

City of Rolling Meadows, IL

# 2009 Comprehensive Annual Financial Report

*For the Fiscal Year Ending December 31, 2009*

**City of Rolling Meadows**

**3600 Kirchoff Road  
Rolling Meadows, IL  
60008**

**(847) 394-8500**

**[www.cityrm.org](http://www.cityrm.org)**

**CITY OF ROLLING MEADOWS,  
ILLINOIS**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**YEAR ENDED DECEMBER 31, 2009**

Prepared by Finance Department

**CITY OF ROLLING MEADOWS, ILLINOIS**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the City of Rolling Meadows, including:

- List of Principal Officials
- Organization Chart
- Certificate of Achievement for Excellence in Financial Reporting
- Letter of Transmittal

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Principal Officials**

**December 31, 2009**

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**LEGISLATIVE**

Mayor: Kenneth Nelson

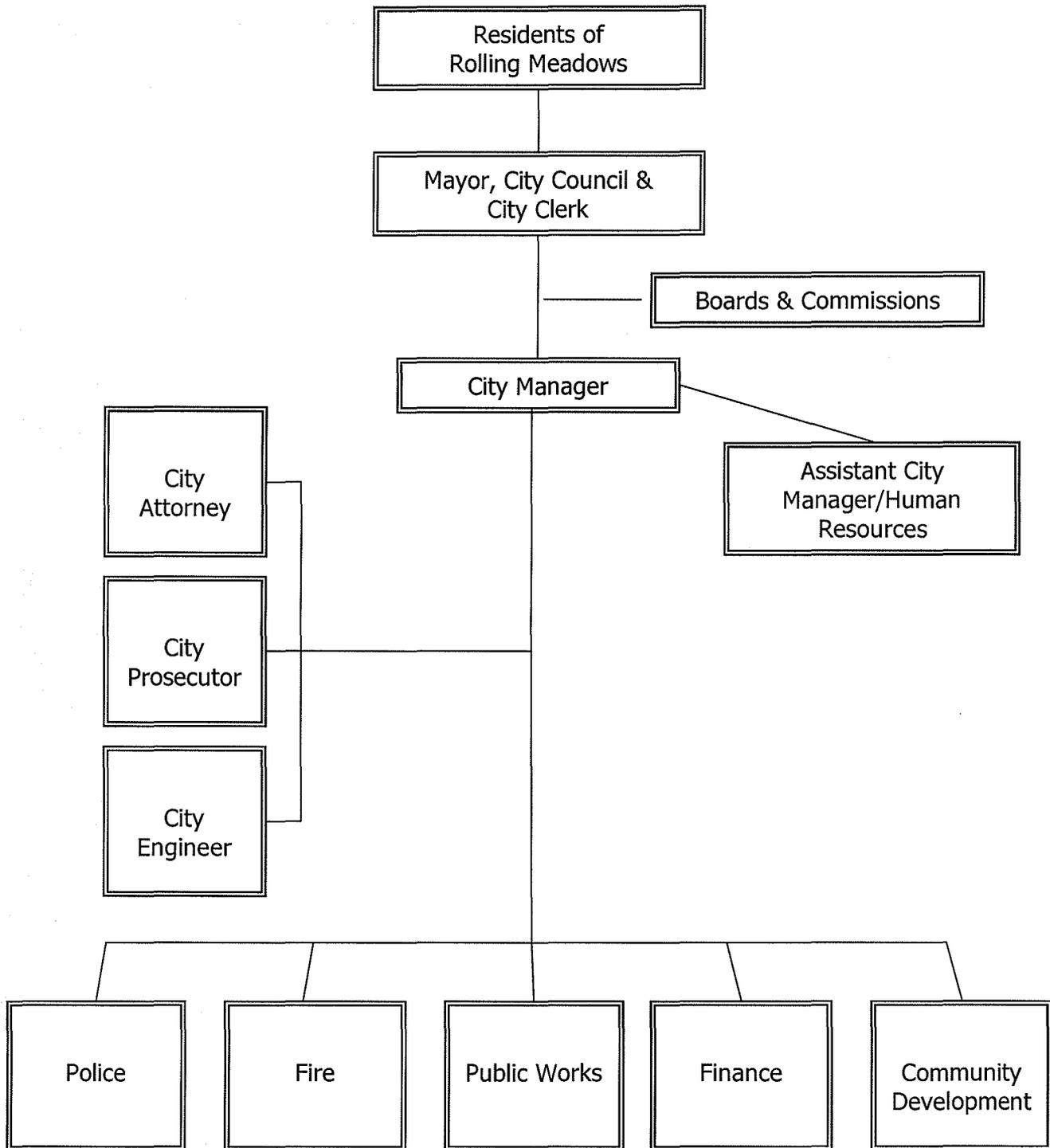
City Clerk: Lisa Hinman

Ward 1:	John Pitzafarro, Alderman
Ward 2:	Barb Lusk, Alderman
Ward 3:	Larry Buske, Alderman
Ward 4:	Brad Judd, Alderman
Ward 5:	Glenn Adams, Alderman
Ward 6:	John D'Astice, Alderman
Ward 7:	James Larsen, Alderman

**ADMINISTRATIVE**

City Manager:	Sarah Phillips
Director of Finance:	Jim Egeberg
Director of Public Works:	Fred Vogt
Police Chief:	Steven Williams
Fire Chief:	Ronald Stewart
Community Development Director:	Valerie Dehner

# City of Rolling Meadows Organization Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Rolling Meadows  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A large, stylized handwritten signature in black ink, appearing to read "JEFFREY R. EMMER".

President

A smaller, more legible handwritten signature in black ink, reading "Jeffrey R. Emmer".

Executive Director



*"PROGRESS THRU PARTICIPATION"*

May 11, 2010

The Honorable Kenneth Nelson, Mayor  
Members of the City Council  
Citizens of Rolling Meadows, Illinois

The Comprehensive Annual Financial Report (CAFR) of the **CITY OF ROLLING MEADOWS, ILLINOIS** for the Fiscal Year ended December 31, 2009, is hereby submitted. The submittal of this report complies with Illinois state law which requires that the City issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants. For the year ended December 31, 2009, the licensed certified public accounting firm of Lauterbach & Amen, LLC, has issued an unqualified ("clean") opinion on the City of Rolling Meadows financial statements. The independent auditors report can be found at the front of the financial section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the City of Rolling Meadows. The results of operations as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

This report includes all funds of the City (primary government), as well as its component units, the Rolling Meadows Public Library (discreetly presented), Rolling Meadows Police Pension Fund (blended) and Rolling Meadows Firefighters' Pension Fund (blended). Component units are autonomous entities for which the primary government is financially accountable.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### **The Reporting Entity and its Services**

The City of Rolling Meadows is located in northwest suburban Cook County, 27 miles from downtown Chicago, Illinois. Two major expressways serving the northwest suburban area are the Northwest Tollway (Interstate 90), and Illinois Route 53 (also serving for part of its length as Interstate 290).

Rolling Meadows is part of the Chicago northwest suburban area that encompasses 32 communities along Interstate 90 from O'Hare Airport to Elgin, Illinois, referred to as the "Golden Corridor". The diversity of business and industry provides a stable economic base, which in turn creates outstanding municipal services, educational systems, health and human care agencies and recreational facilities.

The City of Rolling Meadows is centrally located within the "Golden Corridor" with O'Hare Airport approximately 10 miles east of the City. The City's development, like that of much of the northwest, traces to the mid-1950s when the Illinois Toll Road and O'Hare International Airport were under construction. The early residential developer of the City (Kimball Hill) acquired approximately 537 acres of farmland immediately south of the Arlington Racetrack and broke ground for first single-family homes on July 21, 1953. At the time the City incorporated on February 26, 1955, it had a population of 5,162.

The City operates under a city manager form of government who administers the day-to-day operations. The legislative authority of the City is vested in a seven-member council, each elected from their respective wards. The mayor and city clerk are elected at large. Each alderman and the mayor serve staggered, four-year terms. The public voted by referendum to eliminate the elected city treasurer's position in 2006, and subsequently those duties were assigned to the finance director.

The City provides a full range of municipal services with 166 full-time, and 16 part-time persons working in public safety, public works, planning and zoning, social services and general administration. The City maintains approximately 61 miles of streets and maintains about 134 miles of parkway. The City operates its own water distribution system with sewage treatment provided by the Metropolitan Water Reclamation District. The City is a member of two joint ventures, the Joint Action Water Agency (JAWA), which provides water from Lake Michigan and the Solid Waste Agency of Northern Cook County (SWANCC), which provides solid waste disposal services. The City also owns and operates its own fleet of refuse vehicles.

The Rolling Meadows Library is operated under an appointed board, which is separate from the City Council. Library Board positions are appointed by the Mayor and expire on a rotating basis. Library operations are administered by the Library Board, however, the City is required by state statute to include within its property tax levy and budget, the Library's requests. The Library does not have authority to issue debt, and must do so through the City. Thus, the Library is a component unit of the City.

### **Major Initiatives and Economic Outlook**

In 2009 the City was fortunate to secure both state and federal grants for several city-wide infrastructure improvements scheduled for 2010. Approximately \$2.4 million in state grants for emergency infrastructure repairs will be used to fund the Golf and New Wilke roadway improvements. Construction for this project is set to take place in September 2010, and will greatly enhance accessibility to one of the City's busiest retail areas. Additionally, both East and West Frontage roads will be improved and resurfaced due to federal stimulus monies received from the American Recovery and Reinvestment Act, which was passed by Congress in February 2009. The City has also received \$1.157 million in federal grant monies for the construction of a new fire station. Currently the City is conducting an environmental assessment study of the proposed fire station site, with construction scheduled for late 2010.

The City engaged in several major capital improvements in 2009. Water, sewer and roadwork improvements were completed on both Plum Grove and Old Plum Grove roads, pursuant to a jurisdictional transfer from Cook County. Furthermore, the City is currently negotiating a loan from the Illinois Environmental Protection Agency (IEPA) for the purpose of water and sewer infrastructure improvements. This IEPA loan is a low cost funding option that will enable the City to finance much needed infrastructure improvements on antiquated water and sewer lines.

The City is currently conducting a market analysis and economic development study for TIF #1 (Kirchoff/Meadow) and TIF #2 (Kirchoff/Owl) in order to ascertain what types of businesses would be best suited for the downtown area. The future economic development plans of these two TIF districts are pending based on the results of this study.

