

Village of Riverwoods, Illinois

Annual Financial Report

**For the Year Ended
December 31, 2008**

Village of Riverwoods, Illinois

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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 modified 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, 2008, which collectively comprise the Village's basic modified 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 modified 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 modified 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, 2008, 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)

The management's discussion and analysis on pages 3 through 8 and the retirement fund historical data, budgetary comparison information, and notes to the required supplementary information on pages 39 through 42 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 financial statements that collectively comprise the Village's basic financial statements. The other schedules, listed in the table of contents as supplemental data and other supplemental information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
September 10, 2009

Management's Discussion and Analysis

December 31, 2008

A comparative analysis is presented in this discussion. The usefulness of this information will increase over time, where sufficient data exists to identify long-term trends. The Village prepares its financial statements on the modified cash basis of accounting.

These 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 (2007 versus 2008) - COMPARATIVE ANALYSIS

Village revenues collected from governmental activities decreased from \$3,860,775 to \$3,651,997, while revenues collected from business-type activities (water and sewer systems) increased from \$2,050,330 to \$2,897,190 (which included a transfer from the governmental funds in the amount of \$1,100,180).

Village expenditures for governmental activities increased from \$2,290,041 to \$2,541,782, while expenses paid for business-type activities decreased from \$1,571,583 to \$1,398,228.

The net assets of the Village, \$28,313,512, exceeded its liabilities (\$2,518,231) by a ratio of 11 to 1.

The Village's cash and investment balance at the end of the year was \$14,922,963, against a monthly total expenditure average of \$328,334.

Of the Village's total liabilities of \$2,518,231 at the end of the year, \$750,372 was due within one year.

During 2008, the Village's net assets increased by approximately 5.6%.

ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

The fund balance in the General Fund decreased by \$261,294. 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 is incurred in running the administrative and building departments within the Village. The General Fund has a diverse set of revenue sources, which include (i) the Village's share of state sales tax and state income tax, (ii) utility and telecommunications taxes, (iii) hotel tax, and (iv) license and permit fees. Despite the severe financial contraction during the last half of 2008, revenue collected in the General Fund was only approximately \$26,500 less in 2008 than in 2007. However, expenditures increased in a few line items for certain repairs, which accounted for about one-half of the shortfall. As stated elsewhere, the Village does not currently segregate or earmark large reserves in other funds and relies on the General Fund for repairs and replacements. These activities included repairs to the Village Hall and its grounds and certain drainage improvements. Some part of the increase in operating expenditures stemmed from higher than normal snow removal costs.

Management's Discussion and Analysis

December 31, 2008

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) which might be incurred, among other purposes, for repair and replacements of the Village's water system, sanitary sewer system, and Village streets and culverts, and for covering annual deficiencies projected to result from the operation of the Police Department.

The Consolidated Water Fund and Sewer Fund are the enterprise funds within the Village. It is important to understand that nonoperating revenues collected and expenses paid 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 throughout previously unserved areas of the Village.

After excluding nonoperating revenues, particularly from special service area taxes, the Consolidated Water Fund experienced a deficiency of operating revenues collected over operating expenses paid (and depreciation) of \$3,158. 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 decreased. The project to install the connecting main was substantially completed in 2007, and the Village began purchasing water from the Village of Northbrook in May 2008. The Village has been experiencing savings of approximately \$10,000 per month due to the lower price for water. The Village has maintained the same user charges to its residents so as not to experience a decline in operating revenue and will use the surplus so generated to offset any deficiency of operating revenues collected over operating expenses paid and to maintain a healthy fund balance.

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, particularly from special service area taxes, the Sewer Fund experienced a deficiency of operating revenues collected over operating expenses paid (and depreciation) of \$196,235. In 2008, the Village entered into a new long-term agreement with Lake County under which the present arrangement for Lake County to perform routine maintenance will continue. However, under the new agreement, Lake County will collect user charges from residents and remit a portion of such charges to the Village based upon an agreed formula. These remitted charges will be accumulated by the Village in a replacement reserve account in the Sewer Fund, to begin to offset the cost of capital repairs, which remain the responsibility of the Village, and to offset any deficiency of operating revenues collected over expenditures. The Village's sewer system is aging and is expected to experience more failures requiring replacements in the future.

If reserves for replacing the capital assets of the Village were fully funded (using monies in the General Fund) based on the remaining useful life and estimated replacement costs of such assets, such as water mains and sewer mains, the balance of the General Fund would be substantially reduced. Rather than so encumber the General Fund, the Village has taken the approach of maintaining an adequate fund balance in the General Fund to pay for capital projects as they are needed. To the extent that fund balances in the Consolidated Water Fund and Sewer Fund can gradually be built up as a result of the agreements entered into with the Village of Northbrook and Lake County, respectively, less pressure will be exerted on the General Fund to absorb these costs, although the General Fund continues to absorb deficits in the Police Fund.

The Police Fund revenues collected and expenditures paid are consistent with the department budget, despite rising fuel costs for squad cars and health insurance costs. However, the Police Fund experienced a decrease in fund balance of \$216,363, despite receiving impact fees and related interest earnings in the Police Fund and an interfund transfer from the General Fund. Therefore, as stated above, transfers from the General Fund to cover anticipated recurring deficiencies in the Police Fund are likely in the future.

Management's Discussion and Analysis December 31, 2008

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 received an operating grant from the state of Illinois for deposit in the Motor Fuel Tax Fund of \$102,150. The Village applies the balance in the Motor Fuel Tax Fund to a 10-year program of street repair and maintenance.

The Village did not incur any new long-term debt in 2008, 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 Financial 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 the 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- Modified Cash Basis* 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- Modified Cash Basis*, 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 \$28,313,512, of which \$16,118,941 represents governmental net assets and \$12,194,571 represents business-type activity net assets.

STATEMENT OF NET ASSETS

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2008	2007	2008	2007	2008	2007
Current Assets	\$13,761,128	\$12,894,522	\$1,161,835	\$1,708,581	\$14,922,963	\$14,603,103
Noncurrent Assets	3,118,473	4,136,241	12,790,307	11,337,204	15,908,780	15,473,445
Total Assets	16,879,601	17,030,763	13,952,142	13,045,785	30,831,743	30,076,548
Noncurrent Liabilities due within one year	167,517	159,525	582,855	586,982	750,372	746,507
Noncurrent Liabilities due within more than one year	447,514	615,031	1,173,716	1,757,294	1,621,230	2,372,325

Management's Discussion and Analysis December 31, 2008

STATEMENT OF NET ASSETS (Continued)

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2008	2007	2008	2007	2008	2007
Other Liabilities	145,629	147,301	1,000	5,900	146,629	153,201
Total Liabilities	760,660	921,857	1,757,571	2,350,176	2,518,231	3,272,033
Net Assets:						
Invested in Capital Assets, net of Debt	2,659,917	2,317,593	10,877,261	10,037,020	13,537,178	12,354,613
Restricted	6,018	1,044,092	-	-	6,018	1,044,092
Unrestricted	13,453,006	12,747,221	1,317,310	658,589	14,770,316	13,405,810
Total Net Assets	<u>\$16,118,941</u>	<u>\$16,108,906</u>	<u>\$12,194,571</u>	<u>\$10,695,609</u>	<u>\$28,313,512</u>	<u>\$26,804,515</u>

Over a multi-year 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 and 11 of this report.

STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2008	2007	2008	2007	2008	2007
Revenue Collected						
Program Revenue						
Charges for services						
Police	\$236,286	\$247,401	\$ -	\$ -	\$236,286	\$247,401
Administration	425,397	429,009	-	-	425,397	429,009
Water	-	-	970,779	1,135,322	970,779	1,135,322
Sewer	-	-	94,554	14,258	94,554	14,258
Grant Revenue						
Capital	-	-	-	64,538	-	64,538
Police	750	8,942	-	-	750	8,942
Public Works	102,150	111,966	-	-	102,150	111,966
Total Program Revenues	764,583	368,309	1,065,333	1,214,118	1,829,916	2,011,436
General revenues and transfers						
Property taxes	669,526	648,884	687,111	724,594	1,356,637	1,373,478
Intergovernmental	652,155	618,135	-	-	652,155	618,135
Other local taxes	1,140,297	1,186,066	-	-	1,140,297	1,186,066
Other revenues	40,461	46,922	980	255	41,441	47,177
Transfers	(1,100,180)	-	1,100,180	-	-	-
Interest income	384,975	563,450	43,586	111,363	428,561	674,813
Total General Revenues and Transfers	1,787,234	3,492,466	1,831,857	836,212	3,619,091	3,899,669

Management's Discussion and Analysis December 31, 2008

STATEMENT OF ACTIVITIES (continued)

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2008	2007	2008	2007	2008	2007
Total Revenues Collected	2,551,817	3,860,775	2,897,190	2,050,330	5,449,007	5,911,105
Expenses Paid:						
Administrative and general government	1,022,061	1,108,716	-	-	1,022,061	1,108,716
Police	1,171,781	983,975	-	-	1,171,781	983,975
Public Works	309,133	150,924	-	-	309,133	150,924
Interest	38,807	46,426	-	-	38,807	46,426
Consolidated Water	-	-	1,050,281	1,277,955	1,050,281	1,277,955
Sewer	-	-	347,947	293,628	347,947	293,628
Total Expenses Paid	2,541,782	2,290,041	1,398,228	1,571,583	3,940,010	3,861,624
Increase in Net Assets	10,035	1,570,734	1,498,962	478,747	1,508,997	1,985,039
Net Assets, beginning of year	16,108,906	14,390,256	10,695,609	10,216,862	26,804,515	24,607,118
Restatement	-	147,916	-	-	-	147,916
Net Assets, as restated	16,108,906	14,538,172	10,695,609	10,216,862	26,804,515	24,755,034
Net Assets, Ending	<u>\$16,118,941</u>	<u>\$16,108,906</u>	<u>\$12,194,571</u>	<u>\$10,695,609</u>	<u>\$28,313,512</u>	<u>\$26,804,515</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 the general government, the building department, and the police department. Business-type activities include the 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 blend financial information from other legally separate entities into this report.

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The Village has three types of funds. Accordingly, the Village's Annual Financial Report includes basic *Governmental Fund Financial Statements*, which are presented on pages 12 and 13 of this report, basic *Proprietary Fund Financial Statements*, which are presented on pages 15 through 17 of this report, and *Agency Fund Financial Statements*, which are presented on page 18 of this report. The agency funds are not included in the entity-wide statements since they are not available for general Village uses.

Management's Discussion and Analysis December 31, 2008

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 types of funds are described below.

Governmental funds are reported in the fund financial statements included later in this Annual Financial 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 collected, expenditures paid, 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 Financial 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, 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 sold in Riverwoods in 2008 was \$952,370.

BASIC FINANCIAL STATEMENTS

Village of Riverwoods, Illinois
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
December 31, 2008

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 7,890,948	\$ 916,981	\$ 8,807,929
Investments	<u>5,870,180</u>	<u>244,854</u>	<u>6,115,034</u>
Total current assets	<u>13,761,128</u>	<u>1,161,835</u>	<u>14,922,963</u>
Noncurrent assets			
Internal balances - advances	(156,475)	156,475	-
Capital assets, not being depreciated			
Land	2,363,300	-	2,363,300
Capital assets, net of accumulated depreciation	<u>911,648</u>	<u>12,633,832</u>	<u>13,545,480</u>
Total noncurrent assets	<u>3,118,473</u>	<u>12,790,307</u>	<u>15,908,780</u>
Total assets	<u>16,879,601</u>	<u>13,952,142</u>	<u>30,831,743</u>
LIABILITIES			
Other liabilities	5,672	1,000	6,672
Advances from agency fund	139,957	-	139,957
Noncurrent liabilities			
Due within one year	167,517	582,855	750,372
Due in more than one year	<u>447,514</u>	<u>1,173,716</u>	<u>1,621,230</u>
Total liabilities	<u>760,660</u>	<u>1,757,571</u>	<u>2,518,231</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,659,917	10,877,261	13,537,178
Restricted for narcotics control	6,018	-	6,018
Unrestricted	<u>13,453,006</u>	<u>1,317,310</u>	<u>14,770,316</u>
Total net assets	<u>\$ 16,118,941</u>	<u>\$ 12,194,571</u>	<u>\$ 28,313,512</u>

The accompanying notes are an integral part of this statement.

