

Village of Riverwoods, Illinois

Annual Financial Report

**For the Year Ended
December 31, 2010**

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, 2010, 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 Village'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, 2010, and the respective revenues collected, expenditures/expenses 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 9 and the retirement fund historical data, budgetary comparison information, and notes to the required supplementary information on pages 42 through 45 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
June 13, 2011

Management's Discussion and Analysis December 31, 2010

The Village of Riverwoods presents this comparative analysis in accordance with the requirements of the Governmental Accounting Standards Board (GASB). 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 (2009 versus 2010) - COMPARATIVE ANALYSIS

Village revenues collected from governmental activities decreased from \$3,234,971 to \$3,213,496, and revenues collected from business-type activities (water and sewer systems) increased from \$1,699,255 to \$1,866,125.

Village expenses paid from governmental activities decreased from \$2,932,094 to \$2,697,732, while expenses paid from business-type activities increased from \$1,251,626 to \$1,283,831.

The net assets of the Village increased during 2010 by approximately 3.8% to \$30,162,076, which greatly exceeded liabilities at the end of the year (\$836,066).

The Village's cash and investment balance at the end of the year was \$15,168,802 against a monthly total expenditure average of \$331,797.

Of the Village's total liabilities at the end of the year (\$836,066), the sum of \$531,685 was due within one year.

According to the 2009 Fiscal Responsibility Report Card issued by the Office of the Comptroller, the Village's ratio of fund balance (general and special funds) to expenditures in 2009 was 386.95% versus an average ratio for other municipalities of 80.03% and median ratio for other municipalities of 64.46%. Comparable ratios for 2010 are not yet available but should continue to show the Village's ratio to be significantly higher than the average or median ratios of other municipalities.

ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

The General Fund receives most non-enterprise revenue sources for the Village, including such diverse sources as: (i) the local share of state sales tax and state income tax, and the Village's home rule sales tax, (ii) utility and telecommunications taxes, (iii) hotel tax and (iv) building, liquor and other license and permit fees. During 2010, revenues in the General Fund increased by 1.7% over the prior year, and, after excluding one-time capital outlays for land acquisition, expenditures during such period decreased by 13.5%.

Management's Discussion and Analysis December 31, 2010

The Village does not have a public works department but oversees contractors engaged to provide necessary maintenance and repair services. Expenditures of the General Fund include the expenditures incurred in running the administrative and building departments and paying the costs of such outside contractors. The Consolidated Water Fund and Sewer Fund are allocated a portion of general administrative expenses incurred in connection with the operation, maintenance and repair of the water and sanitary sewer systems.

Hotel room tax receipts in 2010 included past due amounts from the prior year, which were paid after a receiver was appointed for the only hotel in the Village. Building license and permit fees were up slightly. On average, revenue sources and amounts were stable with little change. The expenditures of the General Fund were reduced by savings in salaries and decreased expenditures for the tree replacement program and culvert repairs.

The Village does not currently segregate or earmark large reserves in other funds and relies on the General Fund for repairs and replacements. The General Fund is the only fund with significant cash, cash equivalents, and investments and is *de facto* 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, streets and culverts, and for covering annual deficiencies projected to result from the operation of the Police Department or other funds. As an example, there is no Village-wide system of storm sewers or detention facilities. A recent study commissioned by the Village to examine certain creeks and tributary areas estimated the costs of dredging and stream bank restoration at \$2.5 million for the subject areas studied.

The Consolidated Water Fund and Sewer Fund are the enterprise funds within the Village. In these funds, the nonoperating revenues and expenses include the special service area property taxes and debt service for various special service area bonds that paid for previous sewer and water system improvements. Over the years, the Village has formed special service areas that installed sewers or water mains throughout previously unserved areas of the Village. Debt service on bonds issued to pay for such projects are retired typically on 10-year amortization schedules. As of the end of 2010, there were four special service areas that for reporting purposes are included in the Consolidated Water Fund or Sewer Fund and continue to have property taxes levied for retirement of bonds.

After excluding nonoperating revenues, particularly from special service area taxes, the Consolidated Water Fund experienced a surplus of operating revenues collected over operating expenses paid (and depreciation) of \$82,923. The recurring operating revenues collected over operating expenses paid in 2010 remained about the same as in 2009. The fund's operating expenses are largely driven by the costs of water purchases under a long term supply agreement entered into with the village of Northbrook in 2006. Under this agreement, the price of water will be held constant until 2015.

The operating revenues of the Sewer Fund consist of user and sewer tap-on fees. 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 (\$236,206). In 2008, the Village entered into a long-term agreement with Lake County under which Lake County performs routine maintenance of the Village's sewer system. To pay for such services, Lake County collects user charges from residents (at a rate which covers more than the county's costs – in effect acting as a billing agent for the Village). Under the agreement, Lake County then remits to the Village a share of such user charges, which the Village has elected to accumulate in a designated replacement account in the Sewer Fund. Under the agreement, the Village remains responsible for the cost of capital repairs. The Village's sewer system is aging and is expected to require on-going upgrades and replacements in the future.

Management's Discussion and Analysis

December 31, 2010

The Village's long term capital needs include repairs and replacements of its water system, sanitary sewer system, streets, bike paths and related drainage, and public buildings, and maintenance of its woodlands. If reserves for replacing the capital assets of the Village were to be established at a level that reflected the remaining useful life and estimated replacement costs of the assets in question, the General Fund would have to be substantially depleted. The Village Board has taken the approach of maintaining an adequate fund balance in the General Fund to pay for capital projects as they are needed, without formal designations (with the exception of the replacement account in the Sewer Fund). The Village intends for the fund balances in the Consolidated Water Fund and Sewer Fund to increase gradually so that less pressure will be exerted on the General Fund to absorb the costs for water and sewer system repairs. The General Fund will continue to absorb deficits in the Police Fund for the foreseeable future and to cover the costs of repairing and replacing streets and drainage systems.

The Police Fund collected revenues and paid for expenditures consistently with the department budget, despite high fuel costs for squad cars and health insurance costs. However, the Police Fund experienced a deficiency of revenues collected over current operating expenditures paid of \$349,162, excluding a transfer from the General Fund. The annual transfer from the General Fund is used to zero out any negative balance in the Police Fund. The revenue sources for the Police Fund include a referendum-approved tax levy, but the amount generated by the levy was approximately one-third of expenditures paid by the department. Other sources of revenue include fines from tickets, fees paid by certain commercial owners under special uses with police traffic agreements, rental income from cellular companies leasing space on the Village water tower, and interest income on invested funds.

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 \$98,884. 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 2010, 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 10 through 12 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. Inter-fund 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 Asset – 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.

Management's Discussion and Analysis December 31, 2010

Below is a table summarizing the *Statement of Net Assets – Modified Cash Basis*, which is presented in its entirety on page 10 of this report. The Village's total net assets as of December 31, 2010 were \$30,162,076, of which \$16,548,780 represents governmental net assets and \$13,613,296 represents business-type activity net assets.

SUMMARY STATEMENT OF NET ASSETS

	Governmental Activities		Business Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current Assets	\$12,987,585	\$13,220,054	\$2,181,245	\$1,683,210	\$15,168,840	\$14,903,264
Noncurrent Assets	3,842,342	3,437,837	11,986,960	12,492,712	15,829,302	15,930,549
Total Assets	16,829,937	16,657,891	14,168,205	14,175,922	30,998,142	30,833,813
Noncurrent Liabilities due within one year	58,285	175,946	463,817	614,623	522,102	790,569
Noncurrent Liabilities due within more than one year	213,289	271,574	91,092	559,099	304,381	830,673
Other Liabilities	9,583	148,553	-	-	9,583	148,553
Total Liabilities	281,157	596,073	554,909	1,173,722	836,066	1,769,795
Net Assets:						
Invested in Capital Assets, net of Debt	3,570,768	3,182,952	11,432,051	11,126,355	15,002,819	14,309,307
Restricted	-	2,393	-	-	-	2,393
Restricted for narcotics control	48,196	-	-	-	48,196	-
Restricted by enabling legislation	762,517	-	-	-	762,517	-
Unrestricted	12,166,579	12,876,473	2,181,245	1,875,845	14,347,824	14,752,318
Total Net Assets	<u>\$16,548,780</u>	<u>\$16,061,818</u>	<u>\$13,613,296</u>	<u>\$13,002,200</u>	<u>\$30,162,076</u>	<u>\$29,064,018</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 page 7 is a table summarizing the *Statement of Activities – Modified Cash Basis*, which is presented in its entirety on pages 11 and 12 of this report.

Management's Discussion and Analysis
December 31, 2010

SUMMARY STATEMENT OF ACTIVITIES

	Governmental Activities		Business Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenue Collected						
Program Revenue						
Charges for services						
Police	\$149,098	\$186,841	\$ -	\$ -	\$149,098	\$186,841
Administration	280,074	236,803	-	-	280,074	236,803
Water	-	-	984,964	901,614	984,964	901,614
Sewer	-	-	63,873	95,043	63,873	95,043
Grant Revenue						
Administration	25,000	-	-	-	25,000	-
Water	-	-	135,461	-	135,461	-
Police	-	2,100	-	-	-	2,100
Public Works	115,842	101,460	-	-	115,842	101,460
Total Program Revenues	570,014	527,204	1,184,298	996,657	1,754,312	1,523,861
General revenues and transfers						
Property taxes	575,877	689,036	678,146	686,269	1,254,023	1,375,305
Intergovernmental	510,865	522,023	-	-	510,865	522,023
Other local taxes	1,136,735	1,104,410	-	-	1,136,735	1,104,410
Other revenues	239,491	147,856	80	670	239,571	148,526
Transfers	(28,802)	(360,000)	28,802	360,000	-	-
Interest income	180,514	244,442	3,601	15,659	184,115	260,101
Total General Revenues and Transfers	2,614,680	2,347,767	710,629	1,062,598	3,325,309	3,410,365
Total Revenues Collected and Transfers	3,184,694	2,874,971	1,894,927	2,059,255	5,079,621	4,934,226
Expenses Paid:						
Administrative and general government	1,315,496	1,235,152	-	-	1,315,496	1,235,152
Police	1,098,866	1,228,581	-	-	1,098,866	1,228,581
Public Works	260,987	437,537	-	-	260,987	437,537
Interest	22,383	30,824	-	-	22,383	30,824
Consolidated Water	-	-	934,300	976,667	934,300	976,667
Sewer	-	-	349,531	274,959	349,531	274,959
Total Expenses Paid	2,697,732	2,932,094	1,283,831	1,251,626	3,981,563	4,183,720
Increase (Decrease) in Net Assets	486,962	(57,123)	611,096	807,629	1,098,058	750,506
Net Assets, beginning of year	16,061,818	16,118,941	13,002,200	12,194,571	29,064,018	28,313,512
Net Assets, End of year	<u>\$16,548,780</u>	<u>\$16,061,818</u>	<u>\$13,613,296</u>	<u>\$13,002,200</u>	<u>\$30,162,076</u>	<u>\$29,064,018</u>

Management's Discussion and Analysis

December 31, 2010

An important purpose of the design of the *Statement of Activities – Modified Cash Basis* 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 kinds of funds. Accordingly, the Village's Annual Financial Report includes basic *Governmental Fund Financial Statements*, which are presented on pages 13 through 15 of this report, basic *Proprietary Fund Financial Statements*, which are presented on pages 16 through 19 of this report, and *Agency Fund Financial Statement*, which is presented on page 20 of this report. The agency fund is not included in the entity-wide statements since it is not available for general Village uses.

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, major fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

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

Governmental funds are reported in the fund financial statements included later in this Annual 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, expenditures, and changes in fund balances reconcile the differences between these two perspectives.

Management's Discussion and Analysis December 31, 2010

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, for example, are not available to fund Village programs.

OTHER

At the close of the fiscal year, the Village's population according to the 2010 census was 3,660. The average selling price of homes sold in Riverwoods in 2010 was \$561,791.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Village's citizens, taxpayers, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Village President, 300 Portwine Road, Riverwoods, Illinois 60015, or call 847-945-3990.