In January 2009, the City Council voted to create a third tax increment financing district at Woodfield Gardens, located on the City's southwest side. The City will continue to pursue developers for the area in the hope of replacing this areas low rise rental units and limited commercial space with new retail and housing.

### **Accounting System and Budgetary Control**

Management of the City of Rolling Meadows is responsible for establishing and maintaining an internal control structure. The internal control structure is designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the City of Rolling Meadows maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund, certain special revenue funds, capital project funds, debt service funds, enterprise funds, internal service funds and pension trust funds are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

### **Relevant Financial Policies**

In order to insure that the City continues to meet its immediate and long term service goals, several financial policies and procedures have been implemented by management. Some of the more prescient policies include the following:

- Monthly revenue, expenditure and cash balance reporting for all funds. In addition, quarterly financials are prepared for the general fund with year ending projections of revenues and expenditures. These financial reports ensure that the City Council is made aware of any variances from the appropriated budget.
- An investment policy which invests public funds in a manner which protects principal, maximizes return for a given level of risk and meets the daily cash flow needs of the City.
- A capitalization policy which establishes the capitalization thresholds and estimated useful lives of fixed assets.
- A five-year capital plan which outlines management's intentions regarding fixed asset purchases and infrastructure improvements.
- A purchasing policy to ensure that goods and services are obtained in a timely manner at the lowest possible cost.

## **Pension Trust Funds and Post Employment Benefits**

Three pension plans are established by state statute, which cover City employees. The benefits and funding of each plan are determined by state statute, and each plan provides retirement, disability and death benefits for participants.

The Firefighters' and Police Pension Funds are funded through an annual property tax levy, employee contributions and investment earnings. In previous years an independent actuary would advise the City on the amount of the property tax levy necessary to meet the funding requirements of the pension, with an amortization period for the unfunded liability ending in 2033. However, starting in 2010 the City will base its pension funds property tax levy amounts on the actuarial required contribution recommendation of the Illinois Department of Insurance. This was agreed upon in the fall of 2009, by an ad hoc committee consisting of representatives from the City and the pension funds. Firefighters contribute 9.455% of their base salary, and police officers contribute 9.91% of their annual salary. Sworn firefighters and police officers hired after July 1986 contribute to Medicare.

The Illinois Municipal Retirement Fund (IMRF) pension plan covers civilian full-time employees. The IMRF benefits are coordinated with Social Security benefits. Funding for this pension plan is made through contributions from the employer (actuarially determined annually by the IMRF) and employees of the City (established at 4.5% of total compensation). Employees covered under this pension plan also contribute to Social Security (6.2% of salary capped annually) and Medicare (1.45% of total compensation).

The notes to the financial statement provide more information pertaining to employee pensions.

The City also provides post-retirement health care benefits for retirees and their dependents. The City finances these benefits on a pay-as-you-go basis.

## **Risk Management**

The City of Rolling Meadows participates in two public entity risk pools to protect against casualty and health-risk losses. The Intergovernmental Personnel Benefit Cooperative (IPBC) insures employee health, accident and life claims and the Intergovernmental Risk Management Agency (IRMA) insures general liability, first-party property losses, third-party liability claims, workers' compensation claims and public official liability claims.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rolling Meadows for its comprehensive annual financial report for the fiscal year ended December 31, 2008. This was the twenty-third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## Acknowledgments

The preparation of the comprehensive annual financial report was made possible by the dedication and hard work of the entire finance department staff. We would like to express special appreciation to Senior Accountants Rob Fredrickson, Melissa Gallagher, Diana Schoeneck and Laura Matz who contributed to the preparation of this document.

Additionally, we would like to acknowledge the Mayor and City Council for their leadership and support in planning and conducting the financial operations of the City, which has made preparation of this report possible.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sarah Phillips". The signature is written in dark ink and is positioned above the printed name and title.

Sarah Phillips  
City Manager

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

# **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the City of Rolling Meadows' independent auditing firm.

**INDEPENDENT AUDITORS' REPORT**

April 5, 2010

The Honorable Mayor  
Members of the City Council  
City of Rolling Meadows, Illinois

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rolling Meadows, Illinois as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the basic financial statements of each of the City of Rolling Meadows, Illinois' nonmajor governmental funds, and internal service funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2009, as listed in the table of contents. These basic financial statements are the responsibility of the City of Rolling Meadows, Illinois management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the Rolling Meadows Public Library discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us; and our opinion, insofar as it relates to the amounting included for the Rolling Meadows Public Library, is based solely on the report of the other auditor.

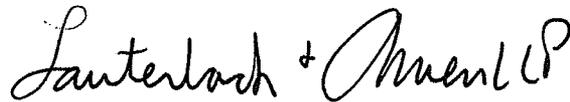
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rolling Meadows, Illinois as of December 31, 2009 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole and on the combining and individual fund financial statements and schedules. The accompanying financial information listed as schedules in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Rolling Meadows, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic, combining, and individual fund financial statements and schedules, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements and each of the combining and individual fund financial statements and schedules taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.



LAUTERBACH & AMEN, LLP

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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**City of Rolling Meadows, Illinois**  
**Management's Discussion and Analysis**  
**December 31, 2009**

The City of Rolling Meadows' management's discussion and analysis is designed to provide readers a narrative overview and analysis of the City's financial statements for the year ending December 31, 2009. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal (beginning on page iv) and the City's financial statements (beginning on page 3).

**Financial Highlights**

The assets of the City of Rolling Meadows exceeded its liabilities at the close of the most recent fiscal year by \$114,095,388 (*net assets*). Of this amount, \$5,329,929 is an unrestricted deficit, while \$117,373,466 is invested in capital assets, net of related debt and \$2,051,851 is restricted for specific purposes.

- The City's total net assets increased by \$1,278,361 (or 1.13%) during the fiscal year ending December 31, 2009. The governmental net assets increased by \$312,021 and the business-type activities net assets increased by \$966,340.
- As of the close of the current fiscal year, the City of Rolling Meadows' governmental funds reported combined ending fund balances of \$3,961,711, an increase of \$2,929,478 from the previous fiscal year.
- At the end of year 2009, the fund balance for the General Fund was a negative \$724,541. This is an increase of \$1,650,163 over the 2008 General Fund balance.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Rolling Meadows' basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The government-wide statements are divided between governmental activities and business-type activities, with the public library as a discretely presented component unit. The perspective of the fund financial statements presents financial information for individual funds established by the City for specific purposes. They are categorized into three distinct groups: governmental, proprietary and fiduciary. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement may relate to cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government (legislative, administrative, finance), public safety (fire, police, 911 services), public works, highways and streets, health and welfare, and economic development (community development). The business-type activities of the City include water, sewer, refuse and stormwater management.

The government-wide financial statements include the City of Rolling Meadows, and its discretely presented component unit, the City of Rolling Meadows Library, for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements may be found on pages 3 through 6 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Rolling Meadows, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Rolling Meadows can be divided into three categories: governmental, proprietary and fiduciary.

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Rolling Meadows maintains twenty-four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Motor Fuel Tax Fund and the General Obligation Bond Series of 2005 Fund, of which these three are considered to be major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and may be found elsewhere in this report.

The City of Rolling Meadows adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements may be found on pages 7 through 10 of this report.

#### ***Proprietary Funds***

The City of Rolling Meadows maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains four enterprise funds to account for its Water, Sewer, Refuse and Stormwater Management Funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains five internal service funds: the vehicle replacement and garage funds account for its fleet of vehicles, the building and land fund to account for building maintenance and improvements, the health insurance fund for health insurance premiums (including retirees), and the liability insurance fund for general liability insurance as well as workers' compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Refuse and Stormwater Management Funds. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements may be found on pages 11 through 16 of this report.

### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City. The three fiduciary funds include both pension funds for sworn police officers and firefighters, as well as surety bonds for building contractors. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements may be found on pages 17 and 18 of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements may be found on pages 19 through 65 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information may be found on pages 66 through 75 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules may be found on pages 76 through 140 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Rolling Meadows, assets exceeded liabilities by \$114,095,388 at the close of the most recent fiscal year. The table below shows total net assets for the City for the past three years.

**City of Rolling Meadows Net Assets (in thousands)**

Net Assets	12/31/2007	12/31/2008	12/31/2009
Governmental Activities	\$118,384	\$104,990	\$105,289
Business-Type Activities	\$6,344	\$7,840	\$8,806
<b>Total City Net Assets</b>	<b>\$124,728</b>	<b>\$112,830</b>	<b>\$114,095</b>

**City of Rolling Meadows  
Statement of Net Assets  
As of December 31, 2009 and 2008  
(in Millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 18.2	\$ 16.1	\$ 1.9	\$ 2.3	\$ 20.1	\$ 18.4
Capital assets	<u>131.5</u>	<u>132.3</u>	<u>11.5</u>	<u>10.4</u>	<u>143.0</u>	<u>142.7</u>
<b>Total assets</b>	<b><u>\$ 149.7</u></b>	<b><u>\$ 148.4</u></b>	<b><u>\$ 13.4</u></b>	<b><u>\$ 12.7</u></b>	<b><u>\$ 163.1</u></b>	<b><u>\$ 161.1</u></b>
Long-term liabilities	\$ 29.3	\$ 30.5	\$ 3.6	\$ 3.7	\$ 32.9	\$ 34.2
Other liabilities	<u>15.1</u>	<u>12.9</u>	<u>1.0</u>	<u>1.2</u>	<u>16.0</u>	<u>14.1</u>
<b>Total liabilities</b>	<b><u>\$ 44.4</u></b>	<b><u>\$ 43.4</u></b>	<b><u>\$ 4.6</u></b>	<b><u>\$ 4.9</u></b>	<b><u>\$ 49.0</u></b>	<b><u>\$ 48.3</u></b>
Net assets:						
Invested in capital assets, net of debt	\$ 108.9	\$ 109.3	\$ 8.5	\$ 7.1	\$ 117.4	\$ 116.4
Restricted	2.0	1.6	-	-	2.0	1.6
Unrestricted (deficit)	<u>(5.6)</u>	<u>(5.9)</u>	<u>.3</u>	<u>.7</u>	<u>(5.3)</u>	<u>(5.2)</u>
<b>Total net assets</b>	<b><u>\$ 105.3</u></b>	<b><u>\$ 105.0</u></b>	<b><u>\$ 8.8</u></b>	<b><u>\$ 7.8</u></b>	<b><u>\$ 114.1</u></b>	<b><u>\$ 112.8</u></b>

By far the largest portion of the City of Rolling Meadows' net assets, \$117,373,466 reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to finance those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Rolling Meadows' investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City of Rolling Meadows' net assets (approximately \$2.0 million) represents resources that are subject to external restrictions as to how they may be used.