Village of Riverwoods, Illinois
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
For the Year Ended December 31, 2008

Functions/programs	Expenses Paid	Program Revenues Collected		
		Charges for Services	Operating Grants	Capital Grants
Governmental activities				
Administration and general government	\$ 1,022,061	\$ 425,397	\$ -	\$ -
Police	1,171,781	236,286	750	-
Public works	309,133	-	102,150	-
Interest	38,807	-	-	-
Total governmental activities	<u>2,541,782</u>	<u>661,683</u>	<u>102,900</u>	<u>-</u>
Business-type activities				
Consolidated water	1,050,281	970,779	-	-
Sewer	347,947	94,554	-	-
Total business-type activities	<u>1,398,228</u>	<u>1,065,333</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,940,010</u>	<u>\$ 1,727,016</u>	<u>\$ 102,900</u>	<u>\$ -</u>

General revenues collected
Property, and road and
bridge taxes
Intergovernmental
Other local taxes
Other revenues
Interest income
Transfers between funds

Total general revenues collected

Change in net assets

Net assets
Beginning of year
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
\$ (596,664)	\$ -	\$ (596,664)
(934,745)	-	(934,745)
(206,983)	-	(206,983)
(38,807)	-	(38,807)
<u>(1,777,199)</u>	<u>-</u>	<u>(1,777,199)</u>
-	(79,502)	(79,502)
-	(253,393)	(253,393)
-	(332,895)	(332,895)
<u>(1,777,199)</u>	<u>(332,895)</u>	<u>(2,110,094)</u>
669,526	687,111	1,356,637
652,155	-	652,155
1,140,297	-	1,140,297
40,461	980	41,441
384,975	43,586	428,561
(1,100,180)	1,100,180	-
<u>1,787,234</u>	<u>1,831,857</u>	<u>3,619,091</u>
10,035	1,498,962	1,508,997
<u>16,108,906</u>	<u>10,695,609</u>	<u>26,804,515</u>
<u>\$ 16,118,941</u>	<u>\$ 12,194,571</u>	<u>\$ 28,313,512</u>

Village of Riverwoods, Illinois
Governmental Funds
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
December 31, 2008

	<u>General Fund</u>	<u>Police Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 6,745,009	\$ -	\$ 1,145,939	\$ 7,890,948
Investments	5,870,180	-	-	5,870,180
Advances to other funds	<u>236,249</u>	<u>-</u>	<u>15,964</u>	<u>252,213</u>
 Total assets	 <u>\$ 12,851,438</u>	 <u>\$ -</u>	 <u>\$ 1,161,903</u>	 <u>\$ 14,013,341</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Advances from other funds	\$ 256,308	\$ 177,477	\$ 114,860	\$ 548,645
Other liabilities	<u>5,520</u>	<u>152</u>	<u>-</u>	<u>5,672</u>
 Total liabilities	 <u>261,828</u>	 <u>177,629</u>	 <u>114,860</u>	 <u>554,317</u>
 Fund balances				
Reserved for advances	236,249	-	15,964	252,213
Reserved for narcotics control	-	6,018	-	6,018
Unreserved, designated	2,502,040	-	-	2,502,040
Unreserved, undesignated	<u>9,851,321</u>	<u>(183,647)</u>	<u>1,031,079</u>	<u>10,698,753</u>
 Total fund balances (deficit)	 <u>12,589,610</u>	 <u>(177,629)</u>	 <u>1,047,043</u>	 13,459,024
 Total fund balances and liabilities	 <u>\$ 12,851,438</u>	 <u>\$ -</u>	 <u>\$ 1,161,903</u>	
 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				3,274,948
Bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds				<u>(615,031)</u>
 Net assets of governmental activities				 <u>\$ 16,118,941</u>

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 (DEFICITS)

For the Year Ended December 31, 2008

	General Fund	Police Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues collected				
Property taxes				
Police	\$ -	\$ 411,196	\$ -	\$ 411,196
Special service areas	-	-	223,611	223,611
Other local taxes	1,140,297	-	-	1,140,297
Township road and bridge taxes	34,719	-	-	34,719
Other intergovernmental taxes	652,155	-	102,150	754,305
Grants and contributions	-	750	-	750
Licenses and permits	372,297	-	-	372,297
Fines and forfeits	-	236,286	-	236,286
Impact fees	-	53,100	-	53,100
Other	19,630	28,722	-	48,352
Interest income	347,522	14,065	23,388	384,975
Total revenues collected	<u>2,566,620</u>	<u>744,119</u>	<u>349,149</u>	<u>3,659,888</u>
Expenditures paid				
Current				
Administration	1,037,529	-	-	1,037,529
Building	129,982	-	-	129,982
Police	-	1,118,431	-	1,118,431
Public works	312,243	-	5,449	317,692
Capital outlay	-	90,031	-	90,031
Debt service				
Principal	-	-	159,525	159,525
Interest	-	-	38,807	38,807
Total expenditures paid	<u>1,479,754</u>	<u>1,208,462</u>	<u>203,781</u>	<u>2,891,997</u>
Excess (deficiency) of revenues collected over expenditures paid	1,086,866	(464,343)	145,368	767,891
Other financing sources (uses)				
Transfers in (out)	<u>(1,348,160)</u>	<u>247,980</u>	<u>-</u>	<u>(1,100,180)</u>
Net change in fund balances	(261,294)	(216,363)	145,368	(332,289)
Fund balance, beginning of year	<u>12,850,904</u>	<u>38,734</u>	<u>901,675</u>	<u>13,791,313</u>
Fund balance (deficit), end of year	<u>\$ 12,589,610</u>	<u>\$ (177,629)</u>	<u>\$ 1,047,043</u>	<u>\$ 13,459,024</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, 2008

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

Net change in fund balances - total governmental funds	\$ (332,289)
--	--------------

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 net capital outlays exceeded depreciation in the current period.	182,799
--	---------

The repayment of the principal of long-term debt consumes the current financial resources of government funds.	<u>159,525</u>
--	----------------

Change in net assets of governmental activities	<u>\$ 10,035</u>
---	------------------

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, 2008

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 500,808	\$ 416,173	\$ 916,981
Investments	<u>244,854</u>	<u>-</u>	<u>244,854</u>
Total current assets	<u>745,662</u>	<u>416,173</u>	<u>1,161,835</u>
Noncurrent assets:			
Advances to other funds	27,043	129,432	156,475
Capital assets	11,786,115	5,824,227	17,610,342
Accumulated depreciation	<u>(2,712,152)</u>	<u>(2,264,358)</u>	<u>(4,976,510)</u>
Total noncurrent assets	<u>9,101,006</u>	<u>3,689,301</u>	<u>12,790,307</u>
Total assets	<u>9,846,668</u>	<u>4,105,474</u>	<u>13,952,142</u>
LIABILITIES			
Current liabilities			
Bonds payable due within one year	302,539	280,316	582,855
Other current liabilities	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total current liabilities	<u>303,539</u>	<u>280,316</u>	<u>583,855</u>
Noncurrent liabilities			
Bonds payable	<u>720,846</u>	<u>452,870</u>	<u>1,173,716</u>
Total liabilities	<u>1,024,385</u>	<u>733,186</u>	<u>1,757,571</u>
NET ASSETS			
Invested in capital assets, net of related debt	8,050,578	2,826,683	10,877,261
Unreserved			
Designated for sewer replacement	-	217,138	217,138
Undesignated	<u>771,705</u>	<u>328,467</u>	<u>1,100,172</u>
Total net assets	<u>\$ 8,822,283</u>	<u>\$ 3,372,288</u>	<u>\$ 12,194,571</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 NET ASSETS
For the Year Ended December 31, 2008

	Consolidated Water Fund	Sewer Fund	Totals
Operating revenues collected			
Charges for sales and services	\$ 970,779	\$ 94,554	\$ 1,065,333
Operating expenses paid			
Personnel	31,962	8,007	39,969
Contractual	674,967	165,319	840,286
Commodities	31,359	-	31,359
Total operating expenses paid	738,288	173,326	911,614
Depreciation	235,649	117,463	353,112
Total operating expenses paid and depreciation	973,937	290,789	1,264,726
Deficiency of operating revenues collected over operating expenses paid and depreciation	(3,158)	(196,235)	(199,393)
Nonoperating revenues collected (expenses paid)			
Property taxes	360,240	326,871	687,111
Interest income	36,860	6,726	43,586
Debt service - interest	(61,190)	(57,158)	(118,348)
Other revenue	980	-	980
Other expenses	(15,154)	-	(15,154)
Total nonoperating revenues collected (expenses paid)	321,736	276,439	598,175
Excess of revenues collected over expenses paid and depreciation	318,578	80,204	398,782
Transfer in from General Fund	883,042	217,138	1,100,180
Change in net assets	1,201,620	297,342	1,498,962
Net assets, beginning of year	7,620,663	3,074,946	10,695,609
Net assets, end of year	\$ 8,822,283	\$ 3,372,288	\$ 12,194,571

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, 2008

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Cash flows from operating activities			
Deficiency of operating revenues collected			
over operating expenses paid and depreciation	\$ (3,158)	\$ (196,235)	\$ (199,393)
Adjustments to reconcile deficiency of			
operating revenues collected over operating			
expenses paid and depreciation, to net cash			
provided by (used in) operating activities			
Depreciation	<u>235,649</u>	<u>117,463</u>	<u>353,112</u>
Net cash provided by (used in) operating activities	<u>232,491</u>	<u>(78,772)</u>	<u>153,719</u>
Cash flows from capital and related financing activities			
Property tax revenues collected	360,240	326,871	687,111
Principal paid on revenue bonds	(289,230)	(298,475)	(587,705)
Interest paid on revenue bonds	(61,190)	(57,158)	(118,348)
Purchase of capital assets (net of capital contributed)	<u>(506,828)</u>	<u>(98,820)</u>	<u>(605,648)</u>
Net cash used in capital and related financing activities	<u>(497,008)</u>	<u>(127,582)</u>	<u>(624,590)</u>
Cash flows from noncapital financing activities			
Advances to other funds	-	(100,386)	(100,386)
Other	<u>(19,074)</u>	<u>-</u>	<u>(19,074)</u>
Net cash used in noncapital financing activities	<u>(19,074)</u>	<u>(100,386)</u>	<u>(119,460)</u>
Cash flows from investing activities			
Interest received	<u>26,318</u>	<u>6,726</u>	<u>33,044</u>
NET DECREASE IN CASH AND			
CASH EQUIVALENTS	(257,273)	(300,014)	(557,287)
Cash and cash equivalents			
Beginning of year	<u>758,081</u>	<u>716,187</u>	<u>1,474,268</u>
End of year	<u>\$ 500,808</u>	<u>\$ 416,173</u>	<u>\$ 916,981</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 - MODIFIED CASH BASIS
For the Year Ended December 31, 2008

	January 1, 2008	Additions	Deductions	December 31, 2008
ASSETS				
Cash and cash equivalents	\$ 503,555	\$ 266,065	\$ 332,326	\$ 437,294
Investments	34,069	209	-	34,278
Due from developers				
Escrow bonds	103,108	2,689	-	105,797
Advance to other funds	139,957	-	-	139,957
Total assets	\$ <u>780,689</u>	\$ <u>268,963</u>	\$ <u>332,326</u>	\$ <u>717,326</u>
LIABILITIES				
Due to developers				
Performance bonds	\$ 592,320	\$ 266,065	\$ 322,114	\$ 536,271
Escrow bonds	188,369	209	7,523	181,055
Total liabilities	\$ <u>780,689</u>	\$ <u>266,274</u>	\$ <u>329,637</u>	\$ <u>717,326</u>

The accompanying notes are an integral part of this statement.

Village of Riverwoods, Illinois
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December 31, 2008

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Village of Riverwoods, Illinois
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Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Riverwoods, Illinois (Village), have been prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting not in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The modified 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. 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 modified 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.

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.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008

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 expenses paid from nonoperating items. Operating revenues and expenses 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 expenses for enterprise funds include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition (except depreciation on capital assets) are reported as nonoperating revenues and expenses.

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 modified cash basis of accounting. The appropriation ordinance, which is the legal authority to spend, was passed on March 4, 2008, 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 funds.

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 at the time of purchase. All investments are stated at cost or amortized cost, which approximates fair value.

7. Advances to Other Funds

Noncurrent portions of interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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>2,502,040</u>
Sewer replacement	\$ <u>217,138</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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 November 20, 2007). 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. The 2007 levy is reported in these statements.

13. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues collected and expenditures paid during the reporting period. Actual results could differ from those estimates.