BASIC FINANCIAL STATEMENTS

Village of Riverwoods, Illinois
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
December 31, 2010

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 7,472,289	\$ 1,926,966	\$ 9,399,255
Investments	5,515,268	254,279	5,769,547
Other	38	-	38
Total current assets	<u>12,987,595</u>	<u>2,181,245</u>	<u>15,168,840</u>
Noncurrent assets			
Capital assets, not being depreciated			
Land	2,683,072	-	2,683,072
Construction in progress	147,770	-	147,770
Capital assets, net of accumulated depreciation	<u>1,011,500</u>	<u>11,986,960</u>	<u>12,998,460</u>
Total noncurrent assets	<u>3,842,342</u>	<u>11,986,960</u>	<u>15,829,302</u>
Total assets	<u>16,829,937</u>	<u>14,168,205</u>	<u>30,998,142</u>
LIABILITIES			
Other liabilities	9,583	-	9,583
Noncurrent liabilities			
Due within one year	58,285	463,817	522,102
Due in more than one year	<u>213,289</u>	<u>91,092</u>	<u>304,381</u>
Total liabilities	<u>281,157</u>	<u>554,909</u>	<u>836,066</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,570,768	11,432,051	15,002,819
Restricted for narcotics control	48,916	-	48,916
Restricted by enabling legislation	762,517	-	762,517
Unrestricted	<u>12,166,579</u>	<u>2,181,245</u>	<u>14,347,824</u>
Total net assets	<u>\$ 16,548,780</u>	<u>\$ 13,613,296</u>	<u>\$ 30,162,076</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, 2010

Functions/programs	Expenses Paid	Program Revenues Collected		
		Charges for Services	Operating Grants	Capital Grants
Governmental activities				
Administration and general government	\$ 1,315,496	\$ 280,074	\$ -	\$ 25,000
Police	1,098,866	149,098	-	-
Public works	260,987	-	115,842	-
Interest	22,383	-	-	-
Total governmental activities	<u>2,697,732</u>	<u>429,172</u>	<u>115,842</u>	<u>25,000</u>
Business-type activities				
Consolidated water	934,300	984,964	-	135,461
Sewer	349,531	63,873	-	-
Total business-type activities	<u>1,283,831</u>	<u>1,048,837</u>	<u>-</u>	<u>135,461</u>
Total	<u>\$ 3,981,563</u>	<u>\$ 1,478,009</u>	<u>\$ 115,842</u>	<u>\$ 160,461</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
\$ (1,010,422)	\$ -	\$ (1,010,422)
(949,768)	-	(949,768)
(145,145)	-	(145,145)
(22,383)	-	(22,383)
<u>(2,127,718)</u>	<u>-</u>	<u>(2,127,718)</u>
-	186,125	186,125
-	(285,658)	(285,658)
-	(99,533)	(99,533)
<u>(2,127,718)</u>	<u>(99,533)</u>	<u>(2,227,251)</u>
575,877	678,146	1,254,023
510,865	-	510,865
1,136,735	-	1,136,735
239,491	80	239,571
180,514	3,601	184,115
(28,802)	28,802	-
<u>2,614,680</u>	<u>710,629</u>	<u>3,325,309</u>
486,962	611,096	1,098,058
<u>16,061,818</u>	<u>13,002,200</u>	<u>29,064,018</u>
<u>\$ 16,548,780</u>	<u>\$ 13,613,296</u>	<u>\$ 30,162,076</u>

Village of Riverwoods, Illinois
Governmental Funds
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
December 31, 2010

	<u>General Fund</u>	<u>Police Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 6,580,282	\$ -	\$ 892,007	\$ 7,472,289
Investments	5,515,268	-	-	5,515,268
Other assets	<u>-</u>	<u>38</u>	<u>-</u>	<u>38</u>
Total assets	<u>\$ 12,095,550</u>	<u>\$ 38</u>	<u>\$ 892,007</u>	<u>\$ 12,987,595</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Other liabilities	\$ <u>9,583</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>9,583</u>
Total liabilities	<u>9,583</u>	<u>-</u>	<u>-</u>	<u>9,583</u>
Fund balances				
Reserved for narcotics control	-	48,916	-	48,916
Reserved for road projects	-	-	695,536	695,536
Reserved for debt service	-	-	66,981	66,981
Unreserved, designated	2,494,430	-	-	2,494,430
Unreserved, undesignated	<u>9,591,537</u>	<u>(48,878)</u>	<u>129,490</u>	<u>9,672,149</u>
Total fund balances	<u>12,085,967</u>	<u>38</u>	<u>892,007</u>	12,978,012
Total fund balances and liabilities	<u>\$ 12,095,550</u>	<u>\$ 38</u>	<u>\$ 892,007</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				3,842,342
Bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds				<u>(271,574)</u>
Net assets of governmental activities				<u>\$ 16,548,780</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 (DEFICIT)

For the Year Ended December 31, 2010

	General Fund	Police Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues collected				
Property taxes				
Police	\$ -	\$ 436,637	\$ -	\$ 436,637
Special service areas	-	-	103,001	103,001
Other local taxes	1,136,735	-	-	1,136,735
Township road and bridge taxes	36,239	-	-	36,239
Other intergovernmental taxes	510,865	-	98,884	609,749
Grants and contributions	25,000	-	16,958	41,958
Licenses and permits	193,174	-	-	193,174
Fines and forfeits	-	149,098	-	149,098
Special use payments	-	86,900	-	86,900
Other	32,142	219,589	-	251,731
Interest income	177,497	647	2,370	180,514
Total revenues collected	<u>2,111,652</u>	<u>892,871</u>	<u>221,213</u>	<u>3,225,736</u>
Expenditures paid				
Current				
Administration	929,190	-	25	929,215
Building	143,873	-	-	143,873
Police	-	1,242,033	-	1,242,033
Public works	265,846	-	72,163	338,009
Capital outlay	13,255	233,074	-	246,329
Debt service				
Principal	-	-	175,946	175,946
Interest	-	-	22,383	22,383
Total expenditures paid	<u>1,352,164</u>	<u>1,475,107</u>	<u>270,517</u>	<u>3,097,788</u>
Excess (deficiency) of revenues collected over expenditures paid	759,488	(582,236)	(49,304)	127,948
Other financing sources (uses)				
Transfers in (out)	<u>(759,751)</u>	<u>759,751</u>	<u>(28,802)</u>	<u>(28,802)</u>
Net change in fund balances	(263)	177,515	(78,106)	99,146
Fund balance (deficit), beginning of year	<u>12,086,230</u>	<u>(177,477)</u>	<u>970,113</u>	<u>12,878,866</u>
Fund balance, end of year	<u>\$ 12,085,967</u>	<u>\$ 38</u>	<u>\$ 892,007</u>	<u>\$ 12,978,012</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, 2010

Net change in fund balances - total governmental funds \$ 99,146

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

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. 211,870

The repayment of the principal of long-term debt consumes the current financial resources of government funds. 175,946

Change in net assets of governmental activities \$ 486,962

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, 2010

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,338,658	\$ 588,308	\$ 1,926,966
Investments	<u>254,279</u>	<u>-</u>	<u>254,279</u>
Total current assets	<u>1,592,937</u>	<u>588,308</u>	<u>2,181,245</u>
Noncurrent assets:			
Capital assets	11,850,745	5,824,227	17,674,972
Accumulated depreciation	<u>(3,188,728)</u>	<u>(2,499,284)</u>	<u>(5,688,012)</u>
Total noncurrent assets	<u>8,662,017</u>	<u>3,324,943</u>	<u>11,986,960</u>
Total assets	<u>10,254,954</u>	<u>3,913,251</u>	<u>14,168,205</u>
LIABILITIES			
Current liabilities			
Bonds payable due within one year	<u>308,456</u>	<u>155,361</u>	<u>463,817</u>
Total current liabilities	<u>308,456</u>	<u>155,361</u>	<u>463,817</u>
Noncurrent liabilities			
Bonds payable	<u>91,092</u>	<u>-</u>	<u>91,092</u>
Total liabilities	<u>399,548</u>	<u>155,361</u>	<u>554,909</u>
NET ASSETS			
Invested in capital assets, net of related debt	8,262,469	3,169,582	11,432,051
Unreserved			
Designated for sewer replacement	-	359,099	359,099
Undesignated	<u>1,592,937</u>	<u>229,209</u>	<u>1,822,146</u>
Total net assets	<u>\$ 9,855,406</u>	<u>\$ 3,757,890</u>	<u>\$ 13,613,296</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, 2010

	<u>Consolidated Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Operating revenues collected			
Charges for sales and services	\$ 984,964	\$ 63,873	\$ 1,048,837
Operating expenses paid			
Personnel	35,810	8,853	44,663
Contractual	596,071	200,763	796,834
Commodities	29,628	-	29,628
Total operating expenses paid	<u>661,509</u>	<u>209,616</u>	<u>871,125</u>
Depreciation	<u>240,532</u>	<u>117,463</u>	<u>357,995</u>
Total operating expenses paid and depreciation	<u>902,041</u>	<u>327,079</u>	<u>1,229,120</u>
Excess (deficiency) of operating revenues collected over operating expenses paid and depreciation	<u>82,923</u>	<u>(263,206)</u>	<u>(180,283)</u>
Nonoperating revenues collected (expenses paid)			
Grant revenue	135,461	-	135,461
Property taxes	355,693	322,453	678,146
Interest income	3,307	294	3,601
Debt service - interest	(32,259)	(22,452)	(54,711)
Other revenue	300	-	300
Other expense	(220)	-	(220)
Total nonoperating revenues collected (expenses paid)	<u>462,282</u>	<u>300,295</u>	<u>762,577</u>
Excess of revenues collected over expenses paid and depreciation	<u>545,205</u>	<u>37,089</u>	<u>582,294</u>
Other financing sources (uses)			
Transfers in	39,037	11,308	50,345
Transfers out	(21,543)	-	(21,543)
	<u>17,494</u>	<u>11,308</u>	<u>28,802</u>
Change in net assets	562,699	48,397	611,096
Net assets, beginning of year	<u>9,292,707</u>	<u>3,709,493</u>	<u>13,002,200</u>
Net assets, end of year	<u>\$ 9,855,406</u>	<u>\$ 3,757,890</u>	<u>\$ 13,613,296</u>

The accompanying notes are an integral part of this statement.

Village of Riverwoods, Illinois

Enterprise Funds

COMBINING STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS

For the Year Ended December 31, 2010

	<u>Consolidated</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
	<u>Fund</u>	<u>Fund</u>	<u>Totals</u>
Cash flows in operating activities			
Cash received from customers and users	\$ 984,964	\$ 63,873	\$ 1,048,837
Cash payments for goods and services	(625,699)	(200,763)	(826,462)
Cash payments to employees	(35,810)	(8,853)	(44,663)
Net cash provided by (used in) operating activities	<u>323,455</u>	<u>(145,743)</u>	<u>177,712</u>
Cash flows in noncapital financing activities			
Advances to other funds	27,043	165,592	192,635
Property tax revenues collected	355,693	322,453	678,146
Transfers from other funds	39,037	718,955	757,992
Transfers to other funds	(21,543)	(707,647)	(729,190)
Other	80	-	80
Net cash provided by noncapital financing activities	<u>400,310</u>	<u>499,353</u>	<u>899,663</u>
Cash flows in capital and related financing activities			
Grant revenues collected	135,461	-	135,461
Purchases of capital assets	(44,878)	-	(44,878)
Principal payments	(321,304)	(297,509)	(618,813)
Interest payments	(32,259)	(22,452)	(54,711)
Net cash used in capital and related financing activities	<u>(262,980)</u>	<u>(319,961)</u>	<u>(582,941)</u>
Cash flows in investing activities			
Interest on cash and cash equivalents	3,307	294	3,601
Net cash provided by investing activities	<u>3,307</u>	<u>294</u>	<u>3,601</u>
Net increase in cash and cash equivalents	464,092	33,943	498,035
Cash and cash equivalents, beginning of year	<u>874,566</u>	<u>554,365</u>	<u>1,428,931</u>
Cash and cash equivalents, end of year	<u>\$ 1,338,658</u>	<u>\$ 588,308</u>	<u>\$ 1,926,966</u>

(Continued)

Village of Riverwoods, Illinois

Enterprise Funds

COMBINING STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS (Continued)

For the Year Ended December 31, 2010

Reconciliation of deficiency of operating revenues collected over
expenses paid and depreciation to net cash provided
by (used in) operating activities

Excess (deficiency) of operating revenues collected
over expenses paid and depreciation

\$ 82,923 \$ (263,206) \$ (180,283)

Adjustments to reconcile excess (deficiency) of operating revenues
collected over expenses paid and depreciation to net cash
provided by (used in) operating activities:

Depreciation

240,532 117,463 357,995

Net cash provided by (used in) operating activities

\$ 323,455 \$ (145,743) \$ 177,712

(Concluded)

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, 2010

	<u>January 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2010</u>
ASSETS				
Cash and cash equivalents	\$ 284,396	\$ 347,494	\$ 224,363	\$ 407,527
Investments	34,319	-	-	34,319
Due from developers				
Escrow bonds	103,514	1,105	406	104,213
Advance to other funds	<u>139,957</u>	<u>-</u>	<u>139,957</u>	<u>-</u>
Total assets	<u>\$ 562,186</u>	<u>\$ 348,599</u>	<u>\$ 364,726</u>	<u>\$ 546,059</u>
LIABILITIES				
Due to developers				
Performance bonds	\$ 399,277	\$ 116,013	\$ 222,511	\$ 292,779
Escrow bonds	<u>162,909</u>	<u>91,118</u>	<u>747</u>	<u>253,280</u>
Total liabilities	<u>\$ 562,186</u>	<u>\$ 207,131</u>	<u>\$ 223,258</u>	<u>\$ 546,059</u>

The accompanying notes are an integral part of this statement.