At the end of the current fiscal year, the City of Rolling Meadows is able to report positive net assets for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year. Additional information on the Statement of Net Assets may be found on page 3 and 4 of this report.

## Change in Net Assets

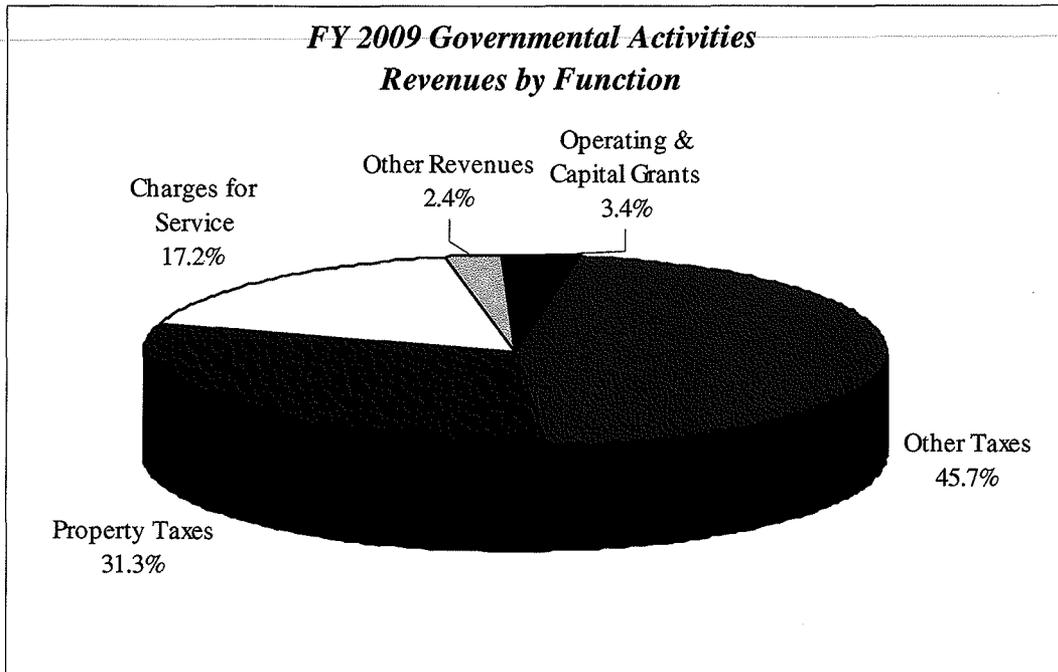
The fiscal year 2009 activities of the City of Rolling Meadows caused total net assets to increase by \$1,278,361 (both governmental and business-type activities had an increase in net assets of \$312,021 and \$966,340, respectively). The net assets as of the end of fiscal year 2009 are \$114,095,388. Key elements are as follows:

**City of Rolling Meadows**  
**Changes in Net Assets**  
**For the Fiscal Year Ended December 31, 2009 and 2008**  
**(in Millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<b>Revenue</b>						
Program revenues:						
Charges for service	\$ 5.0	\$ 5.0	\$ 10.5	\$ 9.2	\$ 15.5	\$ 14.1
Operating & capital grants	1.0	1.0	0.0	0.8	1.0	1.8
General revenue:						
Property taxes	9.1	8.5	-	-	9.1	8.5
Other taxes	13.3	13.4	-	-	13.3	13.4
Other revenues	0.7	1.2	<1	-	0.8	1.2
<b>Total revenue</b>	<b>29.1</b>	<b>29.1</b>	<b>10.5</b>	<b>10.0</b>	<b>39.7</b>	<b>39.0</b>
<b>Expenses</b>						
Governmental activities:						
General Government	\$ 5.1	\$ 5.1	\$ -	\$ -	\$ 5.1	\$ 5.1
Public Safety	18.5	20.4	-	-	18.5	20.4
Highway & Streets	1.1	2.6	-	-	1.1	2.6
Public Works	3.5	4.2	-	-	3.5	4.2
Health & Welfare	0.0	0.0	-	-	0.0	0.0
Economic Development	0.1	0.2	-	-	0.2	0.2
Interest	0.9	1.1	-	-	0.9	1.1
Business-type:						
Water	-	-	4.8	4.7	4.8	4.7
Sewer	-	-	1.3	1.2	1.3	1.2
Refuse	-	-	2.5	2.5	2.5	2.5
Stormwater	-	-	0.5	0.6	0.5	0.6
<b>Total expenses</b>	<b>29.2</b>	<b>33.6</b>	<b>9.1</b>	<b>9.0</b>	<b>38.4</b>	<b>42.5</b>
<b>Revenues over (under) expenses</b>	<b>(0.1)</b>	<b>(4.5)</b>	<b>1.4</b>	<b>1.0</b>	<b>1.3</b>	<b>(3.5)</b>
Transfers	0.4	(0.5)	(0.4)	0.5	-	-
<b>Change in net assets</b>	<b>\$ 0.3</b>	<b>\$ (5.0)</b>	<b>\$ 1.0</b>	<b>\$ 1.5</b>	<b>\$ 1.3</b>	<b>\$ (3.5)</b>

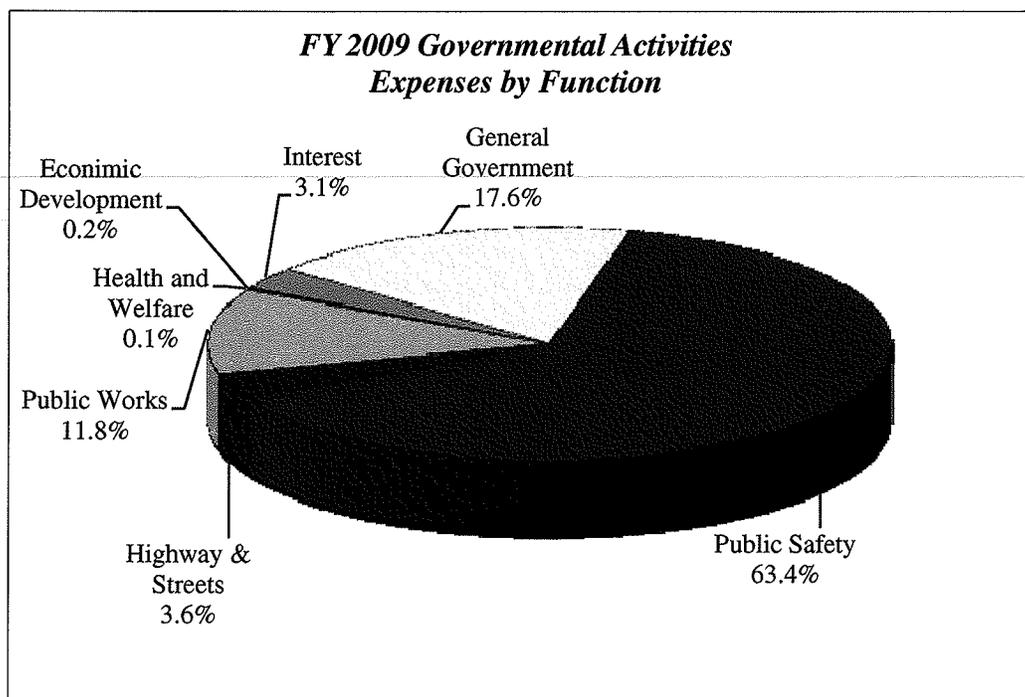
## Governmental Activities

### Revenues:



For the fiscal year ended December 31, 2009, revenues from governmental activities totaled \$29.1 million, signifying a decrease in revenues of \$23,247 over the previous fiscal year. The main revenue source for governmental activities consisted of property taxes, which totaled \$9.1 million or 31.3% of the total. Other taxes, coming in at \$13.3 million, consisted primarily of sales tax, home-rule sales tax, state income tax, food and beverage tax, electric utility tax, hotel tax, telecommunication tax, replacement tax, local use tax and real estate transfer tax. Due mainly to a contraction of the general economy, the City did experience a decline in most of its taxing sources in 2009. However, most of this decline was offset by the implementation of an electric utility tax, which generated approximately \$1.3 million.

## Expenses:



For the fiscal year ending December 31, 2009, expenditures for governmental activities totaled \$29.2 million, which represents a \$4.4 million decrease from 2008. Expenses related to public safety – police and fire – accounted for the bulk (63.4%) of the total expenditures for governmental activities. The aggregate decrease in expenditures is due to a concentrated effort by management to control costs and streamline processes in order to improve the overall efficiency of government. This was particularly evident in the functional areas of public safety, public works and highways and streets, which experienced the most significant cost savings when compared to the previous fiscal year. One example of this effort is the joint venture the City entered into with Northwest Central Dispatch for emergency dispatch services. This new partnership will significantly reduce the costs associated with providing emergency services, without reducing the quality of services rendered to the public.

### **Business-type Activities**

The major revenue components of the “charges for services” classification for business-type activities are fees from the City’s water, sewer, refuse and stormwater utilities. Total charges for services for these activities were \$10,470,511, which represents an increase of \$1,268,508 or 14.0% from the previous fiscal year. Business-type activities increased the City of Rolling Meadows’ net assets by \$966,340. Key elements of this increase were continued capital projects.

### **Financial Analysis of the Government’s Funds**

As noted earlier, the City of Rolling Meadows uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the City’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing resources available at the end of the year in comparison with the City’s upcoming financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. At December 31, 2009 the governmental funds reported a combined fund balance of \$3,961,711, an increase of \$2,919,478 over the previous fiscal year.

**General Fund Budgetary Highlights**

	<b>Original <u>Budget</u></b>		<b>Final <u>Budget</u></b>		<b><u>Actual</u></b>
Revenues	\$ 25,377,785		\$ 25,381,085		\$ 24,024,045
Expenditures	22,853,475		23,041,775		22,067,337
Excess of Revenues					
Over Expenditures	2,524,310		2,339,310		1,956,708
Other Financing Sources or (Uses)	(1,160,310)		(975,310)		(306,545)
Net Change in Fund Balance	\$ 1,364,000		\$ 1,364,000		\$ 1,650,163

The General Fund is the City's primary operating fund and the largest source of funding for day-to-day activities of its various departments. Shown in the chart "General Fund Budgetary Highlights" is the original and final budgets, as well as the actual amounts received in 2009. An actual surplus of \$1,650,163 has increased general fund fund balance from a negative \$2,374,704 at the beginning of the year, to a negative \$724,541 at the culmination of 2009. This reduction in negative fund balance is directly attributable to a conscious effort by management to address the negative fund balance position of the General Fund, by containing costs and carefully monitoring revenues. Additional information may be found on page 74 of this report.