NOTE B - LEGAL COMPLIANCE AND ACCOUNTABILITY

1. Deficit Fund Balances of Individual Funds

The following funds had deficit fund balances as of December 31, 2008:

<u>Fund</u>	<u>Deficit Balance</u>
Police Fund	\$ (177,629)
Special Service Area 19 - Hiawatha Road Projects Fund	(5,500)
Special Service Area 20 - Whigham Burr Oak Projects Fund	(21,543)

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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	\$	247,006
Depreciation expense		(56,316)
Disposals		<u>(7,891)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$	<u><u>182,799</u></u>

NOTE D - DEPOSITS AND INVESTMENTS

At December 31, 2008, the Village had the following investments and maturities:

Investment Type	Investment Maturities (In Years)			Total
	Less than 1	1 - 5	6 - 10	
The Illinois Funds *	\$ 8,077,809	\$ -	\$ -	\$ 8,077,809
Money Market/Liquid Assets	478,734	-	-	478,734
Certificates of Deposit	1,842,260	2,964,124	-	4,806,384
Federal Home Loan Bank	-	163,071	-	163,071
Federal Farm Credit Bank	-	366,417	-	366,417
U.S. Treasuries	129,129	205,577	-	334,706
	<u>\$ 10,527,932</u>	<u>\$ 3,699,189</u>	<u>\$ -</u>	<u>\$ 14,227,121</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 from cash transactions.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE D - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to Statement of Net Assets - Modified Cash Basis

Investments per table above	\$ 14,227,121
Less amounts included in cash and cash equivalents:	
The Illinois Funds	(8,077,809)
Agency fund investment	<u>(34,278)</u>
Investments per statement of net assets - modified cash basis	\$ <u><u>6,115,034</u></u>

Interest Rate Risk

The Village's investment policy limits 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, 2008, The Illinois Funds Money Market was rated AAAM by Standard and Poor's.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of a 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. As of December 31, 2008, \$522,221 of the Village's deposits with financial institutions balance of \$1,164,619 was exposed to custodial credit risk.

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 securities.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
1. <u>Governmental</u>				
Capital assets not being depreciated				
Land	\$ 2,363,300	\$ -	\$ -	\$ 2,363,300
Capital assets being depreciated				
Buildings and improvements	595,580	39,750	-	635,330
Office equipment	152,966	-	-	152,966
Infrastructure	191,221	137,982	-	329,203
Vehicles	161,364	69,274	39,913	190,725
Total capital assets being depreciated	<u>1,101,131</u>	<u>247,006</u>	<u>39,913</u>	<u>1,308,224</u>
Less accumulated depreciation for:				
Buildings and improvements	137,760	12,707	-	150,467
Office equipment	135,149	4,439	-	139,588
Infrastructure	9,529	6,584	-	16,113
Vehicles	89,844	32,586	32,022	90,408
Total accumulated depreciation	<u>372,282</u>	<u>56,316</u>	<u>32,022</u>	<u>396,577</u>
Total capital assets being depreciated, net	<u>728,849</u>	<u>190,690</u>	<u>7,891</u>	<u>911,648</u>
Governmental activities capital assets, net	<u>\$ 3,092,149</u>	<u>\$ 190,690</u>	<u>\$ 7,891</u>	<u>\$ 3,274,948</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE E - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2. <u>Enterprise</u>				
Capital assets not being depreciated				
Construction in progress	\$ 557,781	\$ -	\$ 557,781	\$ -
Capital assets being depreciated				
Pumping stations and reservoirs	2,866,149	-	-	2,866,149
Water tower	50,000	-	-	50,000
Water mains	7,805,357	1,064,609	-	8,869,966
Sewers	5,725,408	98,820	-	5,824,228
Total capital assets being depreciated	<u>16,446,914</u>	<u>1,163,429</u>	<u>-</u>	<u>17,610,343</u>
Less accumulated depreciation for:				
Pumping stations and reservoirs	786,821	57,323	-	844,144
Water tower	3,000	1,000	-	4,000
Water mains	1,686,682	177,326	-	1,864,008
Sewers	2,146,896	117,463	-	2,264,359
Total accumulated depreciation	<u>4,623,399</u>	<u>353,112</u>	<u>-</u>	<u>4,976,511</u>
Business-type activities capital assets, net	<u>\$ 12,381,296</u>	<u>\$ 810,317</u>	<u>\$ 557,781</u>	<u>\$ 12,633,832</u>

3. Depreciation

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

Governmental activities	
Administration and general	\$ 17,139
Police	32,593
Public works	<u>6,584</u>
Total depreciation expense - governmental activities	<u>\$ 56,316</u>
Business-type activities	
Consolidated water	\$ 235,649
Sewer	<u>117,463</u>
Total depreciation expense - business-type activities	<u>\$ 353,112</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31, 2008</u>	<u>Due Within One Year</u>
Special Service Area Bonds:					
Special Service Area Number 8					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%.	\$ 96,157	\$ -	\$ 30,595	\$ 65,562	\$ 32,024
Special Service Area Number 9					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%.	25,641	-	8,159	17,482	8,539
Special Service Area Number 10					
Issued December 15, 1999. Due					
January 10, 2020, interest at 6.29%.	129,464	-	6,665	122,799	7,085
Special Service Area Number 11					
Issued August 10, 1999. Due					
January 10, 2010, interest at 4.70%.	78,351	-	24,929	53,422	26,094
Special Service Area Number 15					
Issued December 15, 1999. Due					
January 10, 2010, interest at 5.55%.	143,939	-	45,418	98,521	47,924
Special Service Area Number 19					
Issued November 18, 2002. Due					
February 1, 2013, interest at 6.00%.	105,782	-	16,722	89,060	17,771
Special Service Area Number 20					
Issued December 2, 2003. Due					
February 1, 2014, interest at 3.70%.	195,222	-	27,037	168,185	28,080
 Total	 \$ 774,556	 \$ -	 \$ 159,525	 \$ 615,031	 \$ 167,517

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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:

	January 1, 2008	Additions	Retirements	December 31, 2008	Due Within One Year
Special Service Area Bonds:					
Thornmeadow Sewer					
Issued January 1, 1997. Due					
January 1, 2008, interest at 4.80%.	\$ 34,000	\$ -	\$ 34,000	\$ -	\$ -
South Riverwood Sewer					
Issued June 5, 2000. Due					
February 1, 2011, interest at 5.85%.	997,661	-	264,475	733,186	280,316
North Central Water					
Issued August 15, 2001. Due					
August 1, 2011, interest at 4.60%.	1,070,328	-	249,526	820,802	261,256
North Robinwood Water					
Issued December 15, 1999. Due					
January 10, 2020, interest at 6.29%.	117,863	-	6,096	111,767	6,480
Northwest Water					
Issued August 17, 2000. Due					
February 1, 2011, interest at 5.25%.	97,821	-	26,595	71,226	27,374
Cherrywood Road					
Issued September 22, 2000. Due					
August 1, 2010, interest at 7.00%.	26,603	-	7,013	19,590	7,429
Total	<u>\$ 2,344,276</u>	<u>\$ -</u>	<u>\$ 587,705</u>	<u>\$ 1,756,571</u>	<u>\$ 582,855</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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>Enterprise</u>	<u>Total</u>
2009	\$ 198,354	\$ 669,004	\$ 867,358
2010	198,353	669,004	867,357
2011	71,857	489,273	561,130
2012	71,856	13,473	85,329
2013	60,393	13,473	73,866
2014-2018	90,751	67,367	158,118
2019-2020	30,704	27,530	58,234
	722,268	1,949,124	2,671,392
Less interest	<u>107,237</u>	<u>192,553</u>	<u>299,790</u>
	<u>\$ 615,031</u>	<u>\$ 1,756,571</u>	<u>\$ 2,371,602</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE G - INTERFUND ADVANCES

At December 31, 2008, interfund advances consist of the following:

	<u>Advances to</u> <u>Other Funds</u>	<u>Advances from</u> <u>Other Funds</u>
Governmental funds		
General		
Police	\$ 177,477	\$ -
Nonmajor governmental funds		
Motor Fuel Tax	58,772	-
Duffy Roads	-	15,964
Sewer	-	100,387
Total General fund	<u>236,249</u>	<u>116,351</u>
Police		
General	-	177,477
Total Police fund	<u>-</u>	<u>177,477</u>
Motor Fuel Tax		
General	-	58,772
Total Motor Fuel Tax fund	<u>-</u>	<u>58,772</u>
Duffy Roads		
General	15,964	-
Sewer	-	29,045
Total Duffy Roads funds	<u>15,964</u>	<u>29,045</u>
Special Service Area Number 19		
Consolidated Water	-	5,500
Total Special Service Area Number 19 fund	<u>-</u>	<u>5,500</u>
Special Service Area Number 20		
Consolidated Water	-	21,543
Total Special Service Area Number 20 fund	<u>-</u>	<u>21,543</u>
Total governmental funds	<u>252,213</u>	<u>408,688</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE G - INTERFUND ADVANCES (Continued)

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Enterprise funds		
Consolidated Water		
Special Service Area Number 19	\$ 5,500	\$ -
Special Service Area Number 20	21,543	-
Total Consolidated Water fund	<u>27,043</u>	<u>-</u>
Sewer		
General	100,387	-
Duffy Roads	29,045	-
Total Sewer fund	<u>129,432</u>	<u>-</u>
Total enterprise funds	<u>156,475</u>	<u>-</u>
Total governmental and enterprise funds	408,688	408,688
Elimination of advances to/from funds of the same type	<u>(252,213)</u>	<u>(252,213)</u>
Total	<u>\$ 156,475</u>	<u>\$ 156,475</u>
General fund		
Agency fund-Performance Bond	\$ -	\$ 139,957
Total General fund	<u>-</u>	<u>139,957</u>
Agency fund-Performance Bond		
General fund	<u>139,957</u>	<u>-</u>
Total agency fund-Performance Bond	<u>139,957</u>	<u>-</u>
Total - Statement of Net Assets and Statement of Changes in Assets and Liabilities - Agency Fund		
Performance Bond fund	<u>\$ 139,957</u>	<u>\$ 139,957</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE H - INTERFUND TRANSFERS

Governmental funds	<u>Transfers In</u>	<u>Transfers Out</u>
General		
Police	\$ -	\$ 247,980
Consolidated Water	-	883,042
Sewer	-	217,138
Total General fund	<u>-</u>	<u>1,348,160</u>
Police		
General	<u>247,980</u>	<u>-</u>
Total Police fund	<u>247,980</u>	<u>-</u>
Total governmental funds	<u>247,980</u>	<u>1,348,160</u>
Enterprise funds		
Consolidated Water		
General	<u>883,042</u>	<u>-</u>
Total Consolidated Water fund	<u>883,042</u>	<u>-</u>
Sewer		
General	<u>217,138</u>	<u>-</u>
Total Sewer fund	<u>217,138</u>	<u>-</u>
Total enterprise funds	<u>1,100,180</u>	<u>-</u>
Total governmental and enterprise funds	1,348,160	1,348,160
Elimination of transfers to/from funds of the same type	<u>(247,980)</u>	<u>(247,980)</u>
Total	<u>\$ 1,100,180</u>	<u>\$ 1,100,180</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

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, 2008, 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, 1311 N. Estes Street, Gurnee, Illinois 60031.

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 44 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 2008.

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, 2008

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 \$45,227 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

1. Plan Description

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

2. Funding Policy

As set by statute, The Village's regular plan members are required to contribute 4.5% of their annual covered salary. The statutes require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's contribution rate for calendar year 2008 was 10.22% of annual covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008

NOTE J - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

3. Annual Pension Cost

For 2008, the Village's annual pension cost of \$93,348 for the regular plan was equal to the Village's required and actual contributions.

Trend Information			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2008	\$ 93,348	100%	\$ -
12/31/2007	86,490	100%	-
12/31/2006	81,465	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% 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 the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2006 valuation was 24 years.

4. Funded Status and Funding Progress

As of December 31, 2008, the most recent actuarial valuation date, the IMRF plan was 65.04% funded. The actuarial accrued liability for benefits was \$1,109,293, and the actuarial value of assets was \$721,508, resulting in an underfunded actuarial accrued liability (UAAL) of \$387,785. The covered payroll (annual payroll of active employees covered by the plan) was \$913,388, and the ratio of the UAAL to the covered payroll was 42%.