Village of Riverwoods, Illinois
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December 31, 2010

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Village of Riverwoods, Illinois
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Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

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 is 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 in 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, 2010

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/expenses 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, 2010

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 16, 2010, and was not amended during the year. All appropriations lapse at the fiscal year-end.

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.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. 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 *	10 - 50 years

* Including pumping stations and reservoirs, water tower, water mains, water meters, and sewers.

8. 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.

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

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fund Equity

Designations of fund balance represent Board plans for future uses of financial resources, that are subject to change, as follows:

General Fund - police impact fees	\$ <u>2,494,430</u>
Sewer Fund - sewer replacement	\$ <u>359,099</u>

10. 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.

11. Property Taxes

Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance, which was passed on December 7, 2009). Tax bills are payable in two installments, on or about June 1 and September 1 of the following year. The County collects such taxes and remits them periodically. Property tax revenues are recognized when collected. The 2009 levy is reported in these

12. 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.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE B - 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	\$ 309,650
Depreciation expense	(85,540)
Disposals (net)	<u>(12,240)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ 211,870</u>

NOTE C - DEPOSITS AND INVESTMENTS

The Village maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is included in cash and cash equivalents on the governmental funds combining statement of assets and liabilities arising from cash transactions, or the enterprise funds combining statement of net assets arising from cash transactions. In addition, deposits are separately held by several of the Village's funds.

State statutes allow the Village to make deposits in: insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States of agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds investment pool.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2010, the Village's deposits and investments consisted of the following:

	<u>Activities and Funds</u>	<u>Agency Fund</u>	<u>Total</u>
Cash and cash equivalents	\$ 9,399,255	\$ 407,527	\$ 9,806,782
Investments	<u>5,769,547</u>	<u>34,319</u>	<u>5,803,866</u>
	<u>\$ 15,168,802</u>	<u>\$ 441,846</u>	<u>\$ 15,610,648</u>

For disclosure purposes, the grand total above is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit; and 3) other investments, which consist of all investments other than certificates of deposit, as follows:

	<u>Total</u>
Cash on hand	\$ 300
Deposits with financial institutions	6,429,044
The Illinois Funds	8,848,736
Other investments	<u>332,568</u>
	<u>\$ 15,610,648</u>

At December 31, 2010, the Village's other investments consisted of the following:

<u>Investment Type</u>	<u>Cost Basis</u>	<u>Maturity</u>	<u>Percentage of Total</u>
U.S. Treasury Note	\$ 53,297	8/15/2011	16.0%
U.S. Treasury Note	98,711	8/31/2011	29.7%
Federal Farm Credit Bank	<u>180,560</u>	5/16/2012	<u>54.3%</u>
	<u>\$ 332,568</u>		<u>100.0%</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

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, 2010, The Illinois Funds Money Market was rated AAAM by Standard and Poor's.

The Illinois Funds are not registered with the Securities and Exchange Commission (SEC). The Illinois Funds are sponsored by the Illinois State Treasurer in accordance with state law. The fair value of the position in The Illinois Funds is the same as the value of The Illinois Funds shares.

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. The Village's controls custodial credit risk by diversifying its investment portfolio. The bank balance of the Village's deposits with financial institutions was not exposed to custodial credit risk as it was fully insured or collateralized as of December 31, 2010. The Village did not experience any losses during the year ended December 31, 2010.

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, 2010

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, 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	2,669,817	13,255	-	2,683,072
Construction in progress	-	147,770	-	147,770
	<u>2,669,817</u>	<u>161,025</u>	<u>-</u>	<u>2,830,842</u>
Total capital assets not being depreciated	\$ 2,669,817	\$ 161,025	\$ -	\$ 2,830,842
Capital assets being depreciated				
Buildings and improvements	697,299	3,259	-	700,558
Office equipment	164,809	3,612	-	168,421
Infrastructure	365,363	-	-	365,363
Vehicles	175,814	141,754	93,784	223,784
	<u>1,403,285</u>	<u>148,625</u>	<u>93,784</u>	<u>1,458,126</u>
Total capital assets being depreciated	1,403,285	148,625	93,784	1,458,126
Less accumulated depreciation for:				
Buildings and improvements	164,413	14,011	-	178,424
Office equipment	146,396	6,780	-	153,176
Infrastructure	23,420	7,307	-	30,727
Vehicles	108,401	57,442	81,544	84,299
	<u>442,630</u>	<u>85,540</u>	<u>81,544</u>	<u>446,626</u>
Total accumulated depreciation	442,630	85,540	81,544	446,626
Total capital assets being depreciated, net	<u>960,655</u>	<u>63,085</u>	<u>12,240</u>	<u>1,011,500</u>
Governmental activities capital assets, net	\$ <u><u>3,630,472</u></u>	\$ <u><u>224,110</u></u>	\$ <u><u>12,240</u></u>	\$ <u><u>3,842,342</u></u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE D - CAPITAL ASSETS (Continued)

2. <u>Enterprise</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Pumping stations and reservoirs	\$ 2,866,149	\$ -	\$ -	\$ 2,866,149
Water tower	50,000	-	-	50,000
Water meters	-	44,878	-	44,878
Water mains	8,889,718	-	-	8,889,718
Sewers	<u>5,824,227</u>	<u>-</u>	<u>-</u>	<u>5,824,227</u>
Total capital assets being depreciated	<u>17,630,094</u>	<u>44,878</u>	<u>-</u>	<u>17,674,972</u>
Less accumulated depreciation for:				
Pumping stations and reservoirs	901,467	57,323	-	958,790
Water tower	5,000	1,000	-	6,000
Water meters	-	4,488	-	4,488
Water mains	2,041,729	177,721	-	2,219,450
Sewers	<u>2,381,821</u>	<u>117,463</u>	<u>-</u>	<u>2,499,284</u>
Total accumulated depreciation	<u>5,330,017</u>	<u>357,995</u>	<u>-</u>	<u>5,688,012</u>
Business-type activities capital assets, net	<u>\$ 12,300,077</u>	<u>\$ (313,117)</u>	<u>\$ -</u>	<u>\$ 11,986,960</u>

3. Depreciation

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

Governmental activities	
Administration and general	\$ 16,205
Police	62,028
Public works	<u>7,307</u>
Total depreciation expense - governmental activities	<u>\$ 85,540</u>
Business-type activities	
Consolidated water	\$ 240,532
Sewer	<u>117,463</u>
Total depreciation expense - business-type activities	<u>\$ 357,995</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE E - LONG-TERM DEBT

1. Changes in Long-Term Liabilities

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

	<u>January 1,</u> <u>2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31,</u> <u>2010</u>	<u>Due Within</u> <u>One Year</u>
Special Service Area Bonds:					
Cherrywood Sewer					
Special Service Area Number 8					
Issued August 10, 1999. Repaid on					
January 10, 2010, interest at 4.70%.	\$ 33,538	\$ -	\$ 33,538	\$ -	\$ -
North Duffy Sewer					
Special Service Area Number 9					
Issued August 10, 1999. Repaid on					
January 10, 2010, interest at 4.70%.	8,942	-	8,942	-	-
North Robinwood Sewer					
Special Service Area Number 10					
Issued December 15, 1999. Due					
January 10, 2020, interest at 6.29%.	115,721	-	7,530	108,191	8,004
Forest Glen Water					
Special Service Area Number 11					
Issued August 10, 1999. Repaid on					
January 10, 2010, interest at 4.70%.	27,328	-	27,328	-	-
South Robinwood Water					
Special Service Area Number 15					
Issued December 15, 1999. Repaid on					
January 10, 2010, interest at 5.55%.	50,597	-	50,597	-	-
Hiawatha Road					
Special Service Area Number 19					
Issued November 18, 2002. Due					
February 1, 2013, interest at 6.00%.	71,289	-	18,868	52,421	20,034
Whigham-Burr Oak					
Special Service Area Number 20					
Issued December 2, 2003. Due					
February 1, 2014, interest at 3.70%.	140,105	-	29,143	110,962	30,247
Total	<u>\$ 447,520</u>	<u>\$ -</u>	<u>\$ 175,946</u>	<u>\$ 271,574</u>	<u>\$ 58,285</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE E - LONG-TERM DEBT (Continued)

1. Changes in Long-Term Liabilities (Continued)

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

	<u>January 1,</u> <u>2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31,</u> <u>2010</u>	<u>Due Within</u> <u>One Year</u>
Special Service Area Bonds:					
South Riverwood Sewer					
Special Service Area Number 12					
Issued June 5, 2000. Due					
February 1, 2011, interest at 5.85%.	\$ 452,870	\$ -	\$ 297,509	\$ 155,361	\$ 155,361
North Central Water					
Special Service Area Number 14					
Issued August 15, 2001. Due					
August 1, 2011, interest at 4.60%.	559,546	-	273,412	286,134	286,134
North Robinwood Water					
Special Service Area Number 16					
Issued December 15, 1999. Due					
January 10, 2020, interest at 6.29%.	105,293	-	6,881	98,412	7,320
Northwest Water					
Special Service Area Number 17					
Issued August 17, 2000. Due					
February 1, 2011, interest at 5.25%.	43,852	-	28,850	15,002	15,002
Cherrywood Road					
Special Service Area Number 18					
Issued September 22, 2000. Repaid on					
August 1, 2010, interest at 7.00%.	<u>12,161</u>	<u>-</u>	<u>12,161</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,173,722</u>	<u>\$ -</u>	<u>\$ 618,813</u>	<u>\$ 554,909</u>	<u>\$ 463,817</u>

Village of Riverwoods, Illinois
 NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE E - 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>
2011	\$ 71,857	\$ 484,928	\$ 556,785
2012	71,856	13,473	85,329
2013	60,393	13,473	73,866
2014	31,830	13,474	45,304
2015	14,731	13,474	28,205
2016-2020	<u>74,901</u>	<u>67,961</u>	<u>142,862</u>
	325,568	606,783	932,351
Less interest	<u>53,994</u>	<u>51,874</u>	<u>105,868</u>
	<u>\$ 271,574</u>	<u>\$ 554,909</u>	<u>\$ 826,483</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE F - INTERFUND TRANSFERS