**Proprietary Funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but include long-term outflows and capital assets. Unrestricted net assets of the Water, Sewer, Refuse and Stormwater Management Funds at the end of the year amounted to a total of \$315,541—down \$397,938 from 2008, due to more assets being invested in capital assets and infrastructure improvements.

## Capital Asset and Debt Administration

**Capital Assets** - The City of Rolling Meadows' investment in capital assets for its governmental and business-type activities as of December 31, 2009 amounts to \$143,008,470 (net of accumulated depreciation) an increase of \$240,302 from 2008. This investment in capital assets includes land, land improvements, construction in progress, buildings, machinery, equipment, roads, bridges and vehicles. The 0.2% increase from the previous year is due to additional investments in capital assets, consisting primarily of machinery, equipment and infrastructure improvements.

### City of Rolling Meadows Capital Assets at Year End Net of Depreciation (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Land	\$ 99.2	\$ 99.2	\$ -	\$ -	\$ 99.2	\$ 99.2
Land improvements	.9	.1	-	-	.9	.1
Construction in progress	.8	1.1	.1	1.3	.9	2.4
Building	7.2	7.6	1.7	1.8	8.9	9.4
Machinery and equipment	1.2	1.3	.6	.6	1.8	1.9
Infrastructure	20.8	21.5	9.1	6.7	29.9	28.2
Vehicles	1.2	1.5	-	-	1.2	1.5
<b>Total</b>	<b>\$ 131.5</b>	<b>\$ 132.3</b>	<b>\$ 11.5</b>	<b>\$ 10.4</b>	<b>\$ 143.0</b>	<b>\$ 142.7</b>

Additional information on the City of Rolling Meadows' capital assets may be found on pages 37 through 39 of this report.

**Long-term Debt** - At the end of the fiscal year 2009, the City of Rolling Meadows had total bonded debt outstanding of \$23,775,000. Of this amount, 100% comprises debt backed by the full faith and credit of the government.

### City of Rolling Meadows Outstanding General Obligation Debt (000's)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 20.7	\$ 22.4	\$ 3.0	\$ 3.3	\$ 23.7	\$ 25.7

The City of Rolling Meadows made principal payments on outstanding debt in the current year of \$1,940,000, in accordance with the terms of the various bond issues. No new long-term debt was issued during 2009. In addition to the long-term debt mentioned above, the City also has a note payable in the amount of \$1,315,000, which remains outstanding as of December 31, 2009. This note was paid in full on April 7, 2010.

The City's bond rating was downgraded by both Moody's and Standard & Poor in 2009. Moody's downgraded the City from Aa3 to A3. Standard & Poor's downgraded the City from AA to A+. Both agencies cited the negative fund balance of the City's General Fund as the primary reason for the downgrade. Management intends to address this issue by budgeting surpluses over the course of the next several fiscal years, with the long-term goal of building fund reserves to the desired level of 10% of fund expenditures.

The City of Rolling Meadows as a home rule authority is not limited to the amount of general obligation debt it may issue, except that any debt issue may not exceed a forty-year payment period. The total per capita general obligation debt for the community is \$966.31.

Additional information on the City of Rolling Meadows' long-term debt may be found in Note 3 on pages 41 through 45 of this report.

### **Economic Factors and Next Year's Budget**

Rolling Meadows is part of the Chicago northwest suburban area that encompasses 32 communities along Interstate 90 from O'Hare Airport to Elgin, Illinois. Known as the "Golden Corridor", this area is home to approximately 890,000 people, several Fortune 500 companies, and employs more than 550,000. The diversity of business and industry provides a stable economic base, which in turn creates outstanding municipal services, educational systems, health and human care agencies and recreational facilities. Several colleges and universities are also located in the area. The City of Rolling Meadows is centrally located within the "Golden Corridor" with O'Hare Airport approximately 10 miles east of the City.

Like most municipalities, the economic downturn that began in the fall of 2008, has had an adverse effect on the City's General Fund. This is due to the fact that most of this funds revenue sources share a direct correlation with the health of the economy as a whole. Despite this difficult economic climate, the City was able to end the year with a surplus in the General Fund of \$1,650,163, thereby reducing fund balance from a negative \$2.374 million to a negative \$724,541. In developing the budget for 2010, management continued to focus on addressing the negative fund balance in the General Fund, by pragmatically assessing revenues and expenditures, in order to establish an attainable budgeted surplus. This coincides with management's long-term objectives for the General, and all other governmental and enterprise funds, of gradually building up fund balance to a level which is equal to 10% of expenditures for governmental funds and 20% of expenses for enterprise funds.

Early in 2010, management was informed that one of the City's largest retailers would be discontinuing operations, effective end of January 2010. The closing of this retail store will have a significant impact on budgeted revenues in the General Fund, particularly in the areas of sales, home rule sales, and food and beverage taxes. In order to mitigate this loss in the City's tax base, management has made several cuts to the General Fund expenditure budget, as well as devised several new revenue enhancements. Despite this economic setback, management is confident that it will be able to bridge the gap between revenues and expenditures, consequently yielding a surplus in 2010.

### **Requests for Information**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be addressed to the Director of Finance, City of Rolling Meadows, 3600 Kirchoff Road, Rolling Meadows, Illinois, 60008.

## **BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Net Assets  
December 31, 2009**

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**See Following Page**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Net Assets  
December 31, 2009**

	Governmental Activities	Business- Type Activities	Total	Component Unit Public Library
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 2,319,636	-	2,319,636	1,769,910
Receivables - Net of Allowances	12,935,999	1,378,986	14,314,985	3,485,302
Internal Balances	45,120	(45,120)	-	-
Prepays/Inventories	2,795,201	53,802	2,849,003	13,879
Total Current Assets	18,095,956	1,387,668	19,483,624	5,269,091
<b>Noncurrent Assets</b>				
<b>Capital Assets</b>				
Nondepreciable	100,042,343	102,047	100,144,390	608,893
Depreciable	65,596,085	21,437,013	87,033,098	8,083,195
Accumulated Depreciation	(34,174,819)	(9,994,199)	(44,169,018)	(4,572,954)
	131,463,609	11,544,861	143,008,470	4,119,134
<b>Other Assets</b>				
Investment in Joint Venture	-	454,043	454,043	-
Unamortized Bond Issuance Costs	133,380	13,910	147,290	-
	133,380	467,953	601,333	-
Total Noncurrent Assets	131,596,989	12,012,814	143,609,803	4,119,134
Total Assets	149,692,945	13,400,482	163,093,427	9,388,225

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Total	Component Unit Public Library
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	670,952	537,060	1,208,012	241,097
Accrued Payroll	-	-	-	48,499
Deposits Payable	315,909	-	315,909	-
Interest Payable	33,146	-	33,146	-
Unearned/Deferred Revenue	9,799,519	72,792	9,872,311	-
<b>Current Portion of Long-Term Liabilities</b>				
Compensated Absences Payable	1,085,332	74,836	1,160,168	30,654
Notes Payable	1,315,000	-	1,315,000	-
Capital Leases Payable	79,112	-	79,112	-
General Obligation Bonds Payable - Net	1,752,409	267,566	2,019,975	-
<b>Total Current Liabilities</b>	<b>15,051,379</b>	<b>952,254</b>	<b>16,003,633</b>	<b>320,250</b>
<b>Noncurrent Liabilities</b>				
Deposits Payable	-	313,917	313,917	-
Net Pension Obligation Payable	4,985,185	-	4,985,185	-
Compensated Absences Payable	4,341,330	541,475	4,882,805	50,109
Capital Leases Payable	392,775	-	392,775	-
General Obligation Bonds Payable - Net	19,042,006	2,786,136	21,828,142	-
Net Other Post-Employment Benefit Payable	591,582	-	591,582	35,817
<b>Total Noncurrent Liabilities</b>	<b>29,352,878</b>	<b>3,641,528</b>	<b>32,994,406</b>	<b>85,926</b>
<b>Total Liabilities</b>	<b>44,404,257</b>	<b>4,593,782</b>	<b>48,998,039</b>	<b>406,176</b>
<b>NET ASSETS</b>				
Invested in Capital Assets - Net of Related Debt	108,882,307	8,491,159	117,373,466	4,119,134
Restricted - Highways and Streets	2,051,851	-	2,051,851	-
Unrestricted	(5,645,470)	315,541	(5,329,929)	4,862,915
<b>Total Net Assets</b>	<b>105,288,688</b>	<b>8,806,700</b>	<b>114,095,388</b>	<b>8,982,049</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Activities  
Year Ended December 31, 2009**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 5,142,807	2,409,957	-	-
Public Safety	18,504,150	2,227,513	87,436	-
Highways and Streets	1,063,134	377,951	-	868,063
Public Works	3,449,304	-	-	-
Health and Welfare	30,071	-	-	-
Economic Development	62,322	-	-	-
Interest on Long-Term Debt	913,918	-	-	-
	<u>29,165,706</u>	<u>5,015,421</u>	<u>87,436</u>	<u>868,063</u>
<b>Business-Type Activities</b>				
Water	4,859,697	5,428,887	-	-
Sewer	1,305,382	1,663,771	-	-
Refuse Collection	2,471,363	2,481,918	-	-
Stormwater Management	476,415	895,935	-	-
	<u>9,112,857</u>	<u>10,470,511</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government</b>	<u>38,278,563</u>	<u>15,485,932</u>	<u>87,436</u>	<u>868,063</u>
<b>Component Unit - Public Library</b>	<u>3,534,683</u>	<u>50,541</u>	<u>29,766</u>	<u>-</u>