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Riverwoods, Illinois
 Illinois Municipal Retirement Fund Pension Data
 SCHEDULE OF FUNDING PROGRESS
December 31, 2008
(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)
12/31/2008	\$ 721,508	\$ 1,109,293	\$ 387,785	65.04%	\$ 913,388	42.46%
12/31/2007	826,398	1,081,429	255,031	76.42%	858,890	29.69%
12/31/2006	653,012	869,712	216,700	75.08%	807,380	26.84%

Village of Riverwoods, Illinois

General Fund

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

For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Township road and bridge tax	\$ 28,000	\$ 34,719	\$ 6,719
Other intergovernmental taxes	638,800	652,155	13,355
Local taxes	1,340,000	1,140,297	(199,703)
License and permits	212,000	372,297	160,297
Interest income	200,000	347,522	147,522
Other revenues	-	19,630	19,630
	<u>2,418,800</u>	<u>2,566,620</u>	<u>147,820</u>
Total revenues collected			
Expenditures paid			
Current			
Administration	1,233,250	1,037,529	195,721
Building	483,500	129,982	353,518
Road and bridge	484,500	312,243	172,257
Capital outlay	5,810,000	-	5,810,000
	<u>8,011,250</u>	<u>1,479,754</u>	<u>6,531,496</u>
Total expenditures paid			
Excess (deficiency) of revenues collected over expenditures paid	(5,592,450)	1,086,866	6,679,316
Other			
Depreciation	40,000	-	40,000
Other financing uses			
Transfers out	<u>(1,550,000)</u>	<u>(1,348,160)</u>	<u>(201,840)</u>
Net change in fund balance	\$ <u><u>(7,182,450)</u></u>	(261,294)	\$ <u><u>6,921,156</u></u>
Fund balances			
Beginning of year		<u>12,850,904</u>	
End of year		\$ <u><u>12,589,610</u></u>	

Village of Riverwoods, Illinois

Police Fund

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

For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Grants and contributions	\$ -	\$ 750	\$ 750
Local taxes - property taxes	409,000	411,196	2,196
Impact fees	81,000	53,100	(27,900)
Fines and forfeits	231,000	236,286	5,286
Other - charges for services	200	28,722	28,522
Interest income	-	14,065	14,065
	<u>721,200</u>	<u>744,119</u>	<u>22,919</u>
Total revenues collected			
Expenditures paid			
Current			
Personnel	869,100	890,103	(21,003)
Contractual services	308,800	189,681	119,119
Commodities	44,000	38,647	5,353
	<u>1,221,900</u>	<u>1,118,431</u>	<u>103,469</u>
Total current			
Capital outlay	59,000	90,031	(31,031)
	<u>1,280,900</u>	<u>1,208,462</u>	<u>72,438</u>
Total expenditures paid			
Deficiency of revenues collected over expenditures paid	(559,700)	(464,343)	95,357
Other financing sources			
Transfer in	350,000	247,980	(102,020)
	<u>350,000</u>	<u>247,980</u>	<u>(102,020)</u>
Net change in fund balance	\$ <u>(209,700)</u>	(216,363)	\$ <u>(6,663)</u>
Fund balance (deficit)			
Beginning of year		<u>38,734</u>	
End of year		\$ <u>(177,629)</u>	

Village of Riverwoods, Illinois
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2008

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.

The following funds had no appropriation for 2008:

- Special Service Area (SSA) 19 - Hiawatha Road Projects Fund
- Special Service Area (SSA) 20 - Whigham Burr Oak Projects Fund

SUPPLEMENTAL DATA

Village of Riverwoods, Illinois
General Fund
SCHEDULE OF REVENUES COLLECTED -
APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Township road and bridge tax	\$ 28,000	\$ 34,719	\$ 6,719
Other intergovernmental taxes			
Personal property replacement taxes	7,800	2,276	(5,524)
Illinois municipal sales tax	230,000	220,090	(9,910)
Local use tax	50,000	57,366	7,366
State income taxes	351,000	372,423	21,423
Total other intergovernmental taxes	638,800	652,155	13,355
Local taxes			
Village of Riverwoods sales tax 1/2%	100,000	100,226	226
Utility taxes			
Electric	310,000	297,764	(12,236)
Gas	285,000	194,406	(90,594)
Simplified telecommunications tax	515,000	434,020	(80,980)
Hotel tax	130,000	113,881	(16,119)
Total local taxes	1,340,000	1,140,297	(199,703)
Licenses and permits			
Liquor licenses	17,000	20,000	3,000
Cable television franchise fees	35,000	57,474	22,474
Building permits - construction fees	75,000	139,996	64,996
Special inspection - site development and inspection fees	2,000	870	(1,130)
Cell tower lease	83,000	83,460	460
Elevator permits	-	9,840	9,840
Forester fees	-	8,685	8,685
Forest program	-	44,487	44,487
Engineer fees	-	7,485	7,485
Total licenses and permits	212,000	372,297	160,297

(Continued)

Village of Riverwoods, Illinois
General Fund
SCHEDULE OF REVENUES COLLECTED -
APPROPRIATION AND ACTUAL (Continued)
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected (continued)			
Interest income	\$ <u>200,000</u>	\$ <u>347,522</u>	\$ <u>147,522</u>
Other			
Miscellaneous	<u>-</u>	<u>19,630</u>	<u>19,630</u>
Total revenues collected	\$ <u><u>2,418,800</u></u>	\$ <u><u>2,566,620</u></u>	\$ <u><u>147,820</u></u>

(Concluded)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID AND OTHER FINANCING USES -

APPROPRIATION AND ACTUAL

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Expenditures paid			
Administration department			
Personnel			
Salaries	\$ 216,000	\$ 236,319	\$ (20,319)
FICA	16,250	15,763	487
IMRF	31,000	35,528	(4,528)
Unemployment insurance	3,000	2,794	206
Health insurance	42,000	38,052	3,948
Total personnel	308,250	328,456	(20,206)
Contractual services			
Maintenance - building	100,000	62,298	37,702
Maintenance - equipment	10,000	2,083	7,917
Maintenance - grounds	10,000	21,677	(11,677)
Insurance	15,000	60,059	(45,059)
Telephone	25,000	15,439	9,561
Travel and meeting expense	20,000	11,039	8,961
Postage	10,000	6,013	3,987
Advertising and printing	2,500	1,085	1,415
Village Voice	18,000	15,267	2,733
Accounting services	25,000	28,760	(3,760)
Engineering services	150,000	99,726	50,274
Legal services	150,000	107,321	42,679
Other professional services	100,000	91,014	8,986
Dues, subscriptions, and memberships	3,000	3,184	(184)
Forest program	75,000	67,715	7,285
Theater In The Woods	20,000	10,000	10,000
Arts and Riverwoods	25,000	-	25,000
Family Day	10,000	2,500	7,500
NSSRA	55,000	45,227	9,773
Miscellaneous contractual services	5,000	38,045	(33,045)
Senior transportation	2,500	44	2,456
Contingency	60,000	-	60,000
Total contractual services	891,000	688,496	202,504

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID AND OTHER FINANCING USES -

APPROPRIATION AND ACTUAL (Continued)

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Expenditures paid (continued)			
Administration department (continued)			
Commodities			
Office supplies	\$ 22,000	\$ 14,085	\$ 7,915
Publications	2,000	4,116	(2,116)
Operating supplies	-	2,376	(2,376)
	<u>24,000</u>	<u>20,577</u>	<u>3,423</u>
Total commodities			
Other expenses			
Miscellaneous	10,000	-	10,000
	<u>1,233,250</u>	<u>1,037,529</u>	<u>195,721</u>
Total administration department			
Building department			
Personnel			
Salaries	193,000	90,970	102,030
FICA	17,000	9,234	7,766
IMRF	12,500	-	12,500
	<u>222,500</u>	<u>100,204</u>	<u>122,296</u>
Total personnel			
Contractual services			
Insurance	50,000	-	50,000
Telephone	25,000	197	24,803
Travel and meeting expense	11,000	675	10,325
Training	1,000	-	1,000
Postage	9,000	-	9,000
Advertising	3,000	-	3,000
Printing	2,000	-	2,000
Engineering services	60,000	3,375	56,625
Other professional services	30,000	39	29,961
Dues, subscriptions, and memberships	2,000	-	2,000
	<u>193,000</u>	<u>4,286</u>	<u>188,714</u>
Total contractual services			

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID AND OTHER FINANCING USES -

APPROPRIATION AND ACTUAL (Continued)

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Expenditures paid (continued)			
Building department (continued)			
Commodities			
Office supplies	\$ 15,000	\$ -	\$ 15,000
Other expenses			
Miscellaneous	50,000	-	50,000
Inspection fees - plumbing, elevator, and site	3,000	25,492	(22,492)
Total other expenses	<u>53,000</u>	<u>25,492</u>	<u>27,508</u>
Total building department	<u>483,500</u>	<u>129,982</u>	<u>353,518</u>
Road and Bridge			
Personnel			
Salaries	-	5,800	(5,800)
FICA	-	484	(484)
Total personnel	<u>-</u>	<u>6,284</u>	<u>(6,284)</u>
Contractual services			
Maintenance - streets	100,000	7,195	92,805
Maintenance - bike path	30,000	-	30,000
Maintenance - grounds	3,500	10,807	(7,307)
Maintenance - culverts/drainage	85,000	132,633	(47,633)
Snow removal	60,000	98,466	(38,466)
Signs - purchase and repair	3,000	1,125	1,875
Street lighting	3,000	1,196	1,804
Engineering services	30,000	37,569	(7,569)
Other professional services	10,000	16,968	(6,968)
Total contractual services	<u>324,500</u>	<u>305,959</u>	<u>18,541</u>

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID AND OTHER FINANCING USES -

APPROPRIATION AND ACTUAL (Continued)

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Expenditures paid (continued)			
Road and bridge (continued)			
Commodities			
Maintenance supplies	\$ 5,000	\$ -	\$ 5,000
Operating supplies	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total commodities	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Other expenses			
Contingencies	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total road and bridge	<u>484,500</u>	<u>312,243</u>	<u>172,257</u>
Total current expenditures paid	<u>2,201,250</u>	<u>1,479,754</u>	<u>721,496</u>
Capital outlay			
Administration department			
Land acquisition	5,000,000	-	5,000,000
Equipment	10,000	-	10,000
Bike path contingency	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total administration	<u>5,310,000</u>	<u>-</u>	<u>5,310,000</u>
Road and bridge			
New bike path construction	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total capital outlay	<u>5,810,000</u>	<u>-</u>	<u>5,810,000</u>
Total expenditures paid	<u>8,011,250</u>	<u>1,479,754</u>	<u>6,531,496</u>

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID AND OTHER FINANCING USES -

APPROPRIATION AND ACTUAL (Continued)

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Depreciation	\$ 40,000	\$ -	\$ 40,000
Other financing uses			
Transfers out - Consolidated Water Fund	1,000,000	883,042	116,958
Transfers out - Sewer Fund	200,000	217,138	(17,138)
Transfers out - Police Fund	<u>350,000</u>	<u>247,980</u>	<u>102,020</u>
Total other financing uses	<u>1,550,000</u>	<u>1,348,160</u>	<u>201,840</u>
Total expenditures paid and other financing uses	<u>\$ 9,601,250</u>	<u>\$ 2,827,914</u>	<u>\$ 6,773,336</u>

(Concluded)

Village of Riverwoods, Illinois

Police Fund

SCHEDULE OF REVENUES COLLECTED AND OTHER FINANCING SOURCES -

APPROPRIATION AND ACTUAL

For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Grants and contributions			
COPS grant - contributed capital	\$ <u> -</u>	\$ <u> 750</u>	\$ <u> 750</u>
Local taxes			
Property taxes	<u> 409,000</u>	<u> 411,196</u>	<u> 2,196</u>
Impact fees	<u> 81,000</u>	<u> 53,100</u>	<u> (27,900)</u>
Fines and forfeits			
Administrative tow	-	68,696	68,696
Circuit court fines	230,000	158,969	(71,031)
False alarm fines	1,000	380	(620)
Patrol violation fines	<u> -</u>	<u> 8,241</u>	<u> 8,241</u>
Total fines and forfeits	<u> 231,000</u>	<u> 236,286</u>	<u> 5,286</u>
Other - charges for services			
Burglar alarm registration	200	330	130
Cell tower lease	-	4,840	4,840
Miscellaneous revenue	<u> -</u>	<u> 23,552</u>	<u> 23,552</u>
Total other - charges for services	<u> 200</u>	<u> 28,722</u>	<u> 28,522</u>
Interest income	<u> -</u>	<u> 14,065</u>	<u> 14,065</u>
Total revenues collected	<u> 721,200</u>	<u> 744,119</u>	<u> 22,919</u>
Other financing sources			
Transfer in from General fund	<u> 350,000</u>	<u> 247,980</u>	<u> (102,020)</u>
Total revenues collected and other financing sources	\$ <u> 1,071,200</u>	\$ <u> 992,099</u>	\$ <u> (79,101)</u>

Village of Riverwoods, Illinois
Police Fund
SCHEDULE OF EXPENDITURES PAID -
APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Expenditures paid			
Personnel			
Salaries	\$ 700,000	\$ 707,653	\$ (7,653)
Health insurance	70,000	70,607	(607)
FICA	50,000	54,135	(4,135)
IMRF	49,000	57,708	(8,708)
Unemployment insurance	100	-	100
Total personnel	<u>869,100</u>	<u>890,103</u>	<u>(21,003)</u>
Contractual services			
Legal services	42,000	86,116	(44,116)
Crime laboratory	10,000	9,111	889
Other professional services	80,000	82,609	(2,609)
Postage	600	-	600
Telephone	3,800	4,064	(264)
Travel	600	297	303
Training	1,800	1,550	250
Miscellaneous	70,000	5,934	64,066
Contingency	100,000	-	100,000
Total contractual services	<u>308,800</u>	<u>189,681</u>	<u>119,119</u>
Commodities			
Office expenses	4,000	2,672	1,328
Fuel for squad cars	40,000	35,975	4,025
Total commodities	<u>44,000</u>	<u>38,647</u>	<u>5,353</u>
Capital outlay			
Police officer equipment	9,000	3,656	5,344
Squad cars and related equipment	50,000	86,375	(36,375)
Total capital outlay	<u>59,000</u>	<u>90,031</u>	<u>(31,031)</u>
Total expenditures paid	<u>\$ 1,280,900</u>	<u>\$ 1,208,462</u>	<u>\$ 72,438</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government and that cannot be diverted to other uses. The nonmajor special revenue funds maintained by the Village are as follows:

Motor Fuel Tax Fund - to account for state-shared revenues earmarked to finance road maintenance and improvements.