Governmental funds	<u>Transfers In</u>	<u>Transfers Out</u>
General		
Police	\$ -	\$ 759,751
Total General Fund	<u>-</u>	<u>759,751</u>
Police		
General	<u>759,751</u>	<u>-</u>
Total Police Fund	<u>759,751</u>	<u>-</u>
Special Service Area 8 Cherrywood Sewer		
Sewer	<u>-</u>	<u>9,920</u>
Total Special Service Area 8 Cherrywood Sewer Fund	<u>-</u>	<u>9,920</u>
Special Service Area 9 North Duffy Sewer		
Sewer	<u>-</u>	<u>1,388</u>
Total Special Service Area 9 North Duffy Sewer Fund	<u>-</u>	<u>1,388</u>
Special Service Area 11 Forest Glen Water		
Consolidated Water	<u>-</u>	<u>14,331</u>
Total Special Service Area 11 Forest Glen Water Fund	<u>-</u>	<u>14,331</u>
Special Service Area 15 South Robinwood Water		
Consolidated Water	<u>-</u>	<u>24,706</u>
Total Special Service Area 15 South Robinwood Water Fund	<u>-</u>	<u>24,706</u>
Special Service Area 19 Hiawatha Road Debt Service Fund		
SSA 19 Capital Service	<u>-</u>	<u>44,000</u>
Total Special Service Area 19 Hiawatha Road Debt Service Fund	<u>-</u>	<u>44,000</u>
Special Service Area 19 Hiawatha Road Projects		
SSA 19 Debt Service	<u>44,000</u>	<u>-</u>
Total Special Service Area 19 Hiawatha Projects Fund	<u>44,000</u>	<u>-</u>
Special Service Area 20 Whigham Burr Oak Projects		
Consolidated Water	<u>21,543</u>	<u>-</u>
Total Special Service Area 20 Whigham Burr Oak Projects Fund	<u>21,543</u>	<u>-</u>
Total governmental funds	<u>825,294</u>	<u>854,096</u>

(Continued)

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE F - INTERFUND TRANSFERS (Continued)

Enterprise funds	<u>Transfers In</u>	<u>Transfers Out</u>
Consolidated Water		
Special Service Area 11 Forest Glen Water	\$ 14,331	\$ -
Special Service Area 15 South Robinwood Water	24,706	-
Special Service Area 20 Whigham Burr Oak Projects	-	21,543
Total Consolidated Water Fund	<u>39,037</u>	<u>21,543</u>
Sewer		
Special Service Area 8 Cherrywood Sewer	9,920	-
Special Service Area 9 North Duffy Sewer	1,388	-
Total Sewer Fund	<u>11,308</u>	<u>-</u>
Total enterprise funds	<u>50,345</u>	<u>21,543</u>
Total all funds	875,639	875,639
Elimination of transfers to/from funds of the same type	<u>(846,837)</u>	<u>(846,837)</u>
Total	<u>\$ 28,802</u>	<u>\$ 28,802</u>

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE G - 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 41 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, 2010, 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). Each of the 42 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 \$7,881 to the Laboratory during 2010.

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, 2010

NOTE G - JOINT VENTURES (Continued)

3. Northern Suburban Special Recreation Association (NSSRA)

The Village, along with eleven 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 \$32,027 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.

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

NOTE H - 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 2010 was 10.90% 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, 2010

NOTE H - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

3. Annual Pension Cost

The required contribution for calendar year 2010 was \$104,312.

Trend Information			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2010	\$ 104,312	100%	\$ -
12/31/2009	98,049	100%	-
12/31/2008	93,348	100%	-

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008 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 10.0% 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 at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

4. Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the regular plan was 67.93% funded. The actuarial accrued liability for benefits was \$1,536,021, and the actuarial value of assets was \$1,043,348, resulting in an underfunded actuarial accrued liability (UAAL) of \$492,673. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$956,991, and the ratio of the UAAL to the covered payroll was 51%.

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.

NOTE I - CONSTRUCTION COMMITMENT

On November 16, 2010, the Village awarded a contract for the construction of a new police station. The commitment associated with this contract was \$1,130,245 at December 31, 2010.

Village of Riverwoods, Illinois
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE J - CONTINGENCIES

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures paid which may be disallowed by the grantor cannot be determined at this time, although the Village expects such amounts, if any, to be immaterial.

NOTE K - SUBSEQUENT EVENT

Management has evaluated subsequent events through June 13, 2011, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Riverwoods, Illinois
 Illinois Municipal Retirement Fund Pension Data
 SCHEDULE OF FUNDING PROGRESS
December 31, 2010

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)
12/31/2010	\$ 1,043,348	\$ 1,536,021	\$ 492,673	67.93%	\$ 956,991	51.48%
12/31/2009	872,140	1,325,468	453,328	65.80%	956,577	47.39%
12/31/2008	721,508	1,109,293	387,785	65.04%	913,388	42.46%

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$1,104,564. On a market basis, the funded ratio would be 71.91%.

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, 2010

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Township road and bridge tax	\$ 35,000	\$ 36,239	\$ 1,239
Other intergovernmental taxes	543,600	510,865	(32,735)
Local taxes	1,170,000	1,136,735	(33,265)
License and permits	193,500	193,174	(326)
Grants and contributions	-	25,000	25,000
Interest income	90,000	177,497	87,497
Other revenues	-	32,142	32,142
	<u>2,032,100</u>	<u>2,111,652</u>	<u>79,552</u>
Total revenues collected			
Expenditures paid			
Current			
Administration	1,501,500	929,190	572,310
Building	537,500	143,873	393,627
Road and bridge	536,500	265,846	270,654
Capital outlay	<u>2,810,000</u>	<u>13,255</u>	<u>2,796,745</u>
	<u>5,385,500</u>	<u>1,352,164</u>	<u>4,033,336</u>
Total expenditures paid			
Excess (deficiency) of revenues collected over expenditures paid	(3,353,400)	759,488	4,112,888
Other			
Depreciation	260,000	-	260,000
Other financing uses			
Transfers out	<u>(7,100,000)</u>	<u>(759,751)</u>	<u>6,340,249</u>
Net change in fund balance	\$ <u>(10,713,400)</u>	(263)	\$ <u>10,713,137</u>
Fund balance			
Beginning of year		<u>12,086,230</u>	
End of year		\$ <u>12,085,967</u>	

Village of Riverwoods, Illinois

Police Fund

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCE (DEFICIT) - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Local taxes - property taxes	\$ 435,000	\$ 436,637	\$ 1,637
Special use fees	60,000	86,900	26,900
Fines and forfeits	176,390	149,098	(27,292)
Charges for services and other	400	219,589	219,189
Interest income	-	647	647
	<u>671,790</u>	<u>892,871</u>	<u>221,081</u>
Expenditures paid			
Current			
Personnel	1,024,100	1,010,603	13,497
Contractual services	318,300	198,752	119,548
Commodities	43,000	32,678	10,322
	<u>1,385,400</u>	<u>1,242,033</u>	<u>143,367</u>
Capital outlay	<u>2,659,000</u>	<u>233,074</u>	<u>2,425,926</u>
	<u>4,044,400</u>	<u>1,475,107</u>	<u>2,569,293</u>
Deficiency of revenues collected over expenditures paid	(3,372,610)	(582,236)	2,790,374
Other financing sources			
Transfer in	<u>2,900,000</u>	<u>759,751</u>	<u>(2,140,249)</u>
Net change in fund balance	<u>\$ (472,610)</u>	177,515	<u>\$ 650,125</u>
Fund balance (deficit)			
Beginning of year		<u>(177,477)</u>	
End of year		<u>\$ 38</u>	

Village of Riverwoods, Illinois
 NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2010

1. Appropriations

All departments of the Village submit budget requests 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 fund had an excess of expenditures over appropriation:

	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
Special Service Area 20 - Whigham Burr Oak Debt Service Fund	\$ <u>34,000</u>	\$ <u>34,131</u>	\$ <u>(131)</u>

The following funds had no appropriation for 2010:

- Special Service Area (SSA) 19 - Hiawatha Road Projects Fund
- Special Service Area (SSA) 8 Cherrywood Sewer Fund
- Special Service Area (SSA) 9 North Duffy Sewer Fund
- Special Service Area (SSA) 11 Forest Glen Water 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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Township road and bridge tax	\$ 35,000	\$ 36,239	\$ 1,239
Other intergovernmental taxes			
Personal property replacement taxes	6,600	2,058	(4,542)
Illinois municipal sales tax	200,000	199,921	(79)
Local use tax	45,000	48,047	3,047
State income taxes	292,000	260,839	(31,161)
Total other intergovernmental taxes	<u>543,600</u>	<u>510,865</u>	<u>(32,735)</u>
Local taxes			
Village of Riverwoods sales tax 1/2%	100,000	90,641	(9,359)
Utility taxes			
Electric	290,000	292,107	2,107
Gas	180,000	128,977	(51,023)
Simplified telecommunications tax	500,000	501,774	1,774
Hotel tax	100,000	123,236	23,236
Total local taxes	<u>1,170,000</u>	<u>1,136,735</u>	<u>(33,265)</u>
Licenses and permits			
Liquor licenses	20,000	16,500	(3,500)
Cable television franchise fees	60,000	59,659	(341)
Telephone franchise fees	-	6,982	6,982
Building permits - construction fees	30,000	79,232	49,232
Special inspection - site development and inspection fees	500	400	(100)
Cell tower lease	83,000	-	(83,000)
Elevator permits	-	10,080	10,080
Forester fees	-	775	775
Forest program	-	18,738	18,738
Engineer fees	-	808	808
Total licenses and permits	<u>193,500</u>	<u>193,174</u>	<u>(326)</u>

(Continued)

Village of Riverwoods, Illinois
General Fund
SCHEDULE OF REVENUES COLLECTED -
APPROPRIATION AND ACTUAL (Continued)
For the Year Ended December 31, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected (continued)			
Grants and contributions	\$ <u> -</u>	\$ <u> 25,000</u>	\$ <u> 25,000</u>
Interest income	<u> 90,000</u>	<u> 177,497</u>	<u> 87,497</u>
Other			
Miscellaneous	<u> -</u>	<u> 32,142</u>	<u> 32,142</u>
Total revenues collected	\$ <u> 2,032,100</u>	\$ <u> 2,111,652</u>	\$ <u> 79,552</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Expenditures paid			
Administration department			
Personnel			
Salaries	\$ 260,000	\$ 157,677	\$ 102,323
FICA	36,000	12,084	23,916
IMRF	74,000	35,712	38,288
Unemployment insurance	42,000	1,813	40,187
Health insurance	50,000	31,320	18,680
Total personnel	462,000	238,606	223,394
Contractual services			
Maintenance - building	100,000	23,813	76,187
Maintenance - equipment	15,000	7,984	7,016
Maintenance - grounds	24,000	7,503	16,497
Insurance	25,000	32,533	(7,533)
Telephone	25,000	12,209	12,791
Travel and meeting expense	20,000	9,854	10,146
Postage	10,000	9,815	185
Advertising and printing	2,500	3,995	(1,495)
Village Voice	21,000	16,862	4,138
Accounting services	30,000	28,575	1,425
Engineering services	150,000	112,497	37,503
Legal services	150,000	109,532	40,468
Other professional services	130,000	100,361	29,639
Dues, subscriptions, and memberships	3,000	4,996	(1,996)
Forest program	75,000	85,037	(10,037)
Theater In The Woods	20,000	10,000	10,000
Family Day	10,000	-	10,000
NSSRA	65,000	32,027	32,973
Miscellaneous contractual services	25,000	60,809	(35,809)
Senior transportation	5,000	185	4,815
Contingency	60,000	-	60,000
Total contractual services	965,500	668,587	296,913

(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, 2010

	<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	\$ 13,027	\$ 8,973
Publications	2,000	1,427	573
Operating supplies	-	7,543	(7,543)
Total commodities	<u>24,000</u>	<u>21,997</u>	<u>2,003</u>
Other expenses			
Miscellaneous	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total administration department	<u>1,501,500</u>	<u>929,190</u>	<u>572,310</u>
Building department			
Personnel			
Salaries	205,000	119,747	85,253
FICA	18,000	9,161	8,839
IMRF	<u>13,500</u>	<u>-</u>	<u>13,500</u>
Total personnel	<u>236,500</u>	<u>128,908</u>	<u>107,592</u>
Contractual services			
Insurance	50,000	-	50,000
Telephone	25,000	50	24,950
Travel and meeting expense	11,000	238	10,762
Training	1,000	-	1,000
Postage	9,000	-	9,000
Advertising	3,000	-	3,000
Printing	2,000	-	2,000
Engineering services	100,000	4,220	95,780
Other professional services	30,000	212	29,788
Dues, subscriptions, and memberships	<u>2,000</u>	<u>65</u>	<u>1,935</u>
Total contractual services	<u>233,000</u>	<u>4,785</u>	<u>228,215</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, 2010