**General Revenues**

Taxes

Property

State Sales and Home Rule

Simplified Telecommunications

Electric Utility

Hotel

Food and Beverage

Real Estate Transfer

Other Taxes

Intergovernmental - Unrestricted

Income Taxes

Local Use Taxes

Replacement Taxes

Interest

Miscellaneous

Transfers - Internal Activity

Change in Net Assets

Net Assets - Beginning, as Restated

Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

Net Expense/Revenue			
Governmental Activities	Primary Government		Component Unit
	Business-Type Activities	Totals	Public Library
(2,732,850)	-	(2,732,850)	-
(16,189,201)	-	(16,189,201)	-
182,880	-	182,880	-
(3,449,304)	-	(3,449,304)	-
(30,071)	-	(30,071)	-
(62,322)	-	(62,322)	-
(913,918)	-	(913,918)	-
(23,194,786)	-	(23,194,786)	-
-	569,190	569,190	-
-	358,389	358,389	-
-	10,555	10,555	-
-	419,520	419,520	-
-	1,357,654	1,357,654	-
(23,194,786)	1,357,654	(21,837,132)	-
-	-	-	(3,454,376)
9,112,215	-	9,112,215	3,407,403
5,115,760	-	5,115,760	-
2,075,334	-	2,075,334	-
1,301,016	-	1,301,016	-
288,634	-	288,634	-
1,221,391	-	1,221,391	-
191,259	-	191,259	-
632,287	-	632,287	63,171
1,999,825	-	1,999,825	-
285,768	-	285,768	-
177,371	-	177,371	-
4,572	13,400	17,972	4,268
696,661	-	696,661	3,143
404,714	(404,714)	-	-
23,506,807	(391,314)	23,115,493	3,477,985
312,021	966,340	1,278,361	23,609
104,976,667	7,840,360	112,817,027	8,958,440
105,288,688	8,806,700	114,095,388	8,982,049

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Balance Sheet - Governmental Funds  
December 31, 2009**

	General	Motor Fuel Tax	General Obligation Bond Series of 2005	Nonmajor Governmental	Totals
<b>ASSETS</b>					
Cash and Investments	\$ -	1,380,169	-	939,467	2,319,636
Receivables - Net of Allowances					
Property Taxes	7,699,522	-	873,103	1,204,580	9,777,205
Other Taxes	2,783,285	50,612	-	34,435	2,868,332
Accounts	223,208	-	-	64,453	287,661
Due from Other Funds	-	673,754	531,430	3,426,250	4,631,434
Prepays	31,143	-	-	39,266	70,409
<b>Total Assets</b>	<b>10,737,158</b>	<b>2,104,535</b>	<b>1,404,533</b>	<b>5,708,451</b>	<b>19,954,677</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	149,045	52,684	-	178,266	379,995
Deposits Payable	2,350	-	-	-	2,350
Due to Other Funds	3,526,836	-	-	2,284,266	5,811,102
Unearned/Deferred Revenue	7,783,468	-	849,838	1,166,213	9,799,519
<b>Total Liabilities</b>	<b>11,461,699</b>	<b>52,684</b>	<b>849,838</b>	<b>3,628,745</b>	<b>15,992,966</b>
<b>Fund Balances</b>					
Reserved - Prepays	31,143	-	-	39,266	70,409
Unreserved - General Fund	(755,684)	-	-	-	(755,684)
Unreserved - Special Revenue Funds	-	2,051,851	-	(493,318)	1,558,533
Unreserved - Debt Service Funds	-	-	554,695	389,786	944,481
Unreserved - Capital Projects Funds	-	-	-	2,143,972	2,143,972
<b>Total Fund Balances</b>	<b>(724,541)</b>	<b>2,051,851</b>	<b>554,695</b>	<b>2,079,706</b>	<b>3,961,711</b>
<b>Total Liabilities and Fund Balances</b>	<b>10,737,158</b>	<b>2,104,535</b>	<b>1,404,533</b>	<b>5,708,451</b>	<b>19,954,677</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to  
Net Assets - Governmental Activities**

**December 31, 2009**

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<b>Total Governmental Fund Balances</b>	<b>\$ 3,961,711</b>
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	127,563,052
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Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets.	6,442,972
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Unamortized Bond Issuance Costs	128,748
Net Pension Obligation Payable	(4,985,185)
Compensated Absences Payable	(5,291,488)
Notes Payable	(1,315,000)
Capital Leases Payable	(56,979)
General Obligation Bonds Payable - Net	(20,534,415)
Net Other Post-Employment Benefit Payable	(591,582)
Accrued Interest Payable	<u>(33,146)</u>

<b>Net Assets of Governmental Activities</b>	<b><u>105,288,688</u></b>
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The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended December 31, 2009**

	General	Motor Fuel Tax	General Obligation Bond Series of 2005	Nonmajor Governmental	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 16,973,177	-	855,746	2,108,973	19,937,896
Intergovernmental	2,550,400	642,330	-	595,449	3,788,179
Licenses and Permits	775,307	-	-	377,951	1,153,258
Charges for Services	2,437,206	-	-	-	2,437,206
Fines and Forfeitures	863,342	-	-	191,899	1,055,241
Interest	(1,853)	2,105	89	2,903	3,244
Miscellaneous	426,466	10,776	-	259,419	696,661
<b>Total Revenues</b>	<b>24,024,045</b>	<b>655,211</b>	<b>855,835</b>	<b>3,536,594</b>	<b>29,071,685</b>
<b>Expenditures</b>					
<b>Current</b>					
General Government	3,507,569	-	-	33,912	3,541,481
Public Safety	15,966,577	-	-	1,305,763	17,272,340
Highways and Streets	-	251,330	-	335,066	586,396
Public Works	2,537,541	-	-	8,153	2,545,694
Health/Welfare and Culture	30,071	-	-	-	30,071
Economic Development	25,579	-	-	36,743	62,322
Capital Outlay	-	-	-	995,943	995,943
<b>Debt Service</b>					
Principal Retirement	-	-	605,000	1,034,923	1,639,923
Interest and Fiscal Charges	-	-	248,060	642,542	890,602
<b>Total Expenditures</b>	<b>22,067,337</b>	<b>251,330</b>	<b>853,060</b>	<b>4,393,045</b>	<b>27,564,772</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,956,708</b>	<b>403,881</b>	<b>2,775</b>	<b>(856,451)</b>	<b>1,506,913</b>
<b>Other Financing Sources (Uses)</b>					
Disposal of Capital Assets	1,258	-	-	-	1,258
Debt Issuance	-	-	725,910	589,090	1,315,000
Transfers In	263,160	-	-	3,025,358	3,288,518
Transfers Out	(570,963)	-	-	(2,611,248)	(3,182,211)
	<b>(306,545)</b>	<b>-</b>	<b>725,910</b>	<b>1,003,200</b>	<b>1,422,565</b>
<b>Net Change in Fund Balances</b>	<b>1,650,163</b>	<b>403,881</b>	<b>728,685</b>	<b>146,749</b>	<b>2,929,478</b>
<b>Fund Balances - Beginning</b>	<b>(2,374,704)</b>	<b>1,647,970</b>	<b>(173,990)</b>	<b>1,932,957</b>	<b>1,032,233</b>
<b>Fund Balances - Ending</b>	<b>(724,541)</b>	<b>2,051,851</b>	<b>554,695</b>	<b>2,079,706</b>	<b>3,961,711</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities**

**Year Ended December 31, 2009**

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**Net Change in Fund Balances - Total Governmental Funds** **\$ 2,929,478**

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.

Capital Outlays	519,205
Depreciation Expense	(1,075,651)

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation Payable	(1,152,910)
Deductions to Compensated Absences Payable	597,864
Additions to Net Other Post-Employment Benefit Payable	(293,804)
Issuance of Debt	(1,315,000)
Retirement of Debt	1,639,923
Amortization of Premium	24,265
Amortization of Bond Issue Costs	(15,090)

Changes to accrued interest on long-term debt in the Statement of Activities  
do not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

3,109

Internal service funds are used by the Village to charge the costs of vehicle and equipment  
management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is  
reported with governmental activities.

(1,549,368)

**Changes in Net Assets of Governmental Activities**

312,021

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Net Assets - Proprietary Funds  
December 31, 2009**

		Water
<b>ASSETS</b>		
Current Assets		
Cash and Investments		\$ -
Receivables - Net of Allowances - Accounts		752,117
Due from Other Funds		-
Inventories		52,008
Prepays		1,794
Total Current Assets		805,919
Noncurrent Assets		
Capital Assets		
Nondepreciable		67,063
Depreciable		11,609,897
Accumulated Depreciation		(6,180,031)
		5,496,929
Other Assets		
Investment in Joint Venture		454,043
Unamortized Bond Issuance Costs		11,128
		465,171
Total Noncurrent Assets		5,962,100
Total Assets		6,768,019
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable		387,338
Due to Other Funds		306,810
Unearned/Deferred Revenue		69,459
Compensated Absences Payable		54,031
Capital Leases Payable		-
General Obligation Bonds Payable		110,053
Total Current Liabilities		927,691
Noncurrent Liabilities		
Deposits Payable		313,917
Compensated Absences Payable		302,627
Capital Leases Payable		-
General Obligation Bonds Payable		888,959
Total Noncurrent Liabilities		1,505,503
Total Liabilities		2,433,194
<b>NET ASSETS</b>		
Invested in Capital Assets - Net of Related Debt		4,497,917
Unrestricted		(163,092)
Total Net Assets		4,334,825

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise				Governmental Activities
Sewer	Refuse Collection	Stormwater Management	Totals	Internal Service
-	-	-	-	-
224,120	325,621	77,128	1,378,986	2,801
59,068	100,995	101,627	261,690	1,686,218
-	-	-	52,008	-
-	-	-	1,794	2,724,792
283,188	426,616	178,755	1,694,478	4,413,811
34,984	-	-	102,047	419,061
6,073,782	598,613	3,154,721	21,437,013	8,508,514
(2,792,064)	(183,144)	(838,960)	(9,994,199)	(5,027,018)
3,316,702	415,469	2,315,761	11,544,861	3,900,557
-	-	-	454,043	-
-	2,782	-	13,910	4,632
-	2,782	-	467,953	4,632
3,316,702	418,251	2,315,761	12,012,814	3,905,189
3,599,890	844,867	2,494,516	13,707,292	8,319,000
70,790	49,497	29,435	537,060	290,957
-	-	-	306,810	461,430
-	-	3,333	72,792	-
9,389	9,908	1,508	74,836	6,879
-	-	-	-	63,656
-	27,513	130,000	267,566	60,000
80,179	86,918	164,276	1,259,064	882,922
-	-	-	313,917	313,559
154,701	82,847	1,300	541,475	128,295
-	-	-	-	351,252
-	222,177	1,675,000	2,786,136	200,000
154,701	305,024	1,676,300	3,641,528	993,106
234,880	391,942	1,840,576	4,900,592	1,876,028
3,316,702	165,779	510,761	8,491,159	3,225,649
48,308	287,146	143,179	315,541	3,217,323
3,365,010	452,925	653,940	8,806,700	6,442,972

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds  
Year Ended December 31, 2009**