Special Service Area (SSA) 5 - Duffy Roads Fund - to account for revenues derived from a separate property tax levy and their use within the special service area.

Special Service Area (SSA) 7 - Russell's Storm Sewer Fund - to account for revenues derived from a separate property tax levy and their use within the special service area.

DEBT SERVICE FUNDS

Debt service funds are used to account for monies accumulated to retire general long-term debt. The nonmajor debt service funds maintained by the Village are each related to a specific special service area and are funded by a separate property tax levy. They are as follows:

- Special Service Area 8 - Cherrywood Sewer Debt Service Fund
- Special Service Area 9 - North Duffy Sewer Debt Service Fund
- Special Service Area 10 - North Robinwood Sewer Debt Service Fund
- Special Service Area 11 - Forest Glen Water Debt Service Fund
- Special Service Area 15 - South Robinwood Water Debt Service Fund
- Special Service Area 19 - Hiawatha Road Debt Service Fund
- Special Service Area 20 - Whigham Burr Oak Debt Service Fund

CAPITAL PROJECTS FUNDS

Capital projects funds account for the resources used by the Village for the acquisition and/or construction of capital facilities. The nonmajor capital projects funds maintained by the Village are as follows:

Special Service Area (SSA) 19 - Hiawatha Road Projects Fund - to account for the proceeds of special service area bonds used for capital improvements in a special service district within the Village.

Special Service Area (SSA) 20 - Whigham Burr Oak Projects Fund - to account for the proceeds of special service area bonds used for capital improvements in a special service district within the Village.

Village of Riverwoods, Illinois
Nonmajor Governmental Funds
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
December 31, 2008

	<u>Special Revenue Funds</u>			
	<u>Motor Fuel Tax</u>	<u>Special Service Area 5 Duffy Roads</u>	<u>Special Service Area 7 Russell's Storm Sewer</u>	<u>Total Special Revenue Funds</u>
ASSETS				
Cash and cash equivalents	\$ 804,272	\$ 17,436	\$ 58,339	\$ 880,047
Advances to other funds	-	15,964	-	15,964
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 804,272</u>	<u>\$ 33,400</u>	<u>\$ 58,339</u>	<u>\$ 896,011</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Advances from other funds	\$ 58,772	\$ 29,045	\$ -	\$ 87,817
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balances (deficits)				
Reserved for advances	-	15,964	-	15,964
Unreserved, undesignated	745,500	(11,609)	58,339	792,230
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>745,500</u>	<u>4,355</u>	<u>58,339</u>	<u>808,194</u>
Total liabilities and fund balances (deficits)	<u>\$ 804,272</u>	<u>\$ 33,400</u>	<u>\$ 58,339</u>	<u>\$ 896,011</u>

Debt Service Funds

Special Service Area 8 Cherrywood Sewer	Special Service Area 9 North Duffy Sewer	Special Service Area 10 North Robinwood Sewer	Special Service Area 11 Forest Glen Water	Special Service Area 15 South Robinwood Water
\$ 44,071	\$ 11,816	\$ 24,613	\$ 41,665	\$ 75,887
-	-	-	-	-
<u>\$ 44,071</u>	<u>\$ 11,816</u>	<u>\$ 24,613</u>	<u>\$ 41,665</u>	<u>\$ 75,887</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
<u>44,071</u>	<u>11,816</u>	<u>24,613</u>	<u>41,665</u>	<u>75,887</u>
<u>44,071</u>	<u>11,816</u>	<u>24,613</u>	<u>41,665</u>	<u>75,887</u>
<u>\$ 44,071</u>	<u>\$ 11,816</u>	<u>\$ 24,613</u>	<u>\$ 41,665</u>	<u>\$ 75,887</u>

(Continued)

Village of Riverwoods, Illinois
Nonmajor Governmental Funds
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS (Continued)
December 31, 2008

	Debt Service Funds (Continued)		
	Special Service Area 19 Hiawatha Road	Special Service Area 20 Whigham Burr Oak	Total Debt Service Funds
ASSETS			
Cash and cash equivalents	\$ 43,241	\$ 24,599	\$ 265,892
Advances to other funds	-	-	-
	43,241	24,599	265,892
Total assets	\$ 43,241	\$ 24,599	\$ 265,892
 LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Advances from other funds	\$ -	\$ -	\$ -
Fund balances (deficits)			
Reserved for advances	-	-	-
Unreserved, undesignated	43,241	24,599	265,892
	43,241	24,599	265,892
Total liabilities and fund balances (deficits)	\$ 43,241	\$ 24,599	\$ 265,892

Capital Projects Funds

<u>Special Service Area 19 Hiawatha Road Projects</u>	<u>Special Service Area 20 Whigham Burr Oak Projects</u>	<u>Total Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 1,145,939
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,964</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,161,903</u>
\$ <u>5,500</u>	\$ <u>21,543</u>	\$ <u>27,043</u>	\$ <u>114,860</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,964</u>
<u>(5,500)</u>	<u>(21,543)</u>	<u>(27,043)</u>	<u>1,031,079</u>
<u>(5,500)</u>	<u>(21,543)</u>	<u>(27,043)</u>	<u>1,047,043</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,161,903</u>

(Concluded)

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, 2008

	Special Revenue Funds			Total Special Revenue Funds
	Motor Fuel Tax	Special Service Area 5 Duffy Roads	Special Service Area 7 Russell's Storm Sewer	
Revenues collected				
Property taxes	\$ -	\$ 6,003	\$ 11,949	\$ 17,952
Intergovernmental	102,150	-	-	102,150
Interest income	18,717	-	-	18,717
	120,867	6,003	11,949	138,819
Expenditures paid				
Current				
Public works	3,039	-	2,410	5,449
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	3,039	-	2,410	5,449
Net change in fund balances	117,828	6,003	9,539	133,370
Fund balances (deficits)				
Beginning of year	627,672	(1,648)	48,800	674,824
End of year	\$ 745,500	\$ 4,355	\$ 58,339	\$ 808,194

Debt Service Funds

Special Service Area 8 Cherrywood Sewer	Special Service Area 9 North Duffy Sewer	Special Service Area 10 North Robinwood Sewer	Special Service Area 11 Forest Glen Water	Special Service Area 15 South Robinwood Water
\$ 35,805	\$ 9,566	\$ 15,056	\$ 29,222	\$ 54,604
-	-	-	-	-
<u>223</u>	<u>168</u>	<u>24</u>	<u>760</u>	<u>1,029</u>
<u>36,028</u>	<u>9,734</u>	<u>15,080</u>	<u>29,982</u>	<u>55,633</u>
-	-	-	-	-
30,595	8,159	6,665	24,929	45,418
<u>4,519</u>	<u>1,205</u>	<u>8,113</u>	<u>3,682</u>	<u>7,989</u>
<u>35,114</u>	<u>9,364</u>	<u>14,778</u>	<u>28,611</u>	<u>53,407</u>
914	370	302	1,371	2,226
<u>43,157</u>	<u>11,446</u>	<u>24,311</u>	<u>40,294</u>	<u>73,661</u>
<u>\$ 44,071</u>	<u>\$ 11,816</u>	<u>\$ 24,613</u>	<u>\$ 41,665</u>	<u>\$ 75,887</u>

(Continued)

Village of Riverwoods, Illinois

Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND CHANGES IN FUND BALANCES (DEFICITS) (Continued)

For the Year Ended December 31, 2008

	<u>Debt Service Funds (Continued)</u>		
	<u>Special Service Area 19 Hiawatha Road</u>	<u>Special Service Area 20 Whigham Burr Oak</u>	<u>Total Debt Service Funds</u>
Revenues collected			
Property taxes	\$ 28,650	\$ 32,756	\$ 205,659
Intergovernmental	-	-	-
Interest income	449	2,018	4,671
	<u>29,099</u>	<u>34,774</u>	<u>210,330</u>
Total revenues collected			
Expenditures paid			
Current			
Public works	-	-	-
Debt service			
Principal	16,722	27,037	159,525
Interest	6,204	7,095	38,807
	<u>22,926</u>	<u>34,132</u>	<u>198,332</u>
Total expenditures paid			
Net change in fund balances	6,173	642	11,998
Fund balances (deficits)			
Beginning of year	<u>37,068</u>	<u>23,957</u>	<u>253,894</u>
End of year	<u>\$ 43,241</u>	<u>\$ 24,599</u>	<u>\$ 265,892</u>

Capital Project Funds

Special Service Area 19 Hiawatha Road Projects	Special Service Area 20 Whigham Burr Oak Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 223,611
-	-	-	102,150
-	-	-	23,388
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	349,149
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	5,449
-	-	-	159,525
-	-	-	38,807
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	203,781
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	145,368
<hr/>	<hr/>	<hr/>	<hr/>
(5,500)	(21,543)	(27,043)	901,675
<hr/>	<hr/>	<hr/>	<hr/>
\$ (5,500)	\$ (21,543)	\$ (27,043)	\$ 1,047,043
<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(Concluded)

Village of Riverwoods, Illinois

Motor Fuel Tax Fund

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

For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Intergovernmental			
Motor fuel tax	\$ 112,000	\$ 102,150	\$ (9,850)
Interest income	<u>7,000</u>	<u>18,717</u>	<u>11,717</u>
Total revenues collected	<u>119,000</u>	<u>120,867</u>	<u>1,867</u>
Expenditures paid			
Contractual services	<u>31,000</u>	<u>3,039</u>	<u>27,961</u>
Net change in fund balance	\$ <u>88,000</u>	117,828	\$ <u>29,828</u>
Fund balance			
Beginning of year		<u>627,672</u>	
End of year		\$ <u>745,500</u>	

Village of Riverwoods, Illinois
Special Service Area 5 - Duffy Roads Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE (DEFICIT) - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property taxes	\$ <u>6,000</u>	\$ <u>6,003</u>	\$ <u>3</u>
Expenditures paid			
Contractual services	183,000	-	183,000
Commodities	17,000	-	17,000
Miscellaneous	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures paid	<u>220,000</u>	<u>-</u>	<u>220,000</u>
Net change in fund balance	\$ <u><u>(214,000)</u></u>	6,003	\$ <u><u>220,003</u></u>
Fund balance (deficit)			
Beginning of year		<u>(1,648)</u>	
End of year		\$ <u><u>4,355</u></u>	

Village of Riverwoods, Illinois
Special Service Area 7 - Russell's Storm Sewer Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Property tax - special maintenance	\$ 12,000	\$ 11,949	\$ (51)
Expenditures paid			
Contractual services	33,800	2,410	31,390
Commodities	12,000	-	12,000
Miscellaneous	25,000	-	25,000
Capital outlay	<u>55,000</u>	<u>-</u>	<u>55,000</u>
Total expenditures paid	<u>125,800</u>	<u>2,410</u>	<u>123,390</u>
Net change in fund balance	<u>\$ (113,800)</u>	9,539	<u>\$ 123,339</u>
Fund balance			
Beginning of year		<u>48,800</u>	
End of year		<u>\$ 58,339</u>	