	<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	10,180	(7,180)
Total other expenses	53,000	10,180	42,820
Total building department	537,500	143,873	393,627
Road and Bridge			
Personnel			
Salaries	-	7,160	(7,160)
FICA	-	499	(499)
Total personnel	-	7,659	(7,659)
Contractual services			
Maintenance - streets	100,000	11,317	88,683
Maintenance - bike path	30,000	6,817	23,183
Maintenance – grounds	5,000	22,050	(17,050)
Maintenance – culverts/drainage	85,000	629	84,371
Snow removal	110,000	80,190	29,810
Signs - purchase and repair	3,000	927	2,073
Street lighting	3,000	2,576	424
Engineering services	30,000	129,290	(99,290)
Legal services	500	-	500
Other professional services	10,000	4,391	5,609
Total contractual services	376,500	258,187	118,313

(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, 2010

	<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>536,500</u>	<u>265,846</u>	<u>270,654</u>
Total current expenditures paid	<u>2,575,500</u>	<u>1,338,909</u>	<u>1,236,591</u>
Capital outlay			
Administration department			
Land and easement acquisition	2,000,000	13,255	1,986,745
Equipment	10,000	-	10,000
Bike path contingency	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total administration	<u>2,310,000</u>	<u>13,255</u>	<u>2,296,745</u>
Road and bridge			
New bike path construction	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total capital outlay	<u>2,810,000</u>	<u>13,255</u>	<u>2,796,745</u>
Total expenditures paid	<u>5,385,500</u>	<u>1,352,164</u>	<u>4,033,336</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Depreciation	\$ <u>260,000</u>	\$ <u>-</u>	\$ <u>260,000</u>
Other financing uses			
Transfers out - Consolidated Water Fund	4,000,000	-	4,000,000
Transfers out - Sewer Fund	200,000	-	200,000
Transfers out - Police Fund	<u>2,900,000</u>	<u>759,751</u>	<u>2,140,249</u>
Total other financing uses	<u>7,100,000</u>	<u>759,751</u>	<u>6,340,249</u>
Total expenditures paid and other financing uses	\$ <u><u>12,745,500</u></u>	\$ <u><u>2,111,915</u></u>	\$ <u><u>10,633,585</u></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, 2010

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Local taxes			
Property taxes	\$ <u>435,000</u>	\$ <u>436,637</u>	\$ <u>1,637</u>
Special use fees	<u>60,000</u>	<u>86,900</u>	<u>26,900</u>
Fines and forfeits			
Administrative tow	-	21,020	21,020
Circuit court fines	167,000	119,460	(47,540)
False alarm fines	390	610	220
Patrol violation fines	<u>9,000</u>	<u>8,008</u>	<u>(992)</u>
Total fines and forfeits	<u>176,390</u>	<u>149,098</u>	<u>(27,292)</u>
Charges for services and other			
Burglar alarm registration	400	90	(310)
Cell tower lease	-	97,584	97,584
Miscellaneous revenue	<u>-</u>	<u>121,915</u>	<u>121,915</u>
Total charges for services and other	<u>400</u>	<u>219,589</u>	<u>219,189</u>
Interest income	<u>-</u>	<u>647</u>	<u>647</u>
Total revenues collected	<u>671,790</u>	<u>892,871</u>	<u>221,081</u>
Other financing sources			
Transfer in from General Fund	<u>2,900,000</u>	<u>759,751</u>	<u>(2,140,249)</u>
Total revenues collected and other financing sources	\$ <u><u>3,571,790</u></u>	\$ <u><u>1,652,622</u></u>	\$ <u><u>(1,919,168)</u></u>

Village of Riverwoods, Illinois
Police Fund
SCHEDULE OF EXPENDITURES PAID -
APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2010

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Expenditures paid			
Personnel			
Salaries	\$ 826,000	\$ 807,624	\$ 18,376
Health insurance	71,000	79,830	(8,830)
FICA	62,000	55,724	6,276
IMRF	65,000	67,425	(2,425)
Unemployment insurance	100	-	100
Total personnel	<u>1,024,100</u>	<u>1,010,603</u>	<u>13,497</u>
Contractual services			
General insurance	-	40,984	(40,984)
Legal services	48,000	36,961	11,039
Crime laboratory	10,000	7,881	2,119
Other professional services	81,100	98,170	(17,070)
Postage	100	75	25
Telephone	4,000	6,165	(2,165)
Travel	600	264	336
Training	4,500	3,112	1,388
Miscellaneous	70,000	5,140	64,860
Contingency	100,000	-	100,000
Total contractual services	<u>318,300</u>	<u>198,752</u>	<u>119,548</u>
Commodities			
Office expenses	3,000	2,456	544
Fuel for squad cars	40,000	30,222	9,778
Total commodities	<u>43,000</u>	<u>32,678</u>	<u>10,322</u>
Capital outlay			
Police officer equipment	9,000	6,003	2,997
Squad cars and related equipment	150,000	158,222	(8,222)
Police facility	2,500,000	68,849	2,431,151
Total capital outlay	<u>2,659,000</u>	<u>233,074</u>	<u>2,425,926</u>
Total expenditures paid	<u>\$ 4,044,400</u>	<u>\$ 1,475,107</u>	<u>\$ 2,569,293</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.

Special Service Area (SSA) 19 - Hiawatha Road Projects 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. Special Service Areas 12 and 14 are recorded in the sewer and water funds, respectively. 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) 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
ARISING FROM CASH TRANSACTIONS
December 31, 2010

	Special Revenue Funds			
	Motor Fuel Tax	Special Service Area 5 Duffy Roads	Special Service Area 7 Russell's Storm Sewer	Special Service Area 19 Hiawatha Road Projects
ASSETS				
Cash and cash equivalents	\$ <u>695,536</u>	\$ <u>16,307</u>	\$ <u>74,683</u>	\$ <u>38,500</u>
Total assets	\$ <u><u>695,536</u></u>	\$ <u><u>16,307</u></u>	\$ <u><u>74,683</u></u>	\$ <u><u>38,500</u></u>
FUND BALANCES				
Reserved for road projects	695,536	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, undesignated	<u>-</u>	<u>16,307</u>	<u>74,683</u>	<u>38,500</u>
Total fund balances	\$ <u><u>695,536</u></u>	\$ <u><u>16,307</u></u>	\$ <u><u>74,683</u></u>	\$ <u><u>38,500</u></u>

Debt Service Funds

Total Special Revenue Funds	Special Service Area 10 North Robinwood Sewer	Special Service Area 19 Hiawatha Road	Special Service Area 20 Whigham Burr Oak	Total Debt Service Funds	Total Nonmajor Governmental Funds
\$ 825,026	\$ 25,025	\$ 15,909	\$ 26,047	\$ 66,981	\$ 892,007
<u>\$ 825,026</u>	<u>\$ 25,025</u>	<u>\$ 15,909</u>	<u>\$ 26,047</u>	<u>\$ 66,981</u>	<u>\$ 892,007</u>
695,536	-	-	-	-	695,536
-	25,025	15,909	26,047	66,981	66,981
129,490	-	-	-	-	129,490
<u>\$ 825,026</u>	<u>\$ 25,025</u>	<u>\$ 15,909</u>	<u>\$ 26,047</u>	<u>\$ 66,981</u>	<u>\$ 892,007</u>

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, 2010

	Special Revenue Funds			
	Motor Fuel Tax	Special Service Area 5 Duffy Roads	Special Service Area 7 Russell's Storm Sewer	Special Service Area 19 Hiawatha Road Projects
Revenues collected				
Property taxes	\$ -	\$ 6,036	\$ 11,838	\$ -
Intergovernmental taxes	98,884	-	-	-
Grants and contributions	16,958	-	-	-
Interest income	1,645	-	-	-
Total revenues collected	<u>117,487</u>	<u>6,036</u>	<u>11,838</u>	<u>-</u>
Expenditures paid				
Current				
Public works	68,373	-	3,790	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total expenditures paid	<u>68,373</u>	<u>-</u>	<u>3,790</u>	<u>-</u>
Excess (deficiency) of revenues collected over expenditures paid	49,114	6,036	8,048	-
Other financing sources (uses)				
Transfers in	-	-	-	44,000
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,000</u>
Net change in fund balances	49,114	6,036	8,048	44,000
Fund balances (deficits)				
Beginning of year	<u>646,422</u>	<u>10,271</u>	<u>66,635</u>	<u>(5,500)</u>
End of year	<u>\$ 695,536</u>	<u>\$ 16,307</u>	<u>\$ 74,683</u>	<u>\$ 38,500</u>

Debt Service Funds					
Total Special Revenue 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
\$ 17,874	\$ 3	\$ -	\$ 14,882	\$ 2	\$ 4
98,884	-	-	-	-	-
16,958	-	-	-	-	-
1,645	35	28	40	166	208
<u>135,361</u>	<u>38</u>	<u>28</u>	<u>14,922</u>	<u>168</u>	<u>212</u>
72,163	-	-	-	-	-
-	33,538	8,942	7,530	27,328	50,597
-	1,576	420	7,250	1,284	2,808
-	-	-	25	-	-
<u>72,163</u>	<u>35,114</u>	<u>9,362</u>	<u>14,805</u>	<u>28,612</u>	<u>53,405</u>
63,198	(35,076)	(9,334)	117	(28,444)	(53,193)
44,000	-	-	-	-	-
-	(9,920)	(1,388)	-	(14,331)	(24,706)
<u>44,000</u>	<u>(9,920)</u>	<u>(1,388)</u>	<u>-</u>	<u>(14,331)</u>	<u>(24,706)</u>
107,198	(44,996)	(10,722)	117	(42,775)	(77,899)
<u>717,828</u>	<u>44,996</u>	<u>10,722</u>	<u>24,908</u>	<u>42,775</u>	<u>77,899</u>
<u>\$ 825,026</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,025</u>	<u>\$ -</u>	<u>\$ -</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, 2010

	<u>Debt Service Funds (Continued)</u>		
	Special Service Area 19 Hiawatha Road	Special Service Area 20 Whigham Burr Oak	Total Debt Service Funds
Revenues collected			
Property taxes	\$ 33,377	\$ 36,859	\$ 85,127
Intergovernmental	-	-	-
Grants and contributions	-	-	-
Interest income	189	59	725
Total revenues collected	<u>33,566</u>	<u>36,918</u>	<u>85,852</u>
Expenditures paid			
Current			
Public works	-	-	-
Debt service			
Principal	18,868	29,143	175,946
Interest	4,057	4,988	22,383
Miscellaneous	-	-	25
Total expenditures paid	<u>22,925</u>	<u>34,131</u>	<u>198,354</u>
	10,641	2,787	(112,502)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(44,000)	-	(94,345)
	<u>(44,000)</u>	<u>-</u>	<u>(94,345)</u>
Net change in fund balances	(33,359)	2,787	(206,847)
Fund balances (deficits)			
Beginning of year	<u>49,268</u>	<u>23,260</u>	<u>273,828</u>
End of year	<u>\$ 15,909</u>	<u>\$ 26,047</u>	<u>\$ 66,981</u>

<u>Capital Projects Fund</u>	
<u>Special Service Area 20 Whigham Burr Oak Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 103,001
-	98,884
-	16,958
-	2,370
<u>-</u>	<u>221,213</u>
-	72,163
-	175,946
-	22,383
-	25
<u>-</u>	<u>270,517</u>
-	(49,304)
21,543	65,543
<u>-</u>	<u>(94,345)</u>
<u>21,543</u>	<u>(28,802)</u>
21,543	(78,106)
<u>(21,543)</u>	<u>970,113</u>
<u>\$ -</u>	<u>\$ 892,007</u>

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, 2010

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Revenues collected			
Intergovernmental			
Motor fuel tax	\$ 102,000	\$ 98,884	\$ (3,116)
Grants and contributions	-	16,958	16,958
Interest income	<u>7,000</u>	<u>1,645</u>	<u>(5,355)</u>
Total revenues collected	<u>109,000</u>	<u>117,487</u>	<u>8,487</u>
Expenditures paid			
Contractual services			
Maintenance - Streets	220,000	-	220,000
Engineering services	10,000	33,792	(23,792)
Contingency	50,000	-	50,000
Other professional services	<u>-</u>	<u>34,581</u>	<u>(34,581)</u>
Total expenditures paid	<u>280,000</u>	<u>68,373</u>	<u>211,627</u>
Net change in fund balance	\$ <u>(171,000)</u>	49,114	\$ <u>220,114</u>
Fund balance			
Beginning of year		<u>646,422</u>	
End of year		\$ <u>695,536</u>	