	<u>Water</u>
Operating Revenues	
Charges for Services	\$ 4,938,733
Miscellaneous	490,154
Interfund Services	-
Total Operating Revenues	<u>5,428,887</u>
Operating Expenses	
Administration	497,172
Public Safety	-
Public Works	392,354
Operations	3,713,825
Depreciation and Amortization	217,606
Total Operating Expenses	<u>4,820,957</u>
Operating Income (Loss)	<u>607,930</u>
Nonoperating Revenues (Expenses)	
Operating Grants	-
Disposal of Capital Assets	-
Interest Income	13,265
Interest Expense	(38,740)
	<u>(25,475)</u>
Income (Loss) Before Transfers	582,455
Transfers In	-
Transfers Out	<u>(103,435)</u>
Change in Net Assets	479,020
Net Assets - Beginning	<u>3,855,805</u>
Net Assets - Ending	<u><u>4,334,825</u></u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise				Governmental
Sewer	Refuse Collection	Stormwater Management	Totals	Internal Service
1,641,248	2,386,636	537,516	9,504,133	-
22,523	95,282	7,947	615,906	1,391,514
-	-	-	-	4,680,737
1,663,771	2,481,918	545,463	10,120,039	6,072,251
331,230	599,841	51,567	1,479,810	6,991,119
-	-	-	-	77,464
127,826	-	-	520,180	192,611
638,738	1,803,971	198,544	6,355,078	-
207,588	57,555	141,239	623,988	663,938
1,305,382	2,461,367	391,350	8,979,056	7,925,132
358,389	20,551	154,113	1,140,983	(1,852,881)
-	-	350,472	350,472	-
-	-	-	-	39,378
-	133	2	13,400	1,328
-	(9,996)	(85,065)	(133,801)	(35,600)
-	(9,863)	265,409	230,071	5,106
358,389	10,688	419,522	1,371,054	(1,847,775)
-	-	-	-	1,365,357
(286,677)	-	(14,602)	(404,714)	(1,066,950)
71,712	10,688	404,920	966,340	(1,549,368)
3,293,298	442,237	249,020	7,840,360	7,992,340
3,365,010	452,925	653,940	8,806,700	6,442,972

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
Year Ended December 31, 2009**

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	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 5,612,990
Interfund Services Provided	-
Payments to Suppliers	(3,470,042)
Payments to Employees	(834,573)
	<u>1,308,375</u>
Cash Flows from Noncapital Financing Activities	
Transfers In	
Transfers Out	(103,435)
	<u>(103,435)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(1,408,587)
Principal Paid on Debt	(105,750)
Interest Paid on Debt	(38,740)
	<u>(1,553,077)</u>
Cash Flows from Investing Activities	
Interest Received	13,265
	<u>13,265</u>
Net Change in Cash and Cash Equivalents	(334,872)
Cash and Cash Equivalents - Beginning	334,872
Cash and Cash Equivalents - Ending	<u>-</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	607,930
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization	217,606
Other Income	-
(Increase) Decrease in Current Assets	184,103
Increase (Decrease) in Current Liabilities	298,736
	<u>298,736</u>
Net Cash Provided by Operating Activities	<u>1,308,375</u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise Funds				Governmental Activities
Sewer	Refuse Collection	Stormwater Management	Totals	Internal Service
1,601,689	2,428,935	792,978	10,436,592	-
-	-	(465,391)	(465,391)	8,362,335
(562,765)	(1,907,690)	(66,109)	(6,006,606)	(6,653,272)
(508,439)	(484,882)	-	(1,827,894)	(317,304)
530,485	36,363	261,478	2,136,701	1,391,759
-	-	-	-	1,365,357
(286,677)	-	(14,602)	(404,714)	(1,066,950)
(286,677)	-	(14,602)	(404,714)	298,407
(284,143)	-	(36,813)	(1,729,543)	(299,520)
-	(26,500)	(125,000)	(257,250)	(1,356,374)
-	(9,996)	(85,065)	(133,801)	(35,600)
(284,143)	(36,496)	(246,878)	(2,120,594)	(1,691,494)
-	133	2	13,400	1,328
(40,335)	-	-	(375,207)	-
40,335	-	-	375,207	-
-	-	-	-	-
358,389	20,551	154,113	1,140,983	(1,852,881)
207,588	57,555	141,239	623,988	663,938
-	-	350,472	350,472	-
(62,082)	(52,983)	(102,957)	(33,919)	2,290,084
26,590	11,240	(281,389)	55,177	290,618
530,485	36,363	261,478	2,136,701	1,391,759

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Net Assets - Fiduciary Funds  
December 31, 2009**

	Pension Trust	Agency
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 2,136,699	274,623
Investments		
U.S. Government and Agency Obligations	20,618,362	-
Mutual Funds	15,305,999	-
Common Stock	1,973,405	-
Insurance Company Contracts	168,815	-
Receivables		
Accrued Interest	114,092	-
Prepays	780	-
Total Assets	<u>40,318,152</u>	<u>274,623</u>
<b>LIABILITIES</b>		
Accounts Payable	26,880	2,440
Deposits Payable	-	272,183
Total Liabilities	<u>26,880</u>	<u>274,623</u>
<b>NET ASSETS</b>		
Held in Trust for Pension Benefits	<u>40,291,272</u>	-

The notes to the financial statements are an integral part of this statement.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Statement of Changes in Net Assets - Fiduciary Funds  
Year Ended December 31, 2009**

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	<u>Pension Trust</u>
<b>Additions</b>	
Contributions - Employer	\$ 2,036,141
Contributions - Plan Members	868,489
Contributions - Prior Year	8,415
Miscellaneous	117
Total Contributions	<u>2,913,162</u>
Investment Earnings	
Interest Earned	3,744,439
Net Change in Fair Value	<u>1,206,332</u>
	4,950,771
Less Investment Expenses	<u>(151,856)</u>
Net Investment Income	<u>4,798,915</u>
Total Additions	<u>7,712,077</u>
<b>Deductions</b>	
Administration	89,378
Benefits and Refunds	<u>3,384,076</u>
Total Deductions	<u>3,473,454</u>
Change in Net Assets	4,238,623
Net Assets - Beginning as Restated	<u>36,052,649</u>
Net Assets - Ending	<u><u>40,291,272</u></u>

The notes to the financial statements are an integral part of this statement.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rolling Meadows, Illinois, is a municipal corporation and operates under the City Manager form of government. The City's major operations include police and fire protection, highways and streets maintenance and reconstruction, planning and zoning services, public improvements, economic development, water, sewer, refuse collection, stormwater management, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant of the City's accounting policies established in GAAP and used by the City are described below.

### REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government:	City of Rolling Meadows
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System
Discretely Presented Component Unit:	City of Rolling Meadows Public Library

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the City.

*Blended Component Units* – Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Board or the Component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

*Discretely Presented Component Units* – Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### REPORTING ENTITY – Continued

##### **Blended Component Units**

###### Police Pension Employees Retirement System

The City's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

###### Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the City's Mayor, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's sworn firefighters. The FPERS is reported as a pension trust fund.

##### **Discretely Presented Component Unit**

###### City of Rolling Meadows Public Library

The City of Rolling Meadows Public Library operates and maintains the public library within the City. The Public Library's Board is appointed by the Mayor of the City. The Public Library may not issue bonded debt without the City's approval. The Library is presented as a governmental fund type. Separate audited financial statements for the Public Library may be obtained from the Public Library's offices at 3110 Martin Lane, Rolling Meadows, Illinois 60008.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police and fire protection, highways and streets maintenance and reconstruction, planning and zoning services, public improvements, economic development, and general administrative services are classified as governmental activities. The City's water, sewer, refuse collection, and stormwater management services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, highways and streets, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc).

The City does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

**General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains one major special revenue fund, the Motor Fuel Tax Fund, which is used to account for allotments of motor fuel taxes from the State of Illinois made on a per capita basis. The City uses this fund to maintain and construct transportation-related community needs, such as streets, bridges, and traffic signals. The City also maintains six nonmajor special revenue funds, the Street Systems Fund, the 911 Emergency Telephone Fund, the Economic Development Fund, the Foreign Fire Tax Fund, the Enhanced DUI Enforcement Fund, and the Asset Seizure Fund.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

**Debt Service Funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The City maintains one major debt service fund, the General Obligation Bond Series of 2005 Fund, which is used to account for the accumulation of monies for payment of the 2005 General Obligation Bond Series. The City also maintains two nonmajor debt service funds, the General Obligation Bond Series of 2002A Fund and the General Obligation Bond Series of 2004 Fund.

**Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains thirteen nonmajor capital projects funds, the Equipment Fund, the Local Road Fund, the 2002 Construction Fund, the Emergency Reserve Infrastructure Fund, the Transit Oriented Area Development Fund, the TIF #1 Kirchoff/Meadows Fund, the TIF #2 Kirchoff/Owl Fund, the TIF #3 Woodfield, the SSA #1 Algonquin Parkway Fund, the SSA #3 Marketplace Fund, the Route 53 Fund, the Plum Grove Road Fund and the Fire Station Fund.

#### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

**Enterprise Funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains four major enterprise funds, the Water Fund, the Sewer Fund, the Refuse Collection Fund, and the Stormwater Management Fund. The Water Fund is used to account for all resources collected and used to provide water services to the City. The Sewer Fund is used to account for all resources collected and used to provide sewer services to the City. The Refuse Collection Fund is used to account for all the resources collected and used to provide waste collection and disposal services. The Stormwater Management Fund is used to account for the resources collected to finance storm water runoff and creek bank improvements in order to minimize damage that flooding may cause.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Proprietary Funds – Continued

**Internal Service Funds** are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The City maintains five internal services funds, the Municipal Garage Fund, the Vehicle Replacement Fund, the Buildings and Land Fund, the Liability Insurance Fund, and the Health Insurance Fund. The Municipal Garage Fund is used to account for the resources collected from other City departments used to provide maintenance to City vehicles and major equipment/machinery. The Vehicle Replacement Fund is used to account for the resources collected from other City departments used in replacing City vehicles and major equipment. The Buildings and Land Fund is used to account for the resources collected from other City departments used for the purchase of land or buildings, or the remodeling, renovation, and expansion of current buildings. The Liability Insurance Fund is used to account for the resources collected from other City departments used to manage funding of the property/casualty/workers compensation claims. The Health Insurance Fund is used to account for resources collected from other City departments to fund the City's portion of health insurance premiums as well as those of retired employees.

