398,931</u>	<u>\$ 540,364</u>	<u>\$ 492,697</u>	<u>\$ 566,178</u>

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**Village of Riverwoods, Illinois**  
**Sewer Fund**  
**SCHEDULE OF EXPENDITURES PAID - TREND INFORMATION**  
Years Ended December 31

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	2006	2005	2004	2003
Expenditures paid				
Personal services	\$ 7,373	\$ 8,127	\$ 8,010	\$ 8,522
Contractual services	91,366	66,103	21,355	99,918
Depreciation	115,487	115,487	114,886	111,033
Debt service	90,219	106,516	112,887	147,231
Other	4,439	197	417	-
 Total expenditures paid	 \$ 308,884	 \$ 296,430	 \$ 257,555	 \$ 366,704

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