Village of Riverwoods, Illinois
Special Service Area 5 - Duffy Roads Fund
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL
For the Year Ended December 31, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property taxes	\$ <u>6,000</u>	\$ <u>6,036</u>	\$ <u>36</u>
Expenditures paid			
Contractual services			
Maintenance			
Equipment	2,000	-	2,000
Other	90,000	-	90,000
Engineering services	30,000	-	30,000
Legal services	25,000	-	25,000
Other professional services	15,000	-	15,000
Other	21,000	-	21,000
Commodities			
Maintenance supplies	9,000	-	9,000
Operating supplies	8,000	-	8,000
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>	6,036	\$ <u><u>220,036</u></u>
Fund balance			
Beginning of year		<u>10,271</u>	
End of year		\$ <u><u>16,307</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax - special maintenance	\$ 12,000	\$ 11,838	\$ (162)
Expenditures paid			
Contractual services			
Maintenance			
Other	3,800	3,790	10
Engineering	20,000	-	20,000
Other professional services	10,000	-	10,000
Commodities			
Maintenance supplies	6,000	-	6,000
Operating supplies	6,000	-	6,000
Capital outlay			
Equipment	50,000	-	50,000
Extensions and connections	5,000	-	5,000
Miscellaneous	25,000	-	25,000
Total expenditures paid	<u>125,800</u>	<u>3,790</u>	<u>122,010</u>
Net change in fund balance	\$ <u>(113,800)</u>	8,048	\$ <u>121,848</u>
Fund balance			
Beginning of year		<u>66,635</u>	
End of year		<u>\$ 74,683</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 15,000	\$ 14,882	\$ (118)
Interest income	<u>1,500</u>	<u>40</u>	<u>(1,460)</u>
Total revenues collected	<u>16,500</u>	<u>14,922</u>	<u>(1,578)</u>
Expenditures paid			
Debt service			
Principal	6,700	7,530	(830)
Interest	9,000	7,250	1,750
Miscellaneous	<u> </u>	<u>25</u>	<u>(25)</u>
Total expenditures paid	<u>15,700</u>	<u>14,805</u>	<u>895</u>
Net change in fund balance	<u>\$ 800</u>	117	<u>\$ (683)</u>
Fund balance			
Beginning of year		<u>24,908</u>	
End of year		<u>\$ 25,025</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 54,000	\$ 4	\$ (53,996)
Interest income	<u>600</u>	<u>208</u>	<u>(392)</u>
Total revenues collected	<u>54,600</u>	<u>212</u>	<u>(54,388)</u>
Expenditures paid			
Debt service			
Principal	42,000	50,597	(8,597)
Interest	<u>12,000</u>	<u>2,808</u>	<u>9,192</u>
Total expenditures paid	<u>54,000</u>	<u>53,405</u>	<u>595</u>
Excess (deficiency) of revenues collected over expenditures paid	600	(53,193)	(53,793)
Other financing uses			
Transfers out	<u>-</u>	<u>24,706</u>	<u>(24,706)</u>
Net change in fund balance	<u>\$ 600</u>	<u>(77,899)</u>	<u>\$ (78,499)</u>
Fund balance			
Beginning of year		<u>77,899</u>	
End of year		<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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 29,000	\$ 33,377	\$ 4,377
Special maintenance tax	10,000	-	(10,000)
Interest income	25	189	164
	<u>39,025</u>	<u>33,566</u>	<u>(5,459)</u>
Total revenues collected			
Expenditures paid			
Contractual services			
Maintenance			
Equipment	6,000	-	6,000
Other	12,000	-	12,000
Engineering services	5,000	-	5,000
Legal services	2,000	-	2,000
Other professional services	4,000	-	4,000
Other	5,000	-	5,000
Debt service			
Principal	15,000	18,868	(3,868)
Interest	7,000	4,057	2,943
	<u>56,000</u>	<u>22,925</u>	<u>33,075</u>
Total expenditures paid			
Excess (deficiency) of revenues collected over expenditures paid	(16,975)	10,641	27,616
Other financing uses			
Transfers out	-	44,000	(44,000)
Net change in fund balance	<u>\$ (16,975)</u>	(33,359)	<u>\$ (16,384)</u>
Fund balance			
Beginning of year		<u>49,268</u>	
End of year		<u>\$ 15,909</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, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues collected			
Property tax	\$ 35,000	\$ 36,859	\$ 1,859
Interest income	<u>250</u>	<u>59</u>	<u>(191)</u>
Total revenues collected	<u>35,250</u>	<u>36,918</u>	<u>1,668</u>
Expenditures paid			
Debt service			
Principal	26,000	29,143	(3,143)
Interest	<u>8,000</u>	<u>4,988</u>	<u>3,012</u>
Total expenditures paid	<u>34,000</u>	<u>34,131</u>	<u>(131)</u>
Net change in fund balance	<u>\$ 1,250</u>	2,787	<u>\$ 1,537</u>
Fund balance			
Beginning of year		<u>23,260</u>	
End of year		<u>\$ 26,047</u>	

Village of Riverwoods, Illinois

Consolidated Water Fund

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

For the Year Ended December 31, 2010

	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	\$ 904,664	\$ (95,336)
Tap-on fees	<u>40,000</u>	<u>80,300</u>	<u>40,300</u>
Charges for sales and services	<u>1,040,000</u>	<u>984,964</u>	<u>(55,036)</u>
Operating expenses paid			
Personnel			
Salaries	34,000	33,265	735
FICA	3,000	2,545	455
IMRF	2,700	-	2,700
Unemployment insurance	<u>200</u>	<u>-</u>	<u>200</u>
Total personnel	<u>39,900</u>	<u>35,810</u>	<u>4,090</u>
Contractual services			
Maintenance			
Equipment	9,000	19,702	(10,702)
Utility system	15,000	-	15,000
Other	31,000	-	31,000
Insurance	10,000	-	10,000
Water purchases	750,000	437,724	312,276
Engineering services	67,500	6,067	61,433
Legal services	21,500	-	21,500
Other professional services	123,000	130,838	(7,838)
Annual testing fees (IEPA)	10,000	-	10,000
Other	<u>8,000</u>	<u>1,740</u>	<u>6,260</u>
Total contractual services	<u>1,045,000</u>	<u>596,071</u>	<u>448,929</u>

(Continued)

Village of Riverwoods, Illinois

Consolidated Water Fund

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

For the Year Ended December 31, 2010

	Original and Final <u>Appropriation</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Operating expenses paid (continued)			
Commodities			
Maintenance supplies	\$ <u>100,000</u>	\$ <u>29,628</u>	\$ <u>70,372</u>
Total operating expenses paid before capital outlay	<u>1,184,900</u>	<u>661,509</u>	<u>523,391</u>
Capital outlay			
Equipment	175,000	-	175,000
Extensions and connections	<u>4,000,000</u>	<u>-</u>	<u>4,000,000</u>
Total capital outlay	<u>4,175,000</u>	<u>-</u>	<u>4,175,000</u>
Total operating expenses paid	<u>5,359,900</u>	<u>661,509</u>	<u>4,698,391</u>
Depreciation expense	<u>-</u>	<u>240,532</u>	<u>(240,532)</u>
Total operating expenses paid and depreciation	<u>5,359,900</u>	<u>902,041</u>	<u>4,457,859</u>
Excess (deficiency) of operating revenues collected over operating expenses paid and depreciation	<u>(4,319,900)</u>	<u>82,923</u>	<u>4,402,823</u>
Nonoperating revenues collected (expenses paid)			
Grant revenue	-	135,461	135,461
Property taxes	354,800	355,693	893
Interest income	41,875	3,307	(38,568)
Special maintenance tax	2,000	-	(2,000)
Debt service-principal	(277,500)	-	277,500
Debt service-interest	(72,900)	(32,259)	40,641
Other revenues	-	300	300
Other expenses	<u>(15,000)</u>	<u>(220)</u>	<u>14,780</u>
Total nonoperating revenues collected (expenses paid)	<u>33,275</u>	<u>462,282</u>	<u>429,007</u>

(Continued)

Village of Riverwoods, Illinois

Consolidated Water Fund

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

For the Year Ended December 31, 2010

	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	\$ (4,286,625)	\$ 545,205	\$ 4,831,830
Other financing sources (uses)			
Transfers in	4,000,000	39,037	(3,960,963)
Transfers out	<u>-</u>	<u>(21,543)</u>	<u>(21,543)</u>
	<u>4,000,000</u>	<u>17,494</u>	<u>(3,982,506)</u>
Change in net assets	<u>\$ (286,625)</u>	562,699	<u>\$ 849,324</u>
Net assets			
Beginning of year		<u>9,292,707</u>	
End of year		<u>\$ 9,855,406</u>	

(Concluded)

Village of Riverwoods, Illinois

Sewer Fund

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

For the Year Ended December 31, 2010

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating revenues collected			
Charges for sales and services			
Annual transmission (Lincolnshire)	\$ 8,000	\$ 63,873	\$ 55,873
Tap-on fees	20,000	-	(20,000)
User fees	108,000	-	(108,000)
Total operating revenues collected	<u>136,000</u>	<u>63,873</u>	<u>(72,127)</u>
Operating expenses paid			
Personnel			
Salaries	13,000	8,224	4,776
FICA	3,000	629	2,371
IMRF	3,000	-	3,000
Unemployment insurance	600	-	600
Total personnel	<u>19,600</u>	<u>8,853</u>	<u>10,747</u>
Contractual services			
Maintenance - utility system	20,000	5,074	14,926
Maintenance - other	80,000	92,087	(12,087)
Insurance	5,000	-	5,000
Utilities	1,000	-	1,000
Postage	500	-	500
Advertising	500	-	500
Engineering services	12,000	27,643	(15,643)
Legal services	20,000	-	20,000
Other professional services	20,000	4,506	15,494
Sewer connection fees	5,000	69,975	(64,975)
Miscellaneous	15,000	1,478	13,522
Total contractual services	<u>179,000</u>	<u>200,763</u>	<u>(21,763)</u>
Commodities			
Maintenance supplies	5,000	-	5,000
Operating supplies	5,000	-	5,000
Total commodities	<u>10,000</u>	<u>-</u>	<u>10,000</u>

(Continued)

Village of Riverwoods, Illinois

Sewer Fund

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

For the Year Ended December 31, 2010

	<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>363,100</u>	<u>209,616</u>	<u>153,484</u>
Depreciation	<u>-</u>	<u>117,463</u>	<u>(117,463)</u>
Total operating expenses paid and depreciation	<u>363,100</u>	<u>327,079</u>	<u>36,021</u>
Deficiency of operating revenues collected over operating expenses paid and depreciation	<u>(227,100)</u>	<u>(263,206)</u>	<u>(36,106)</u>
Nonoperating revenues collected (expenses paid)			
Property taxes	327,000	322,453	(4,547)
Interest income	-	294	294
Debt service-principal	(250,000)	-	250,000
Debt service-interest	<u>(70,000)</u>	<u>(22,452)</u>	<u>47,548</u>
Total nonoperating revenues collected and expenses paid	<u>7,000</u>	<u>300,295</u>	<u>293,295</u>
Excess (deficiency) of revenues collected and expenses paid before other financing sources	(220,100)	37,089	257,189
Other financing sources			
Transfers in	<u>200,000</u>	<u>11,308</u>	<u>(188,692)</u>
Change in net assets	<u>\$ (20,100)</u>	48,397	<u>\$ 68,497</u>
Net assets			
Beginning of year		<u>3,709,493</u>	
End of year		<u>\$ 3,757,890</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, 2010

Governmental funds capital assets:

Land	
Parcels	\$ 2,174,772
Rights of way	508,300
Buildings and improvements	700,558
Infrastructure	
Bicycle path	159,369
Storm sewers	205,994
Equipment	
Office equipment	168,421
Vehicles	223,784
Construction in progress	<u>147,770</u>
Total governmental funds capital assets	<u>\$ 4,288,968</u>

Investments in governmental funds capital assets by source:

General revenues	<u>\$ 4,288,968</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, 2010