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

**Pension Trust Funds** are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's Fire Department.

**Agency Funds** are used to account for assets held by the City in a purely custodial capacity. The City's Compliance Deposits Fund is used to account for money paid to the City pursuant to zoning and building codes.

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION – Continued**

#### **Fund Financial Statements – Continued**

#### **Fiduciary Funds – Continued**

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### **Measurement Focus**

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

#### **Basis of Accounting**

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

##### **Basis of Accounting – Continued**

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses 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 City’s enterprise funds and of the City’s internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

##### **Cash and Investments**

For the purpose of the Statement of Net Assets, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows”, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

##### **Cash and Investments – Continued**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

##### **Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### **Prepays**

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

##### **Inventories**

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	7 – 31.5 Years
Buildings	7 – 45 Years
Vehicles and Equipment	15 – 60 Years
Water and Sewerage Infrastructure	5 – 20 Years
Other Infrastructure	5 – 15 Years

**Compensated Absences**

The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement pursuant to the City’s personnel rules and union contracts.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### 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, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types 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.

##### Unearned/Deferred Revenue

Governmental funds report unearned/deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

##### Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

**Fund Equity – Continued**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance, if any, represent tentative management plans that are subject to change.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds, except the Foreign Fire and Asset Seizure Funds, the TIF #3 Woodfield Fund, and the pension trust funds. All annual appropriations lapse at fiscal year end.

All departments of the City submit requests for appropriation to the City Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the prior years, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations. A final budget must be prepared and adopted prior to December 31.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures/expenses of any fund must be approved by the governing body.

During the year, supplemental appropriations were necessary. The amounts reflected in the financial statements represent the original and final amended budget.

**EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
TIF #1 Kirchoff/Meadows	\$ 170
Plum Grove Road	13,439
Liability Insurance	1,090,844
Health Insurance	573,698

Available fund balances and transfers from other funds funded the overexpenditures.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

#### DEFICIT FUND EQUITY

The following funds had deficit fund equity as of the date of this report:

Fund	Deficit
General Fund	\$ 724,541
Street Systems	70,317
911 Emergency Telephone	499,313
Economic Development	863
Enhanced DUI Enforcement	57,220
2002 Construction	411,152
TIF #2 Kirchoff/Owl	450,574
Special Service Area #1 Algonquin Parkway	158,247
TIF #3 Woodfield	136,085
Plum Grove Road	434,272
Municipal Garage	40,361

### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other City funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

#### **City – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$1,057,160 and the bank balances totaled \$1,682,744. Additionally, the City has \$779,756 invested in the Illinois Metropolitan Investment Fund and \$482,720 invested in the Illinois Funds.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its interests rate risk by structuring its investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools. The City's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund have an average maturity of less than one year.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements

December 31, 2009

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

##### City – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the City's investment policy further states investments are limited to U.S. government obligations; U.S. government agency obligations which have a liquid market value with a readily determinable market value; certificates of deposit and other evidences of deposit at financial institutions, bankers' acceptances and commercial paper, rated in the highest tier by a nationally recognized rating agency; investment-grade obligations of state and local governments and public authorities; repurchase agreements whose underlying purchased securities consist of money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; local government investment pools; any other investments allowed by Illinois Complied Statutes, . At year-end, the City's investment in the Illinois Funds was rated AAAM by Standard & Poor's. IMET's 1-3 year government bond fund receives Standard & Poor's AAAF rating for credit quality and Standard & Poor's S1 rating for volatility, or interest rate, risk.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Per the City's investment policy, the amount of collateral provided shall not be less than 110 percent of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by an independent third party depository designated by the City and evidenced by a safekeeping agreement. In accordance with its investment policy, all City deposits with financial institutions are fully insured and collateralized.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund are not subject to custodial credit risk.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that the City shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual institutions. Furthermore, no financial institution shall hold more than fifty percent (50%) of the City's investment portfolio, exclusive of U.S. Treasury securities held in safekeeping. Commercial paper shall not exceed twenty-five percent (25%) of the City's investment portfolio. At December 31, 2009, all of the City's investments are in compliance with the guidelines outlined above in the City's investment policy. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Pension Fund’s deposits totaled \$1,000,518 and the bank balances totaled \$1,004,283.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U. S. Treasury Notes	\$ 635,248	-	635,248	-	-
U. S. Treasury Bonds	1,344,129	-	-	-	1,344,129
U. S. Treasury Strips	747,397	-	-	747,397	-
Governmental National Mortgage	334,036	-	117,360	126,941	89,735
Federal Farm Credit Bank	242,438	-	-	242,438	-
Federal Home Loan Mortgage	2,730,434	15,717	286,700	1,583,337	844,680
Federal Home Loan Bank	286,698	-	-	286,698	-
Federal National Mortgage	4,137,177	-	813,921	2,142,945	1,180,311
Arab Republic of Egypt	340,964	-	-	340,964	-
Money Market Mutual Funds	1,122,671	1,122,671	-	-	-
	<u>11,921,192</u>	<u>1,138,388</u>	<u>1,853,229</u>	<u>5,470,720</u>	<u>3,458,855</u>

The Pension Fund assumes any callable securities will not be called.

*Interest Rate Risk.* In accordance with the Fund’s investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

*Credit Risk.* The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of the U.S. government agencies were all rated triple A by Standard & Poor’s or by Moody’s Investors Services or were small issues that were unrated. The following is a schedule of unrated investments by investment type:

<u>Investment Type</u>	<u>Total Value</u>	<u>AAA Rate</u>	<u>Unrated</u>
Federal Home Loan Mortgage Corp	\$2,730,434	\$ 266,654	\$2,463,780
Federal National Mortgage Association	\$4,137,178	\$ 107,813	\$4,029,365

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Custodial Credit Risk.* For deposits, this is the risk that in the event of a bank failure the Fund’s deposits may not be returned to it. At December, 31, 2009, \$754,283 of the bank balance was uninsured and uncollateralized. The Fund’s investment policy does not require pledging of collateral for all bank balances in excess of federal depository, since flow-through FDIC is available for the Fund’s deposits with financial institutions. For investments, the Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Fund, to act as custodian for its securities and collateral.

*Concentration Risk.* At December 31, 2009, the Fund has over 5% of plan net assets invested in Fifth Third money market fund \$1,256,191, as well as various agency securities as indicated in the above table. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier, are backed by the issuing organization. Although unlike treasuries, agency securities do not have the “full faith and credit” backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The Fund’s investment policy specifies “the Board of Trustees has consciously diversified the aggregate fund to ensure adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio.” The Fund’s investment policy has state diversification is necessary to meet the Fund’s goal of safety of principal and reasonable return. The Pension Board has diversified its equity mutual fund holdings as follows:

Artio International Equity – \$1,926,101  
Vanguard Institutional – \$5,208,768

**Firefighters’ Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund’s deposits totaled \$1,136,132 and the bank balances totaled \$1,167,247.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Government Treasuries	\$ 2,730,332	-	1,214,322	1,516,010	-
U.S. Government Agencies	7,089,509	-	1,372,055	2,076,938	3,640,516
Mutual Funds	7,048,459	7,048,459	-	-	-
Insurance Contracts	168,815	168,815	-	-	-
Illinois Metropolitan Investment Fund	49	49	-	-	-
	17,037,164	7,217,323	2,586,377	3,592,948	3,640,516

## CITY OF ROLLING MEADOWS, ILLINOIS

### Notes to the Financial Statements December 31, 2009

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund's investment policy does not address interest rate risk.

*Credit Risk.* The Fund's investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. treasuries and agencies were all rated triple A by Standard & Poor's and by Moody's Investors Services. The Fund's investment in the Illinois Funds was rated AAAM by Standard & Poor's. IMET's 1-3 year government bond fund receives Standard & Poor's AAAf rating for credit quality and Standard & Poor's S1 rating for volatility, or interest rate, risk.

*Custodial Credit Risk.* The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2009, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Fund's investment policy does not limit custodial credit risk for investments. At December 31, 2009, the U.S. Government Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

*Concentration Risk.* The Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2009, the Firefighters' Pension Fund does not have over 5% of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in any single issuer.

##### PROPERTY TAXES

Property taxes for 2009 attach as an enforceable lien on January 1, 2009, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1 and September 1 during the following year. The County collects such taxes and remits them periodically. Based upon collection histories, the City has provided an allowance for uncollectible property taxes equivalent to 5% and 3% of the current year's levy for Debt Service Funds and all other funds, respectively. All uncollected taxes relating to prior years' levies have been written off.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 99,228,458	6,376	-	99,234,834
Construction in Progress	1,112,833	571,165	876,489	807,509
	<u>100,341,291</u>	<u>577,541</u>	<u>876,489</u>	<u>100,042,343</u>
<b>Depreciable Capital Assets</b>				
Land Improvements	538,237	829,625	-	1,367,862
Buildings	12,700,703	65,161	-	12,765,864
Infrastructure	42,794,787	-	-	42,794,787
Machinery and Equipment	3,285,295	168,649	-	3,453,944
Vehicles	5,105,252	108,376	-	5,213,628
	<u>64,424,274</u>	<u>1,171,811</u>	<u>-</u>	<u>65,596,085</u>
<b>Less Accumulated Depreciation</b>				
Land Improvements	422,362	26,008	-	448,370
Buildings	5,129,113	449,017	-	5,578,130
Infrastructure	21,273,996	650,526	-	21,924,522
Machinery and Equipment	2,014,005	216,602	-	2,230,607
Vehicles	3,595,754	397,436	-	3,993,190
	<u>32,435,230</u>	<u>1,739,589</u>	<u>-</u>	<u>34,174,819</u>
Net Depreciable Capital Assets	<u>31,989,044</u>	<u>(567,778)</u>	<u>-</u>	<u>31,421,266</u>
Net Capital Assets	<u>132,330,335</u>	<u>9,763</u>	<u>876,489</u>	<u>131,463,609</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 93,141
Public Safety	78,900
Public Works	903,610
Internal Service	<u>663,938</u>
	<u>1,739,589</u>

Depreciation of capital assets held by the City's internal service funds are charged to various functions based on their usage of the assets.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities**