Village of Riverwoods, Illinois
Special Service Area 8 - Cherrywood Sewer Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 35,000	\$ 35,805	\$ 805
Interest income	-	223	223
	<u>35,000</u>	<u>36,028</u>	<u>1,028</u>
Total revenues collected			
Expenditures paid			
Debt service			
Principal	29,300	30,595	(1,295)
Interest	5,900	4,519	1,381
	<u>35,200</u>	<u>35,114</u>	<u>86</u>
Total expenditures paid			
Net change in fund balance	\$ <u>(200)</u>	914	\$ <u>1,114</u>
Fund balance			
Beginning of year		<u>43,157</u>	
End of year		<u>\$ 44,071</u>	

Village of Riverwoods, Illinois
Special Service Area 9 - North Duffy Sewer Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 9,500	\$ 9,566	\$ 66
Interest income	<u>200</u>	<u>168</u>	<u>(32)</u>
Total revenues collected	<u>9,700</u>	<u>9,734</u>	<u>34</u>
Expenditures paid			
Debt service			
Principal	7,700	8,159	(459)
Interest	<u>2,000</u>	<u>1,205</u>	<u>795</u>
Total expenditures paid	<u>9,700</u>	<u>9,364</u>	<u>336</u>
Net change in fund balance	<u>\$ -</u>	370	<u>\$ 370</u>
Fund balance			
Beginning of year		<u>11,446</u>	
End of year		<u>\$ 11,816</u>	

Village of Riverwoods, Illinois
Special Service Area 10 - North Robinwood Sewer Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 15,000	\$ 15,056	\$ 56
Interest income	<u>1,500</u>	<u>24</u>	<u>(1,476)</u>
Total revenues collected	<u>16,500</u>	<u>15,080</u>	<u>(1,420)</u>
Expenditures paid			
Debt service			
Principal	6,700	6,665	35
Interest	<u>9,000</u>	<u>8,113</u>	<u>887</u>
Total expenditures paid	<u>15,700</u>	<u>14,778</u>	<u>922</u>
Net change in fund balance	<u>\$ 800</u>	302	<u>\$ (498)</u>
Fund balance			
Beginning of year		<u>24,311</u>	
End of year		<u>\$ 24,613</u>	

Village of Riverwoods, Illinois
Special Service Area 11 - Forest Glen Water Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 29,000	\$ 29,222	\$ 222
Interest income	<u>1,450</u>	<u>760</u>	<u>(690)</u>
Total revenues collected	<u>30,450</u>	<u>29,982</u>	<u>(468)</u>
Expenditures paid			
Debt service			
Principal	25,000	24,929	71
Interest	<u>5,000</u>	<u>3,682</u>	<u>1,318</u>
Total expenditures paid	<u>30,000</u>	<u>28,611</u>	<u>1,389</u>
Net change in fund balance	\$ <u>450</u>	1,371	\$ <u>921</u>
Fund balance			
Beginning of year		<u>40,294</u>	
End of year		<u>\$ 41,665</u>	

Village of Riverwoods, Illinois
Special Service Area 15 - South Robinwood Water Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 54,000	\$ 54,604	\$ 604
Interest income	<u>600</u>	<u>1,029</u>	<u>429</u>
Total revenues collected	<u>54,600</u>	<u>55,633</u>	<u>1,033</u>
Expenditures paid			
Debt service			
Principal	42,000	45,418	(3,418)
Interest	<u>12,000</u>	<u>7,989</u>	<u>4,011</u>
Total expenditures paid	<u>54,000</u>	<u>53,407</u>	<u>593</u>
Net change in fund balance	\$ <u><u>600</u></u>	2,226	\$ <u><u>1,626</u></u>
Fund balance			
Beginning of year		<u>73,661</u>	
End of year		\$ <u><u>75,887</u></u>	

Village of Riverwoods, Illinois
Special Service Area 19 - Hiawatha Road Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 29,000	\$ 28,650	\$ (350)
Special maintenance tax	400	-	(400)
Interest income	25	449	424
	<u>29,425</u>	<u>29,099</u>	<u>(326)</u>
 Total revenues collected	 <u>29,425</u>	 <u>29,099</u>	 <u>(326)</u>
 Expenditures paid			
Debt service			
Principal	15,000	16,722	(1,722)
Interest	7,000	6,204	796
	<u>22,000</u>	<u>22,926</u>	<u>(926)</u>
 Total expenditures paid	 <u>22,000</u>	 <u>22,926</u>	 <u>(926)</u>
 Net change in fund balance	 <u>\$ 7,425</u>	 6,173	 <u>\$ (1,252)</u>
 Fund balance			
Beginning of year		<u>37,068</u>	
 End of year		 <u>\$ 43,241</u>	

Village of Riverwoods, Illinois
Special Service Area 20 - Whigham Burr Oak Debt Service Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 35,000	\$ 32,756	\$ (2,244)
Interest income	<u>250</u>	<u>2,018</u>	<u>1,768</u>
Total revenues collected	<u>35,250</u>	<u>34,774</u>	<u>(476)</u>
Expenditures paid			
Debt service			
Principal	26,000	27,037	(1,037)
Interest	<u>8,000</u>	<u>7,095</u>	<u>905</u>
Total expenditures paid	<u>34,000</u>	<u>34,132</u>	<u>(132)</u>
Net change in fund balance	\$ <u><u>1,250</u></u>	642	\$ <u><u>(608)</u></u>
Fund balance			
Beginning of year		<u>23,957</u>	
End of year		<u><u>\$ 24,599</u></u>	

Village of Riverwoods, Illinois

Consolidated Water Fund

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COLLECTED,
EXPENSES PAID, AND CHANGES IN NET ASSETS - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Operating revenues collected			
Charges for sales and services			
Water sales	\$ 1,000,000	\$ 906,654	\$ (93,346)
Tap-on fees	<u>40,000</u>	<u>64,125</u>	<u>24,125</u>
Charges for sales and services	<u>1,040,000</u>	<u>970,779</u>	<u>(69,221)</u>
Operating expenses paid			
Personnel			
Salaries	30,000	29,691	309
FICA	3,100	2,271	829
IMRF	2,500	-	2,500
Unemployment insurance	<u>200</u>	<u>-</u>	<u>200</u>
Total personnel	<u>35,800</u>	<u>31,962</u>	<u>3,838</u>
Contractual services			
Maintenance			
Equipment	8,000	13,226	(5,226)
Utility system	10,000	-	10,000
Other	25,000	-	25,000
Insurance	10,000	-	10,000
Water purchases	800,000	503,805	296,195
Engineering services	65,000	12,564	52,436
Legal services	20,000	-	20,000
Other professional services	120,000	137,341	(17,341)
Annual testing fees (IEPA)	10,000	6,386	3,614
Other	<u>7,000</u>	<u>1,645</u>	<u>5,355</u>
Total contractual services	<u>1,075,000</u>	<u>674,967</u>	<u>400,033</u>

(Continued)

Village of Riverwoods, Illinois

Consolidated Water Fund

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COLLECTED,
EXPENSES PAID, AND CHANGES IN NET ASSETS - APPROPRIATION AND ACTUAL (Continued)

For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating expenses paid (continued)			
Commodities			
Maintenance supplies	\$ <u>100,000</u>	\$ <u>31,359</u>	\$ <u>68,641</u>
Total operating expenses paid before capital outlay	<u>1,210,800</u>	<u>738,288</u>	<u>472,512</u>
Capital outlay			
Equipment	175,000	-	175,000
Extensions and connections	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>
Total capital outlay	<u>2,675,000</u>	<u>-</u>	<u>2,675,000</u>
Total operating expenses paid	<u>3,885,800</u>	<u>738,288</u>	<u>3,147,512</u>
Depreciation expense	<u>-</u>	<u>235,649</u>	<u>(235,649)</u>
Total operating expenses paid and depreciation	<u>3,885,800</u>	<u>973,937</u>	<u>2,911,863</u>
Deficiency of operating revenues collected over operating expenses paid and depreciation	<u>(2,845,800)</u>	<u>(3,158)</u>	<u>2,842,642</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	363,800	360,240	(3,560)
Interest income	41,875	36,860	(5,015)
Special maintenance tax	2,000	-	(2,000)
Debt service-principal	(277,500)	-	277,500
Debt service-interest	(72,900)	(61,190)	11,710
Other revenues	-	980	980
Other expenses	<u>(15,000)</u>	<u>(15,154)</u>	<u>(154)</u>
Total nonoperating revenues collected (expenses paid)	<u>42,275</u>	<u>321,736</u>	<u>279,461</u>

(Continued)

Village of Riverwoods, Illinois

Consolidated Water Fund

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COLLECTED,
EXPENSES PAID, AND CHANGES IN NET ASSETS - APPROPRIATION AND ACTUAL (Continued)
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Excess (deficiency) of revenues collected over expenses paid before other financing sources	\$ (2,803,525)	\$ 318,578	\$ 3,122,103
Other financing sources			
Transfers in from General Fund	<u>1,000,000</u>	<u>883,042</u>	<u>(116,958)</u>
Change in net assets	\$ <u><u>(1,803,525)</u></u>	1,201,620	\$ <u><u>3,005,145</u></u>
Net assets			
Beginning of year		<u>7,620,663</u>	
End of year		\$ <u><u>8,822,283</u></u>	

(Concluded)

Village of Riverwoods, Illinois

Sewer Fund

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COLLECTED,
EXPENSES PAID, AND CHANGES IN NET ASSETS - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2008

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Operating revenues collected			
Charges for sales and services			
Annual transmission (Lincolnshire)	\$ 8,000	\$ 7,784	\$ (216)
Tap-on fees	8,000	52,538	44,538
Grinder pump maintenance fees	<u>5,700</u>	<u>34,232</u>	<u>28,532</u>
Total operating revenues collected	<u>21,700</u>	<u>94,554</u>	<u>72,854</u>
Operating expenses paid			
Personnel			
Salaries	10,500	7,438	3,062
FICA	2,000	569	1,431
IMRF	2,000	-	2,000
Unemployment insurance	<u>600</u>	<u>-</u>	<u>600</u>
Total personnel	<u>15,100</u>	<u>8,007</u>	<u>7,093</u>
Contractual services			
Maintenance - utility system	20,000	4,411	15,589
Maintenance - other	80,000	103,128	(23,128)
Insurance	5,000	-	5,000
Utilities	1,000	-	1,000
Postage	500	-	500
Advertising	500	-	500
Engineering services	3,000	6,071	(3,071)
Legal services	20,000	-	20,000
Other professional services	20,000	27,500	(7,500)
Sewer connection fees	5,000	20,865	(15,865)
Miscellaneous	<u>15,000</u>	<u>3,344</u>	<u>11,656</u>
Total contractual services	<u>170,000</u>	<u>165,319</u>	<u>4,681</u>
Commodities			
Maintenance supplies	5,000	-	5,000
Operating supplies	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total commodities	<u>10,000</u>	<u>-</u>	<u>10,000</u>

(Continued)

Village of Riverwoods, Illinois

Sewer Fund

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COLLECTED,
EXPENSES PAID, AND CHANGES IN NET ASSETS - APPROPRIATION AND ACTUAL (Continued)
For the Year Ended December 31, 2008

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating expenses paid (continued)			
Capital outlay			
Equipment	\$ 4,500	\$ -	\$ 4,500
Extensions and connections	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total capital outlay	<u>154,500</u>	<u>-</u>	<u>154,500</u>
Total operating expenses paid	<u>349,600</u>	<u>173,326</u>	<u>176,274</u>
Depreciation	<u>-</u>	<u>117,463</u>	<u>(117,463)</u>
Total operating expenses paid and depreciation	<u>349,600</u>	<u>290,789</u>	<u>58,811</u>
Deficiency of operating revenues collected over operating expenses paid and depreciation	<u>(327,900)</u>	<u>(196,235)</u>	<u>131,665</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	327,000	326,871	(129)
Interest income	-	6,726	6,726
Debt service-principal	(250,000)	-	250,000
Debt service-interest	<u>(70,000)</u>	<u>(57,158)</u>	<u>12,842</u>
Total nonoperating revenues collected and expenses paid	<u>7,000</u>	<u>276,439</u>	<u>269,439</u>
Excess (deficiency) of revenues collected and expenses paid before other financing sources	<u>(320,900)</u>	<u>80,204</u>	<u>401,104</u>
Other financing sources			
Transfer in from General Fund	<u>200,000</u>	<u>217,138</u>	<u>17,138</u>
Change in net assets	<u>\$ (120,900)</u>	<u>297,342</u>	<u>\$ 418,242</u>
Net assets			
Beginning of year		<u>3,074,946</u>	
End of year		<u>\$ 3,372,288</u>	