FUNCTION AND ACTIVITY	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Infrastructure</u>	<u>Equipment and Vehicles</u>	<u>Construction in Progress</u>	<u>Total</u>
Administration and general government	\$ 2,174,772	\$ 501,978	\$ -	\$ 158,152	\$ -	\$ 2,834,902
Police	-	198,580	-	234,053	63,441	496,074
Public works	508,300	-	365,363	-	84,329	957,992
Total governmental funds capital assets	<u>\$ 2,683,072</u>	<u>\$ 700,558</u>	<u>\$ 365,363</u>	<u>\$ 392,205</u>	<u>147,770</u>	<u>\$ 4,288,968</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, 2010

FUNCTION AND ACTIVITY	<u>Capital Assets</u> <u>January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets</u> <u>December 31, 2010</u>
Administration and general government	\$ 2,824,868	\$ 20,126	\$ -	\$ 2,844,994
Police	374,571	205,195	93,784	485,982
Public works	873,663	84,329	-	957,992
	873,663	84,329	-	957,992
Total governmental funds capital assets	\$ 4,073,102	\$ 309,650	\$ 93,784	\$ 4,288,968
	4,073,102	309,650	93,784	4,288,968

OTHER SUPPLEMENTAL INFORMATION

Village of Riverwoods, Illinois
SCHEDULE OF CASH AND INVESTMENTS
December 31, 2010

<u>Cash and Investments by Fund</u>	<u>Cash</u>	<u>Investments</u> ¹	<u>Totals</u>
Governmental Funds:			
General	\$ 6,580,282	\$ 5,515,268	\$ 12,095,550
Special Revenue Funds			
Motor Fuel Tax	695,536	-	695,536
Special Service Area 5 Duffy Roads	16,307	-	16,307
Special Service Area 7 Russell's Storm Sewer	74,683	-	74,683
Special Service Area 19 Hiawatha Road Projects	38,500	-	38,500
Debt Service Funds			
Special Service Area 10 North Robinwood Sewer	25,025	-	25,025
Special Service Area 19 Hiawatha Road	15,909	-	15,909
Special Service Area 20 Whigham Burr Oak	26,047	-	26,047
Total Governmental Funds	<u>7,472,289</u>	<u>5,515,268</u>	<u>12,987,557</u>
Enterprise Funds ² :			
Consolidated Water			
Consolidated Water	1,016,107	254,279	1,270,386
Special Service Area 14 North Central Water	234,484	-	234,484
Special Service Area 16 North Robinwood Water	23,941	-	23,941
Special Service Area 17 Northwest Water	46,609	-	46,609
Special Service Area 18 Cherrywood Water	17,517	-	17,517
Total Consolidated Water Fund	<u>1,338,658</u>	<u>254,279</u>	<u>1,592,937</u>
Sewer			
Sewer	270,341	-	270,341
Special Service Area 12 South Riverwoods Sewer	317,967	-	317,967
Total Sewer Fund	<u>588,308</u>	<u>-</u>	<u>588,308</u>
Total Enterprise Funds	<u>1,926,966</u>	<u>254,279</u>	<u>2,181,245</u>
Total cash and investments reported on Statement of Net Assets	9,399,255	5,769,547	15,168,802

(Continued)

Village of Riverwoods, Illinois
 SCHEDULE OF CASH AND INVESTMENTS (Continued)
December 31, 2010

<u>Cash and Investments by Fund (Continued)</u>	<u>Cash</u>	<u>Investments ¹</u>	<u>Totals</u>
Agency Fund:			
Performance Bond	\$ 407,527	\$ 34,319	\$ 441,846
Total - All Funds	<u>\$ 9,806,782</u>	<u>\$ 5,803,866</u>	<u>\$ 15,610,648</u>

Cash and Investments by Financial Institution - Book Balances

The Illinois Funds	\$ 8,848,736	\$ -	\$ 8,848,736
Northside Community Bank	563,590	618,510	1,182,100
US Bank	47,306	-	47,306
PNC	346,850	-	346,850
Wells Fargo	-	4,585,112	4,585,112
Ameriprise Financial	-	565,925	565,925
JP Morgan	-	34,319	34,319
Cash on hand	<u>300</u>	<u>-</u>	<u>300</u>
Total	<u>\$ 9,806,782</u>	<u>\$ 5,803,866</u>	<u>\$ 15,610,648</u>

Total investment income for the year ended December 31, 2010 was \$184,118, which yielded an average rate of return of 1.19%.

¹ Investments in The Illinois Funds are considered cash equivalents for purposes of this schedule and the statement of net assets and the governmental funds combining statement of assets and liabilities arising from cash transactions.

² The Village's financial statements present two enterprise funds: the Consolidated Water Fund and the Sewer Fund. The Village's accounting system records multiple sub-funds which are combined for financial statement purposes.

(Concluded)

Village of Riverwoods, Illinois
SCHEDULE OF INSURANCE IN FORCE
December 31, 2010

Trend Information - Last Eight Years

Description of Coverage	Coverage	Company	Policy Number / Expiration Date
<u>LIABILITY COVERAGES</u>			
General Liability	\$ 8,000,000 each occur.,	Illinois Municipal League	0703B0497
Auto Liability	for all applicable	Risk Management Assoc. [1]	December 31, 2011
Broad Form Property	coverages, incl.		
Civil Constitutional Rights - Assault/ Battery	Special Liability		
Contractual Liability	coverages		
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
North Robinwood Sewer
Trend Information - Last Eight Years
December 31, 2010

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>
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	15,106	874	15,980
	<u>\$ 108,191</u>	<u>\$ 40,362</u>	<u>\$ 148,553</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 South Riverwood Sewer
 Special Service Area Number 12 Bonds
December 31, 2010

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

Year	Principal	Interest	Annual Debt Service
2011	\$ <u>155,361</u>	\$ <u>4,620</u>	\$ <u>159,981</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Central Water
 Special Service Area Number 14 Bonds
December 31, 2010

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

Year	Principal	Interest	Annual Debt Service
2011	\$ <u>286,134</u>	\$ <u>9,936</u>	\$ <u>296,070</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 North Robinwood Water
 Special Service Area Number 16 Bonds
December 31, 2010

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>
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	13,273	796	14,063
	<u>\$ 98,412</u>	<u>\$ 36,916</u>	<u>\$ 135,322</u>

Village of Riverwoods, Illinois
 SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Northwest Water
 Special Service Area Number 17 Bonds
December 31, 2010

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

Year	Principal	Interest	Annual Debt Service
2011	\$ <u>15,002</u>	\$ <u>402</u>	\$ <u>15,404</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Hiawatha Road
 Special Service Area Number 19 Bonds
December 31, 2010

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>
2011	\$ 20,034	\$ 2,892	\$ 22,926
2012	21,267	1,659	22,926
2013	<u>11,120</u>	<u>343</u>	<u>11,463</u>
	<u>\$ 52,421</u>	<u>\$ 4,894</u>	<u>\$ 57,315</u>

Village of Riverwoods, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 Whigham-Burr Oak
 Special Service Area Number 20 Bonds
December 31, 2010

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>
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>\$ 110,962</u>	<u>\$ 8,738</u>	<u>\$ 119,700</u>

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenues collected				
Taxes				
Township road and bridge tax	\$ 36,239	\$ 35,551	\$ 34,719	\$ 32,438
State income taxes	260,839	269,503	372,423	345,412
Sales and local use taxes	338,609	339,336	377,682	371,183
Photo processing taxes	-	-	-	-
Hotel tax	123,236	44,935	113,881	125,995
Personal property replacement taxes	2,058	1,957	2,276	2,011
Total taxes	<u>760,981</u>	<u>691,282</u>	<u>900,981</u>	<u>877,039</u>
Utility taxes				
Telecommunications	501,774	507,379	434,020	477,464
Electric	292,107	290,313	297,764	306,094
Gas	128,977	173,010	194,406	176,042
Total utility taxes	<u>922,858</u>	<u>970,702</u>	<u>926,190</u>	<u>959,600</u>
Licenses and permits				
Liquor licenses	16,500	15,500	20,000	21,000
Franchise fees	66,641	64,610	57,474	50,427
Construction fees	79,232	51,520	139,996	115,765
Cell tower lease	-	-	83,460	83,140
Special inspection	400	761	870	1,091
Elevator permits	10,080	9,240	9,840	9,385
Certificate of occupancy fees	-	-	-	-
Forester fees	775	1,550	8,685	16,090
Forest program	18,738	15,022	44,487	40,245
Engineer fees	808	500	7,485	8,366
Office service reimbursements	-	-	-	-
Other	-	-	-	-
Total licenses and permits	<u>193,174</u>	<u>158,703</u>	<u>372,297</u>	<u>345,509</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 30,192	\$ 30,498	\$ -	\$ -	\$ -
317,401	289,505	245,728	252,910	220,144
357,254	311,594	251,785	126,319	169,463
-	-	-	-	5,026
122,492	92,245	68,985	83,336	65,713
<u>1,941</u>	<u>1,765</u>	<u>-</u>	<u>1,181</u>	<u>1,205</u>
<u>829,280</u>	<u>725,607</u>	<u>566,498</u>	<u>463,746</u>	<u>461,551</u>
511,849	559,359	559,184	391,590	330,065
295,059	315,698	262,758	234,781	163,626
259,439	110,201	129,760	197,802	135,654
<u>1,066,347</u>	<u>985,258</u>	<u>951,702</u>	<u>824,173</u>	<u>629,345</u>
16,500	20,000	22,500	25,000	30,000
43,520	37,866	34,316	31,467	19,925
218,232	196,095	226,838	296,914	289,555
82,160	80,300	80,603	53,600	57,800
6,785	5,040	3,583	480	9,410
12,240	8,690	7,576	5,680	3,372
-	-	-	508	450
19,002	28,652	11,735	21,279	15,515
150,941	31,675	9,200	4,400	-
19,646	17,472	12,350	10,313	1,895
-	-	-	373	168
<u>-</u>	<u>-</u>	<u>1,207</u>	<u>65</u>	<u>300</u>
<u>569,026</u>	<u>425,790</u>	<u>409,908</u>	<u>450,079</u>	<u>428,390</u>

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF REVENUES COLLECTED (Continued)

Trend Information - Last Nine Years

Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenues collected (continued)				
Interest income	\$ <u>177,497</u>	\$ <u>238,390</u>	\$ <u>347,522</u>	\$ <u>394,258</u>
Other revenue				
Grants and contributions	25,000	-	-	-
Special use payments	-	-	-	-
Insurance reimbursements	-	-	-	-
Donation for bike path	-	-	-	-
Miscellaneous revenue	<u>32,142</u>	<u>18,125</u>	<u>19,630</u>	<u>16,749</u>
Total other revenue	<u>57,142</u>	<u>18,125</u>	<u>19,630</u>	<u>16,749</u>
Total revenues collected	\$ <u><u>2,111,652</u></u>	\$ <u><u>2,077,202</u></u>	\$ <u><u>2,566,620</u></u>	\$ <u><u>2,593,155</u></u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ <u>287,881</u>	\$ <u>109,568</u>	\$ <u>31,824</u>	\$ <u>25,922</u>	\$ <u>16,122</u>
-	-	-	-	-
-	-	60,000	37,000	4,000
-	-	27,169	-	-
90,000	-	-	-	-
<u>37,279</u>	<u>132,191</u>	<u>32,662</u>	<u>44,979</u>	<u>11,855</u>
<u>127,279</u>	<u>132,191</u>	<u>119,831</u>	<u>81,979</u>	<u>15,855</u>
\$ <u><u>2,879,813</u></u>	\$ <u><u>2,378,414</u></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 Eight Years

Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenditures paid				
Personnel				
Salaries	\$ 284,584	\$ 333,445	\$ 333,089	\$ 321,686
FICA	21,744	25,191	25,481	24,566
IMRF	35,712	35,318	35,528	33,105
Unemployment insurance	1,813	2,200	2,794	2,986
Health insurance	31,320	31,686	38,052	41,850
	<u>375,173</u>	<u>427,840</u>	<u>434,944</u>	<u>424,193</u>
Total personnel				
Contractual services				
Maintenance				
Building	23,813	39,082	62,298	38,380
Equipment	7,984	9,429	2,083	3,170
Grounds	29,553	55,423	32,484	23,867
Streets	11,317	4,269	7,195	9,545
Drainage and culverts	629	50,431	132,633	8,615
Bike path	6,817	802	-	-
Insurance	32,533	71,274	60,059	54,220
Telephone	12,259	12,442	15,636	15,769
Travel and meetings	10,092	12,111	11,714	8,185
Postage	9,815	5,877	6,013	4,993
Advertising	3,995	3,452	1,085	1,542
Village Voice	16,862	18,805	15,267	16,309
Printing	-	8	-	-
Accounting	28,575	28,787	28,760	20,945
Engineering	246,007	141,215	140,670	96,496
Legal	109,532	113,980	107,321	112,821
Inspection fees	10,180	5,915	25,492	21,932
Other professional	104,964	128,727	108,021	106,953
Dues and subscriptions	5,061	7,067	3,184	1,699
NSSRA	32,027	39,099	45,227	19,947
Forest program	85,037	169,660	67,715	69,588
Theater In The Woods	10,000	10,000	10,000	10,000
Arts and Riverwoods	-	-	-	14,000
Family Day	-	-	2,500	-
Senior transportation	185	240	44	-

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	307,646	\$ 313,019	\$ 305,739	\$ 308,226	\$ 267,096
	25,881	24,057	23,412	23,579	18,853
	30,076	28,350	29,748	30,170	27,469
	2,976	6,083	1,710	1,262	831
	<u>38,350</u>	<u>33,865</u>	<u>36,507</u>	<u>34,542</u>	<u>76,287</u>
	<u>404,929</u>	<u>405,374</u>	<u>397,116</u>	<u>397,779</u>	<u>390,536</u>
	22,880	24,005	30,007	38,240	29,490
	5,888	6,320	1,483	8,900	225
	24,722	12,767	9,971	11,995	10,796
	11,600	-	-	-	-
	14,702	1,770	-	-	-
	-	560	-	-	-
	52,036	42,552	63,452	108,087	92,640
	15,193	15,973	21,314	24,432	22,728
	9,103	9,135	7,619	6,206	4,576
	8,187	7,521	8,100	7,717	7,081
	355	1,531	2,391	1,480	2,369
	12,387	11,308	12,538	13,656	12,620
	628	2,244	2,240	844	-
	18,555	19,370	17,939	15,654	23,385
	130,590	130,343	137,227	135,525	68,363
	104,994	110,098	113,709	112,158	108,561
	44,492	17,396	46,413	35,572	-
	167,933	99,084	108,313	120,840	70,140
	1,944	3,459	2,910	1,832	1,685
	38,292	24,454	22,100	18,318	18,189
	75,545	45,432	44,115	35,145	-
	10,000	-	-	-	-
	14,000	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-

(Continued)

Village of Riverwoods, Illinois

General Fund

SCHEDULE OF EXPENDITURES PAID (Continued)

Trend Information - Last Nine Years

Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenditures paid (continued)				
Contractual services (continued)				
Snow removal	\$ 80,190	\$ 99,554	\$ 98,466	\$ 36,814
Signs	927	658	1,125	1,115
Street lighting	2,576	3,485	1,196	2,478
Miscellaneous	<u>60,809</u>	<u>61,223</u>	<u>38,045</u>	<u>40,879</u>
Total contractual services	<u>941,739</u>	<u>1,093,015</u>	<u>1,024,233</u>	<u>740,262</u>
Commodities				
Office supplies	13,027	24,985	14,085	13,012
Publications	1,427	1,058	4,116	1,225
Operating supplies	<u>7,543</u>	<u>943</u>	<u>2,376</u>	<u>6,845</u>
Total commodities	<u>21,997</u>	<u>26,986</u>	<u>20,577</u>	<u>21,082</u>
Capital outlay				
Land acquisition	13,255	306,517	-	-
Equipment	-	-	-	-
Police garage	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital outlay	<u>13,255</u>	<u>306,517</u>	<u>-</u>	<u>-</u>
Total expenditures paid	<u>\$ 1,352,164</u>	<u>\$ 1,854,358</u>	<u>\$ 1,479,754</u>	<u>\$ 1,185,537</u>

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	23,888	\$ 44,558	\$ -	\$ -	\$ -
	1,705	1,586	-	-	-
	1,628	967	-	-	-
	<u>164,760</u>	<u>78,615</u>	<u>71,137</u>	<u>101,798</u>	<u>10,038</u>
	<u>976,007</u>	<u>711,048</u>	<u>722,978</u>	<u>798,399</u>	<u>482,886</u>
	13,337	17,700	15,829	20,438	14,464
	71	-	80	203	-
	<u>9,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>22,674</u>	<u>17,700</u>	<u>15,909</u>	<u>20,641</u>	<u>14,464</u>
	-	-	-	-	686,287
	-	-	790	-	21,455
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,475</u>	<u>115,061</u>
	<u>-</u>	<u>-</u>	<u>790</u>	<u>10,475</u>	<u>822,803</u>
\$	<u><u>1,403,610</u></u>	<u><u>1,134,122</u></u>	<u><u>1,136,793</u></u>	<u><u>1,227,294</u></u>	<u><u>1,710,689</u></u>

(Concluded)

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenues collected				
Property taxes	\$ 436,637	\$ 431,615	\$ 411,196	\$ 390,356
COPS grant	-	2,100	750	8,942
Fines and forfeits	149,098	186,841	236,286	247,401
Special use payments	86,900	78,100	53,100	83,500
Other revenues	122,005	53,928	28,722	38,185
Cell tower lease *	97,584	83,554	-	-
Interest income	<u>647</u>	<u>1,211</u>	<u>14,065</u>	<u>123,746</u>
 Total revenues collected	 <u>\$ 892,871</u>	 <u>\$ 837,349</u>	 <u>\$ 744,119</u>	 <u>\$ 892,130</u>

* Revenue previously recorded in the General Fund.

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	371,532	\$ 353,603	\$ 326,899	\$ 316,277	\$ 295,712
	28,904	113,753	210,103	388,284	-
	247,497	183,146	187,301	141,352	89,736
	35,000	37,000	-	26,000	32,200
	33,752	24,980	1,784	26,137	9,807
	-	-	-	-	-
	<u>118,751</u>	<u>152,101</u>	<u>158,145</u>	<u>120,867</u>	<u>140,839</u>
\$	<u>835,436</u>	<u>864,583</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 Nine Years

Years Ended December 31

	2010	2009	2008	2007
Expenditures paid				
Personnel				
Salaries	\$ 807,624	773066	\$ 707,653	\$ 640,930
Health insurance	79,830	75259	70,607	62,838
FICA	55,724	58970	54,135	47,968
IMRF	67,425	61984	57,708	52,650
Total personnel	1,010,603	969,279	890,103	804,386
Contractual services				
Insurance	40,984	-	-	-
Legal	36,961	49,585	86,116	42,034
Crime laboratory	7,881	7,881	9,111	9,111
Other professional	98,170	71,740	82,609	29,076
Telephone	6,165	4,226	4,064	3,543
Travel	264	865	297	200
Training	3,112	2,988	1,550	1,080
Miscellaneous	5,215	11,730	5,934	2,064
Total contractual services	198,752	149,015	189,681	87,108
Commodities				
Office expenses	2,456	3,024	2,672	3,549
Fuel for squad cars	30,222	24,045	35,975	29,847
Miscellaneous	-	-	-	-
Total commodities	32,678	27,069	38,647	33,396
Capital outlay				
Squad cars and related equipment	158,222	49,008	86,375	59,447
Police facility	68,849	-	-	-
Police equipment	6,003	9,040	3,656	2,574
Total capital outlay	233,074	58,048	90,031	62,021
Total expenditures paid	\$ 1,475,107	1,203,411	\$ 1,208,462	\$ 986,911

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	600,733	\$ 544,197	\$ 489,393	\$ 416,620	\$ 322,210
	63,522	57,568	43,669	45,105	28,886
	45,240	41,009	33,889	31,901	24,649
	50,704	41,832	33,441	31,269	24,087
	<u>760,199</u>	<u>684,606</u>	<u>600,392</u>	<u>524,895</u>	<u>399,832</u>
	-	-	-	-	-
	34,240	26,500	16,160	20,430	8,720
	9,111	6,111	6,111	6,111	6,051
	71,396	69,161	66,046	70,232	68,023
	4,055	5,384	4,362	5,195	3,147
	266	45	16	223	1,257
	1,991	1,174	2,108	3,221	-
	-	-	-	-	-
	<u>121,059</u>	<u>108,375</u>	<u>94,803</u>	<u>105,412</u>	<u>87,198</u>
	5,098	4,209	4,572	2,300	3,164
	28,048	20,941	18,195	14,403	7,465
	2,542	7,983	4,045	12,657	8,441
	<u>35,688</u>	<u>33,133</u>	<u>26,812</u>	<u>29,360</u>	<u>19,070</u>
	68,891	34,197	52,723	81,830	6,176
	-	-	-	-	-
	4,534	1,719	4,704	3,004	6,158
	<u>73,425</u>	<u>35,916</u>	<u>57,427</u>	<u>84,834</u>	<u>12,334</u>
\$	<u><u>990,371</u></u>	<u><u>862,030</u></u>	<u><u>779,434</u></u>	<u><u>744,501</u></u>	<u><u>518,434</u></u>

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

	2010	2009	2008	2007
Revenues collected				
Charges for sales and services	\$ 984,964	\$ 901,614	\$ 970,779	\$ 1,135,322
Property taxes	355,693	359,811	360,240	360,608
Interest income	3,307	14,996	36,860	93,817
Grant revenue	135,461	-	-	64,538
Other	300	670	980	255
 Total revenues collected	 \$ 1,479,725	 \$ 1,277,091	 \$ 1,368,859	 \$ 1,654,540

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,049,323	\$ 1,154,043	\$ 995,610	\$ 1,042,030
361,582	358,792	364,127	329,213
46,306	29,900	12,644	11,632
-	-	-	-
<u>789</u>	<u>-</u>	<u>9,030</u>	<u>-</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 Eight Years

Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenses paid				
Personnel	\$ 35,810	\$ 33,713	\$ 31,962	\$ 30,596
Contractual services	596,071	623,733	674,967	880,672
Commodities	29,628	36,171	31,359	42,086
Depreciation	240,532	236,044	235,649	214,357
Debt service - interest	32,259	47,006	61,190	75,527
Other	<u>220</u>	<u>-</u>	<u>15,154</u>	<u>34,717</u>
Total expenses paid	<u>\$ 934,520</u>	<u>\$ 976,667</u>	<u>\$ 1,050,281</u>	<u>\$ 1,277,955</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 29,237	\$ 28,576	\$ 32,129	\$ 37,246
784,143	917,191	753,793	770,172
568	-	-	-
214,357	214,355	211,899	231,972
87,578	99,453	102,635	130,862
<u>3,426</u>	<u>-</u>	<u>-</u>	<u>-</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 Eight Years
Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenues collected				
Charges for sales and services	\$ 63,873	\$ 95,043	\$ 94,554	\$ 14,258
Property taxes	322,453	326,458	326,871	363,986
Interest income	294	663	6,726	17,546
Other revenues	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues collected	\$ <u>386,620</u>	\$ <u>422,164</u>	\$ <u>428,151</u>	\$ <u>395,790</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 18,631	\$ 126,804	\$ 80,874	\$ 164,819
364,560	400,224	408,183	398,879
15,665	11,087	3,640	2,480
<u>75</u>	<u>2,249</u>	<u>-</u>	<u>-</u>
\$ <u><u>398,931</u></u>	\$ <u><u>540,364</u></u>	\$ <u><u>492,697</u></u>	\$ <u><u>566,178</u></u>

Village of Riverwoods, Illinois

Sewer Fund

SCHEDULE OF EXPENSES PAID

Trend Information - Last Eight Years

Years Ended December 31

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenses paid				
Personnel	\$ 8,853	\$ 8,518	\$ 8,007	\$ 7,902
Contractual services	200,763	109,332	165,319	96,020
Depreciation	117,463	117,463	117,463	115,487
Debt service	22,452	39,646	57,158	73,585
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>634</u>
Total expenses paid	<u>\$ 349,531</u>	<u>\$ 274,959</u>	<u>\$ 347,947</u>	<u>\$ 293,628</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 7,373	\$ 8,127	\$ 8,010	\$ 8,522
91,366	66,103	21,355	99,918
115,487	115,487	114,886	111,033
90,219	106,516	112,887	147,231
<u>4,439</u>	<u>197</u>	<u>417</u>	<u>-</u>
<u>\$ 308,884</u>	<u>\$ 296,430</u>	<u>\$ 257,555</u>	<u>\$ 366,704</u>