(Concluded)

**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, 2008

Governmental funds capital assets:

Land	
Parcels	\$ 1,855,000
Rights of way	508,300
Buildings and improvements	635,330
Infrastructure	
Sidewalks	159,369
Storm sewers	169,834
Equipment	
Office equipment	152,966
Vehicles	<u>190,725</u>
Total governmental funds capital assets	\$ <u><u>3,671,524</u></u>

Investments in governmental funds capital assets by source:

General revenues	\$ <u><u>3,671,524</u></u>
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Village of Riverwoods, Illinois
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
December 31, 2008

FUNCTION AND ACTIVITY	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Total</u>
Administration and general					
government	\$ 1,855,000	\$ 436,750	\$ -	\$ 152,789	\$ 2,444,539
Police	-	198,580	-	190,902	389,482
Public works	<u>508,300</u>	<u>-</u>	<u>329,203</u>	<u>-</u>	<u>837,503</u>
 Total governmental funds capital assets	 <u>\$ 2,363,300</u>	 <u>\$ 635,330</u>	 <u>\$ 329,203</u>	 <u>\$ 343,691</u>	 <u>\$ 3,671,524</u>

Village of Riverwoods, Illinois

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY For the Year Ended December 31, 2008

FUNCTION AND ACTIVITY	Capital Assets			Capital Assets
	<u>January 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2008</u>
Administration and general government \$	2,384,892	\$ 36,750	\$ -	\$ 2,421,642
Police	380,018	72,274	39,913	412,379
Public works	<u>699,521</u>	<u>137,982</u>	<u>-</u>	<u>837,503</u>
Total governmental funds capital assets	<u>\$ 3,464,431</u>	<u>\$ 247,006</u>	<u>\$ 39,913</u>	<u>\$ 3,671,524</u>

OTHER SUPPLEMENTAL INFORMATION

Village of Riverwoods, Illinois
SCHEDULE OF CASH AND INVESTMENTS
December 31, 2008

<u>Cash and Investments by Fund</u>	<u>Cash</u>	<u>Investments</u>	<u>Totals</u>
General Fund	\$ 6,745,009	\$ 5,870,180	\$ 12,615,189
Special Revenue Funds:			
Motor Fuel Tax	804,272	-	804,272
Duffy Roads	17,436	-	17,436
Russell Storm Sewer	58,339	-	58,339
	<u>880,047</u>	<u>-</u>	<u>880,047</u>
Debt Service Funds:			
Special Service Area # 8	44,071	-	44,071
Special Service Area # 9	11,816	-	11,816
Special Service Area # 10	24,613	-	24,613
Special Service Area # 11	41,665	-	41,665
Special Service Area # 15	75,887	-	75,887
Special Service Area # 19	43,241	-	43,241
Special Service Area # 20	24,599	-	24,599
	<u>265,892</u>	<u>-</u>	<u>265,892</u>
Enterprise Funds:			
Consolidated Water	500,808	244,854	745,662
Sewer	416,173	-	416,173
	<u>916,981</u>	<u>244,854</u>	<u>1,161,835</u>
Agency Fund:			
Performance Bond	437,294	34,278	471,572
Total - All Funds	<u>\$ 9,245,223</u>	<u>\$ 6,149,312</u>	<u>\$ 15,394,535</u>

(Continued)

Village of Riverwoods, Illinois
SCHEDULE OF CASH AND INVESTMENTS
December 31, 2008

Cash and Investments by Financial Institution - Book Balances

The Illinois Funds	\$ 8,077,809
Northside Community Bank	2,609,546
US Bank	74,747
National City	339,206
Wachovia	3,649,224
Howe Barnes Hoefler & Arnett	508,429
Citigroup	100,996
JP Morgan	34,278
Cash on hand	<u>300</u>
 Total	 \$ <u><u>15,394,535</u></u>

Total investment income for the year ended December 31, 2008 was \$428,554, which yielded an average rate of return of 2.81%.

(Concluded)

Village of Riverwoods, Illinois
SCHEDULE OF INSURANCE IN FORCE
December 31, 2008

Description of Coverage	Coverage	Company	Policy Number / Expiration Date
<u>LIABILITY COVERAGES</u>			
General Liability	\$ 8,000,000 each occur., for all applicable coverages, incl.	Illinois Municipal League Risk Management Assoc. [1]	0703B0497 December 31, 2009
Auto Liability	Special Liability coverages ↓		
Broad Form Property			
Civil Constitutional Rights - Assault/ Battery			
Contractual Liability			
Employee Benefit Programs Liability			
Incidental Malpractice			
Intentional Building Removal			
Limited Worldwide Liability			
Personal Injury/Advertising Liability			
Watercraft Liability			
<u>SPECIAL LIABILITY COVERAGES</u>			
Premises Medical Payments	\$ 3,000 each person		
	\$ 8,000,000 each occur.		
Fire Legal Liability	\$ 100,000 each occur.		
	\$ 100,000 annual aggr.		
Public Officials/Employees	\$ 2,500,000 each occur.		
	\$ 8,000,000 annual aggr.		
Liquor Liability	\$ 1,000,000 each occur.		
	\$ 1,000,000 annual aggr.		
Auto Medical Payments	\$ 10,000 each person		
	\$ 8,000,000 each occur.		
Uninsured/Underinsured Motorist	\$ 100,000 each person		
	\$ 300,000 each accident		
<u>PROPERTY COVERAGES</u>			
Auto Physical Damage	\$ 30,000,000 combined		
Building/Personal Property	limit each occurrence		
Inland Marine	\$ 50,000 extra expense		
Valuable Papers/Records	\$ 50,000 each occur.		
Flood/Earthquake	\$ 5,000,000 each occur./annual aggr.		
<u>STAND-ALONE COVERAGES</u>			
Crime	\$ 50,000 each occurrence		
Worker's Comp/Occupational Disease	Statutory		
Employer's Liability	\$ 3,000,000 each accident		
Public Official Position Bond	As filed with IMLRMA		

[1] IMLRMA provides the first \$2,000,000 per occurrence, all lines. For property, inland marine and auto physical damage, General Reinsurance Corporation provides \$28,000,000 and Lloyd's of London provides \$220,000,000, for a total of \$250,000,000 allocable to all member municipalities.

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Cherrywood Sewer
 Special Service Area Number 8
December 31, 2008

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>
2009	\$ 32,024	\$ 3,090	\$ 35,114
2010	<u>33,538</u>	<u>1,576</u>	<u>35,114</u>
	<u>\$ 65,562</u>	<u>\$ 4,666</u>	<u>\$ 70,228</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Duffy Sewer
 Special Service Area Number 9
December 31, 2008

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>
2009	\$ 8,539	\$ 825	\$ 9,364
2010	<u>8,943</u>	<u>421</u>	<u>9,364</u>
	<u>\$ 17,482</u>	<u>\$ 1,246</u>	<u>\$ 18,728</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Robinwood Sewer
 Special Service Area Number 10
December 31, 2008

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>
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>\$ 122,799</u>	<u>\$ 55,208</u>	<u>\$ 178,007</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Forest Glen Water
 Special Service Area Number 11
December 31, 2008

Dated: August 10, 1999
 Original Issue: \$220,000
 Due: January 10, 2010
 Payment Date: January 10
 Interest Rate: 4.70%

Year	Principal	Interest	Annual Debt Service
2009	\$ 26,094	\$ 2,518	\$ 28,612
2010	27,328	1,284	28,612
	\$ 53,422	\$ 3,802	\$ 57,224

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 South Riverwood Sewer
 Special Service Area Number 12
December 31, 2008

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>
2009	\$ 280,316	\$ 39,645	\$ 319,961
2010	297,509	22,452	319,961
2011	<u>155,361</u>	<u>4,620</u>	<u>159,981</u>
	<u>\$ 733,186</u>	<u>\$ 66,717</u>	<u>\$ 799,903</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Central Water
 Special Service Area Number 14
December 31, 2008

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>
2009	\$ 261,256	\$ 34,814	\$ 296,070
2010	273,412	22,658	296,070
2011	<u>286,134</u>	<u>9,936</u>	<u>296,070</u>
	<u>\$ 820,802</u>	<u>\$ 67,408</u>	<u>\$ 888,210</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 South Robinwood Water
 Special Service Area Number 15
December 31, 2008

Dated: December 15, 1999
 Original Issue: \$400,000
 Due: January 10, 2010
 Payment Date: January 10
 Interest Rate: 5.55%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2009	\$ 47,924	\$ 5,483	\$ 53,407
2010	<u>50,597</u>	<u>2,810</u>	<u>53,407</u>
	<u>\$ 98,521</u>	<u>\$ 8,293</u>	<u>\$ 106,814</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Robinwood Water
 Special Service Area Number 16
December 31, 2008

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>
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>\$ 111,767</u>	<u>\$ 50,495</u>	<u>\$ 162,262</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Northwest Water
 Special Service Area Number 17
December 31, 2008

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>
2009	\$ 27,374	\$ 3,435	\$ 30,809
2010	28,850	1,959	30,809
2011	<u>15,002</u>	<u>402</u>	<u>15,404</u>
	<u>\$ 71,226</u>	<u>\$ 5,796</u>	<u>\$ 77,022</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Cherrywood Road
 Special Service Area Number 18
December 31, 2008

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>
2009	\$ 7,429	\$ 1,262	\$ 8,691
2010	7,965	726	8,691
2011	<u>4,196</u>	<u>149</u>	<u>4,345</u>
	<u>\$ 19,590</u>	<u>\$ 2,137</u>	<u>\$ 21,727</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Hiawatha Road
 Special Service Area Number 19
December 31, 2008

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>
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>\$ 89,060</u>	<u>\$ 14,107</u>	<u>\$ 103,167</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Whigham-Burr Oak
 Special Service Area Number 20
December 31, 2008

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>
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	<u>16,750</u>	<u>350</u>	<u>17,100</u>
	<u>\$ 168,185</u>	<u>\$ 19,915</u>	<u>\$ 188,100</u>

Village of Riverwoods, Illinois
General Fund
SCHEDULE OF REVENUES COLLECTED
Trend Information - Last Seven Years
Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues collected				
Taxes				
Township road and bridge tax	\$ 34,719	\$ 32,438	\$ 30,192	\$ 30,498
State income taxes	372,423	345,412	317,401	289,505
Sales and local use taxes	377,682	371,183	357,254	311,594
Photo processing taxes	-	-	-	-
Hotel tax	113,881	125,995	122,492	92,245
Personal property replacement taxes	2,276	2,011	1,941	1,765
Total taxes	<u>900,981</u>	<u>877,039</u>	<u>829,280</u>	<u>725,607</u>
Utility taxes				
Telecommunications	434,020	477,464	511,849	559,359
Electric	297,764	306,094	295,059	315,698
Gas	194,406	176,042	259,439	110,201
Total utility taxes	<u>926,190</u>	<u>959,600</u>	<u>1,066,347</u>	<u>985,258</u>
Licenses and permits				
Liquor licenses	20,000	21,000	16,500	20,000
Franchise fees	57,474	50,427	43,520	37,866
Construction fees	139,996	115,765	218,232	196,095
Cell tower lease	83,460	83,140	82,160	80,300
Special inspection	870	1,091	6,785	5,040
Elevator permits	9,840	9,385	12,240	8,690
Certificate of occupancy fees	-	-	-	-
Forester fees	8,685	16,090	19,002	28,652
Forest program	44,487	40,245	150,941	31,675
Engineer fees	7,485	8,366	19,646	17,472
Office service reimbursements	-	-	-	-
Other	-	-	-	-
Total licenses and permits	<u>372,297</u>	<u>345,509</u>	<u>569,026</u>	<u>425,790</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -
245,728	252,910	220,144
251,785	126,319	169,463
-	-	5,026
68,985	83,336	65,713
-	1,181	1,205
566,498	463,746	461,551
559,184	391,590	330,065
262,758	234,781	163,626
129,760	197,802	135,654
951,702	824,173	629,345
22,500	25,000	30,000
34,316	31,467	19,925
226,838	296,914	289,555
80,603	53,600	57,800
3,583	480	9,410
7,576	5,680	3,372
-	508	450
11,735	21,279	15,515
9,200	4,400	-
12,350	10,313	1,895
-	373	168
1,207	65	300
409,908	450,079	428,390

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF REVENUES COLLECTED (Continued)

Trend Information - Last Seven Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues collected (continued)				
Interest income	\$ <u>347,522</u>	\$ <u>394,258</u>	\$ <u>287,881</u>	\$ <u>109,568</u>
Other revenue				
Impact fees	-	-	-	-
Insurance reimbursements	-	-	-	-
Donation for bike path	-	-	90,000	-
Miscellaneous revenue	<u>19,630</u>	<u>16,749</u>	<u>37,279</u>	<u>132,191</u>
Total other revenue	<u>19,630</u>	<u>16,749</u>	<u>127,279</u>	<u>132,191</u>
Total revenues collected	\$ <u><u>2,566,620</u></u>	\$ <u><u>2,593,155</u></u>	\$ <u><u>2,879,813</u></u>	\$ <u><u>2,378,414</u></u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ <u>31,824</u>	\$ <u>25,922</u>	\$ <u>16,122</u>
60,000	37,000	4,000
27,169	-	-
-	-	-
<u>32,662</u>	<u>44,979</u>	<u>11,855</u>
<u>119,831</u>	<u>81,979</u>	<u>15,855</u>
\$ <u><u>2,079,763</u></u>	\$ <u><u>1,845,899</u></u>	\$ <u><u>1,551,263</u></u>

(Concluded)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID

Trend Information - Last Seven Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures paid				
Personnel				
Salaries	\$ 333,089	\$ 321,686	\$ 307,646	\$ 313,019
FICA	25,481	24,566	25,881	24,057
IMRF	35,528	33,105	30,076	28,350
Unemployment insurance	2,794	2,986	2,976	6,083
Health insurance	38,052	41,850	38,350	33,865
	<u>434,944</u>	<u>424,193</u>	<u>404,929</u>	<u>405,374</u>
Total personnel				
Contractual services				
Maintenance				
Building	62,298	38,380	22,880	24,005
Equipment	2,083	3,170	5,888	6,320
Grounds	32,484	23,867	24,722	12,767
Streets	7,195	9,545	11,600	-
Drainage and culverts	132,633	8,615	14,702	1,770
Bike path	-	-	-	560
Insurance	60,059	54,220	52,036	42,552
Telephone	15,636	15,769	15,193	15,973
Travel and meetings	11,714	8,185	9,103	9,135
Postage	6,013	4,993	8,187	7,521
Advertising	1,085	1,542	355	1,531
Village Voice	15,267	16,309	12,387	11,308
Printing	-	-	628	2,244
Accounting	28,760	20,945	18,555	19,370
Engineering	140,670	96,496	130,590	130,343
Legal	107,321	112,821	104,994	110,098
Inspection fees	25,492	21,932	44,492	17,396
Other professional	108,021	106,953	167,933	99,084
Dues and subscriptions	3,184	1,699	1,944	3,459
NSSRA	45,227	19,947	38,292	24,454
Forest program	67,715	69,588	75,545	45,432
Theater In The Woods	10,000	10,000	10,000	-
Arts & Riverwoods	-	14,000	14,000	-
Family Day	2,500	-	-	-
Senior transportation	44	-	-	-

	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	305,739	\$ 308,226	\$ 267,096
	23,412	23,579	18,853
	29,748	30,170	27,469
	1,710	1,262	831
	<u>36,507</u>	<u>34,542</u>	<u>76,287</u>
	 <u>397,116</u>	 <u>397,779</u>	 <u>390,536</u>
	 30,007	 38,240	 29,490
	1,483	8,900	225
	9,971	11,995	10,796
	-	-	-
	-	-	-
	-	-	-
	63,452	108,087	92,640
	21,314	24,432	22,728
	7,619	6,206	4,576
	8,100	7,717	7,081
	2,391	1,480	2,369
	12,538	13,656	12,620
	2,240	844	-
	17,939	15,654	23,385
	137,227	135,525	68,363
	113,709	112,158	108,561
	46,413	35,572	-
	108,313	120,840	70,140
	2,910	1,832	1,685
	22,100	18,318	18,189
	44,115	35,145	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID (Continued)

Trend Information - Last Seven Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures paid (continued)				
Contractual services (continued)				
Snow removal	\$ 98,466	\$ 36,814	\$ 23,888	\$ 44,558
Signs	1,125	1,115	1,705	1,586
Street lighting	1,196	2,478	1,628	967
Miscellaneous	<u>38,045</u>	<u>40,879</u>	<u>164,760</u>	<u>78,615</u>
Total contractual services	<u>1,024,233</u>	<u>740,262</u>	<u>976,007</u>	<u>711,048</u>
Commodities				
Office supplies	14,085	13,012	13,337	17,700
Publications	4,116	1,225	71	-
Operating supplies	<u>2,376</u>	<u>6,845</u>	<u>9,266</u>	<u>-</u>
Total commodities	<u>20,577</u>	<u>21,082</u>	<u>22,674</u>	<u>17,700</u>
Capital outlay				
Land acquisition	-	-	-	-
Equipment	-	-	-	-
Police garage	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures paid	<u>\$ 1,479,754</u>	<u>\$ 1,185,537</u>	<u>\$ 1,403,610</u>	<u>\$ 1,134,122</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
<u>71,137</u>	<u>101,798</u>	<u>10,038</u>
<u>722,978</u>	<u>798,399</u>	<u>482,886</u>
15,829	20,438	14,464
80	203	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>15,909</u>	<u>20,641</u>	<u>14,464</u>
-	-	686,287
790	-	21,455
<u>-</u>	<u>10,475</u>	<u>115,061</u>
<u>790</u>	<u>10,475</u>	<u>822,803</u>
<u>\$ 1,136,793</u>	<u>\$ 1,227,294</u>	<u>\$ 1,710,689</u>

(Concluded)

Village of Riverwoods, Illinois
Police Fund
SCHEDULE OF REVENUES COLLECTED
Trend Information - Last Seven Years
Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues collected				
Property taxes	\$ 411,196	\$ 390,356	\$ 371,532	\$ 353,603
COPS grant	750	8,942	28,904	113,753
Fines and forfeits	236,286	247,401	247,497	183,146
Impact fees	53,100	83,500	35,000	37,000
Other revenues	28,722	38,185	33,752	24,980
Interest income	<u>14,065</u>	<u>123,746</u>	<u>118,751</u>	<u>152,101</u>
 Total revenues collected	 <u>\$ 744,119</u>	 <u>\$ 892,130</u>	 <u>\$ 835,436</u>	 <u>\$ 864,583</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 326,899	\$ 316,277	\$ 295,712
210,103	388,284	-
187,301	141,352	89,736
-	26,000	32,200
1,784	26,137	9,807
<u>158,145</u>	<u>120,867</u>	<u>140,839</u>
<u>\$ 884,232</u>	<u>\$ 1,018,917</u>	<u>\$ 568,294</u>

Village of Riverwoods, Illinois

Police Fund

SCHEDULE OF EXPENDITURES PAID

Trend Information - Last Seven Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures paid				
Personnel				
Salaries	\$ 707,653	\$ 640,930	\$ 600,733	\$ 544,197
Health insurance	70,607	62,838	63,522	57,568
FICA	54,135	47,968	45,240	41,009
IMRF	57,708	52,650	50,704	41,832
	<u>890,103</u>	<u>804,386</u>	<u>760,199</u>	<u>684,606</u>
Total personnel				
Contractual services				
Legal	86,116	42,034	34,240	26,500
Crime laboratory	9,111	9,111	9,111	6,111
Other professional	82,609	29,076	71,396	69,161
Telephone	4,064	3,543	4,055	5,384
Travel	297	200	266	45
Training	1,550	1,080	1,991	1,174
Miscellaneous	5,934	2,064	-	-
Total contractual services	<u>189,681</u>	<u>87,108</u>	<u>121,059</u>	<u>108,375</u>
Commodities				
Office expenses	2,672	3,549	5,098	4,209
Fuel for squad cars	35,975	29,847	28,048	20,941
Miscellaneous	-	-	2,542	7,983
Total commodities	<u>38,647</u>	<u>33,396</u>	<u>35,688</u>	<u>33,133</u>
Capital outlay				
Squad cars and related equipment	86,375	59,447	68,891	34,197
Police equipment	3,656	2,574	4,534	1,719
Total capital outlay	<u>90,031</u>	<u>62,021</u>	<u>73,425</u>	<u>35,916</u>
Total expenditures paid	\$ <u>1,208,462</u>	\$ <u>986,911</u>	\$ <u>990,371</u>	\$ <u>862,030</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 489,393	\$ 416,620	\$ 322,210
43,669	45,105	28,886
33,889	31,901	24,649
<u>33,441</u>	<u>31,269</u>	<u>24,087</u>
<u>600,392</u>	<u>524,895</u>	<u>399,832</u>
16,160	20,430	8,720
6,111	6,111	6,051
66,046	70,232	68,023
4,362	5,195	3,147
16	223	1,257
2,108	3,221	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>94,803</u>	<u>105,412</u>	<u>87,198</u>
4,572	2,300	3,164
18,195	14,403	7,465
<u>4,045</u>	<u>12,657</u>	<u>8,441</u>
<u>26,812</u>	<u>29,360</u>	<u>18,070</u>
52,723	81,830	6,176
<u>4,704</u>	<u>3,004</u>	<u>6,158</u>
<u>57,427</u>	<u>84,834</u>	<u>12,334</u>
<u>\$ 779,434</u>	<u>\$ 744,501</u>	<u>\$ 517,434</u>

Village of Riverwoods, Illinois
Consolidated Water Fund
SCHEDULE OF REVENUES COLLECTED
Trend Information - Last Six Years
Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues collected						
Charges for sales and services	\$ 970,779	\$ 1,135,322	\$ 1,049,323	\$ 1,154,043	\$ 995,610	\$ 1,042,030
Property taxes	360,240	360,608	361,582	358,792	364,127	329,213
Interest income	36,860	93,817	46,306	29,900	12,644	11,632
Grant revenue	-	64,538	-	-	-	-
Other	980	255	789	-	9,030	-
	<u>980</u>	<u>255</u>	<u>789</u>	<u>-</u>	<u>9,030</u>	<u>-</u>
 Total revenues collected	 \$ <u>1,368,859</u>	 \$ <u>1,654,540</u>	 \$ <u>1,458,000</u>	 \$ <u>1,542,735</u>	 \$ <u>1,381,411</u>	 \$ <u>1,382,875</u>

Village of Riverwoods, Illinois

Consolidated Water Fund

SCHEDULE OF EXPENSES PAID

Trend Information - Last Six Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Expenses paid						
Personnel	\$ 31,962	\$ 30,596	\$ 29,237	\$ 28,576	\$ 32,129	\$ 37,246
Contractual services	674,967	880,672	784,143	917,191	753,793	770,172
Commodities	31,359	42,086	568	-	-	-
Depreciation	235,649	214,357	214,357	214,355	211,899	231,972
Debt service - interest	61,190	75,527	87,578	99,453	102,635	130,862
Other	15,154	34,717	3,426	-	-	-
Total expenses paid	<u>\$ 1,050,281</u>	<u>\$ 1,277,955</u>	<u>\$ 1,119,309</u>	<u>\$ 1,259,575</u>	<u>\$ 1,100,456</u>	<u>\$ 1,170,252</u>

Village of Riverwoods, Illinois
Sewer Fund
SCHEDULE OF REVENUES COLLECTED
Trend Information - Last Six Years
Years Ended December 31

	2008	2007	2006	2005	2004	2003
Revenues collected						
Charges for sales and services	\$ 94,554	\$ 14,258	\$ 18,631	\$ 126,804	\$ 80,874	\$ 164,819
Property taxes	326,871	363,986	364,560	400,224	408,183	398,879
Interest income	6,726	17,546	15,665	11,087	3,640	2,480
Other revenues	-	-	75	2,249	-	-
Total revenues collected	\$ 428,151	\$ 395,790	\$ 398,931	\$ 540,364	\$ 492,697	\$ 566,178

Village of Riverwoods, Illinois

Sewer Fund

SCHEDULE OF EXPENSES PAID

Trend Information - Last Six Years

Years Ended December 31

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Expenses paid						
Personnel	\$ 8,007	\$ 7,902	\$ 7,373	\$ 8,127	\$ 8,010	\$ 8,522
Contractual services	165,319	96,020	91,366	66,103	21,355	99,918
Depreciation	117,463	115,487	115,487	115,487	114,886	111,033
Debt service	57,158	73,585	90,219	106,516	112,887	147,231
Other	-	634	4,439	197	417	-
	<u> </u>					
Total expenses paid	\$ <u>347,947</u>	\$ <u>293,628</u>	\$ <u>308,884</u>	\$ <u>296,430</u>	\$ <u>257,555</u>	\$ <u>366,704</u>