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Construction in Progress	\$ 1,284,469	102,047	1,284,469	102,047
<b>Depreciable Capital Assets</b>				
Land Improvements	14,852	-	-	14,852
Building Improvements	3,674,232	-	-	3,674,232
Machinery and Equipment	1,950,670	27,894	-	1,978,564
Waterworks System	4,910,142	1,919,196	-	6,829,338
Sewerage System	7,935,333	964,875	-	8,900,208
Garage	39,819	-	-	39,819
	<u>18,525,048</u>	<u>2,911,965</u>	<u>-</u>	<u>21,437,013</u>
<b>Less Accumulated Depreciation</b>				
Land Improvements	14,852	-	-	14,852
Building Improvements	1,863,256	86,108	-	1,949,364
Machinery and Equipment	1,338,035	47,454	-	1,385,489
Waterworks System	2,999,746	154,305	-	3,154,051
Sewerage System	3,115,976	334,648	-	3,450,624
Garage	39,819	-	-	39,819
	<u>9,371,684</u>	<u>622,515</u>	<u>-</u>	<u>9,994,199</u>
Net Depreciable Capital Assets	<u>9,153,364</u>	<u>2,289,450</u>	<u>-</u>	<u>11,442,814</u>
Net Capital Assets	<u>10,437,833</u>	<u>2,391,497</u>	<u>1,284,469</u>	<u>11,544,861</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 216,428
Sewer	207,588
Refuse Collection	57,260
Stormwater Management	<u>141,239</u>
	<u>622,515</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Component Unit – Public Library**

Component Unit – Public Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 608,893	-	-	608,893
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	4,289,987	-	-	4,289,987
Furniture and Equipment	569,333	14,040	41,829	541,544
Books and Other Library Materials	2,688,909	286,915	237,240	2,738,584
Audio Visual Materials	710,738	77,097	274,755	513,080
	<u>8,258,967</u>	<u>378,052</u>	<u>553,824</u>	<u>8,083,195</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	1,947,764	96,259	-	2,044,023
Furniture and Equipment	387,404	24,808	41,829	370,383
Books and Other Library Materials	1,818,117	250,270	237,240	1,831,147
Audio Visual Materials	528,065	74,091	274,755	327,401
	<u>4,681,350</u>	<u>445,428</u>	<u>553,824</u>	<u>4,572,954</u>
Net Depreciable Capital Assets	<u>3,577,617</u>	<u>(67,376)</u>	<u>-</u>	<u>3,510,241</u>
Net Capital Assets	<u>4,186,510</u>	<u>(67,376)</u>	<u>-</u>	<u>4,119,134</u>

**INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfund Transfers**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – Continued**

**Interfund Transfers – Continued**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	\$ 148,160
General	Water	20,000
General	Sewer	95,000
Nonmajor Governmental	General	570,963
Nonmajor Governmental	Nonmajor Governmental	1,097,731
Nonmajor Governmental	Water	83,435
Nonmajor Governmental	Sewer	191,677
Nonmajor Governmental	Stormwater Management	14,602
Nonmajor Governmental	Internal Service	1,066,950
Internal Service	Nonmajor Governmental	1,365,357
		<u>4,653,875</u>

**Interfund Balances**

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
Municipal Garage	Building and Land	\$ 110,368
Vehicle Replacement	Building and Land	184,611
Vehicle Replacement	Health Insurance	166,451
Nonmajor Governmental	Nonmajor Governmental	2,144,263
Sewer	Water	59,068
Refuse Collection	Water	100,995
Stormwater Management	Water	101,627
Vehicle Replacement	Water	45,120
Motor Fuel Tax	Nonmajor Governmental	140,003
Nonmajor Governmental	General	1,281,987
General Obligation Bond Series of 2005	General	531,430
Motor Fuel Tax	General	533,751
Liability Insurance	General	23,026
Vehicle Replacement	General	1,156,642
		<u>6,579,342</u>

Interfund balances are advances in anticipation of receipts.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**SHORT-TERM DEBT**

**Note Payable**

The City enters into loans payable to provide funds for operations. A note payable has been issued for general government activities and is currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Note Payable of 2009 - Due in one installment of \$1,315,000, plus interest at 3.55% due monthly until April 30, 2010.	Debt Service Capital Projects	\$ -	1,315,000	-	1,315,000

**LONG-TERM DEBT**

**General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2002A (\$4,885,000), due in annual installments of \$310,000 to \$485,000 plus interest at 4.40% to 4.90% through December 1, 2018.	Debt Service (Property Tax)	\$ 3,985,000	-	325,000	3,660,000
General Obligation Bonds of 2002B (\$2,600,000), due in annual installments of \$120,000 to \$205,000 plus interest at 3.65% to 4.75% through December 1, 2020.	Stormwater Management	1,930,000	-	125,000	1,805,000

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**LONG-TERM DEBT – Continued**

**General Obligation Bonds – Continued**

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2003 (\$4,030,000), due in annual installments of \$315,000 to \$430,000 plus interest at 2.90% to 3.70% through January 1, 2018.	TIF #2 Kirchoff/Owl	\$ 3,395,000	-	330,000	3,065,000
General Obligation Bonds of 2004 (\$8,070,000), due in annual installments of \$225,000 to \$785,000 plus interest at 3.25% to 4.40% through January 1, 2024.	Debt Service (Sales Tax)	7,210,000	-	245,000	6,965,000
General Obligation Bonds of 2005 (\$7,425,000), due in annual installments of \$590,000 to \$800,000 plus interest at 3.75% to 4.00% through December 1, 2017.	Debt Service (Property Tax)	6,265,000	-	605,000	5,660,000
General Obligation Bonds of 2007 (\$410,000), due in annual installments of \$35,000 to \$70,000 plus interest at 3.95% to 4.15% through December 1, 2013.	Vehicle Replacement	320,000	-	60,000	260,000
General Obligation Bonds of 2007A (\$2,835,000), due in annual installments of \$225,000 to \$330,000 plus interest at 3.512% through December 1, 2017.	Water	1,104,762	-	105,750	999,012
	Refuse Collection	276,190	-	26,500	249,690
	Local Roads	1,229,048	-	117,750	1,111,298
		<u>25,715,000</u>	<u>-</u>	<u>1,940,000</u>	<u>23,775,000</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**LONG-TERM DEBT – Continued**

**Capital Leases**

The future minimum lease payments and the net present value of these minimum lease payments are as follows:

<u>Year Ending December 31</u>	<u>Lease Payment</u>
2010	\$ 101,360
2011	102,743
2012	83,712
2013	58,094
2014	53,292
2015	53,292
2016	53,293
2017	<u>53,292</u>
	559,078
Interest Portion	<u>(87,191)</u>
Principal Balance	<u><u>471,887</u></u>

The City has entered into five separate lease agreements as lessee for financing the acquisition of a fire truck, a self-contained breathing apparatus, a compact excavator, computer hardware and software, and a maintenance vehicle. Capital assets of \$121,805 have been added to machinery and equipment and \$421,895 to vehicles in the Vehicle Replacement fund, \$9,247 to machinery and equipment in the Garage fund, and \$83,897 to machinery and equipment in the Equipment fund as a result of these five capital leases. These lease agreements qualify as capital leases for accounting purposes and; therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The capital leases have been recorded as liabilities of the Municipal Garage, Vehicle Replacement and Equipment Funds.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Net Pension Obligation	\$ 3,832,275	3,189,051	2,036,141	4,985,185	-
Compensated Absences	6,014,653	587,991	1,175,982	5,426,662	1,085,332
Note Payable	-	1,315,000	-	1,315,000	1,315,000
General Obligation Bonds	22,404,048	-	1,682,750	20,721,298	1,752,409
Plus: Unamortized Premium	97,382	-	24,265	73,117	-
Capital Leases	556,387	-	84,500	471,887	79,112
Net Other Post-Employment Benefit Obligation	297,778	498,722	204,918	591,582	-
	<u>33,202,523</u>	<u>5,590,764</u>	<u>5,208,556</u>	<u>33,584,731</u>	<u>4,231,853</u>
<b>Business-Type Activities</b>					
Compensated Absences	647,601	31,290	62,580	616,311	74,836
General Obligation Bonds	3,310,952	-	257,250	3,053,702	267,566
	<u>3,958,553</u>	<u>31,290</u>	<u>319,830</u>	<u>3,670,013</u>	<u>342,402</u>
<b>Component Unit - Public Library</b>					
Compensated Absences	111,960	31,197	62,394	80,763	16,153

Payments on the net pension obligation and net other post-employment benefits obligation are made by the General Fund. For the governmental activities, compensated absences are generally liquidated by the General Fund and general obligation bonds are being liquidated by the Debt Service and the TIF #2 Kirschhoff/Owl Funds. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included are part of the above totals for governmental activities. At year end, \$135,174 of internal service funds' compensated absences, \$414,908 of capital leases and \$260,000 of general obligation bonds are included in the above amounts. Additionally, for business-type activities, compensated absences are generally liquidated by the Water, Sewer, Refuse Collection and Stormwater Management Funds and general obligation bonds are being liquidated by the Water, Refuse Collection and Stormwater Management Funds.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending December 31	Governmental Activities						Business-Type Activities	
	General Obligation Bonds		Note Payable		Capital Leases		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 1,752,409	830,828	1,315,000	17,522	79,112	22,248	267,566	124,108
2011	1,837,143	765,076	-	-	84,448	18,295	277,857	114,140
2012	1,926,852	694,303	-	-	69,573	14,139	288,149	103,723
2013	2,011,561	619,768	-	-	47,522	10,572	303,439	92,710
2014	2,041,270	541,676	-	-	44,706	8,586	313,730	80,948
2015	2,130,979	461,778	-	-	46,713	6,579	324,021	68,629
2016	2,235,688	377,362	-	-	48,811	4,482	339,312	55,749
2017	2,350,396	287,510	-	-	51,002	2,290	354,628	42,152
2018	1,025,000	191,858	-	-	-	-	185,000	27,696
2019	585,000	146,492	-	-	-	-	195,000	19,000
2020	630,000	122,360	-	-	-	-	205,000	9,738
2021	680,000	95,900	-	-	-	-	-	-
2022	730,000	66,660	-	-	-	-	-	-
2023	785,000	34,540	-	-	-	-	-	-
<b>Total</b>	<b>20,721,298</b>	<b>5,236,111</b>	<b>1,315,000</b>	<b>17,522</b>	<b>471,887</b>	<b>87,191</b>	<b>3,053,702</b>	<b>738,593</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin**

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date the Illinois General Assembly has set no limits for home rule municipalities. The City is a home rule municipality.

**FUND BALANCE / NET ASSETS RESTATEMENT**

Beginning fund balance of for the Local Road Fund was restated due to transferring long-term debt from an internal service fund due to a budgeting appropriation, the Firefighters’ Pension Fund was restated to reflect an adjustment to HUD bond market value and the Net Assets – Governmental activities were restated due to a change in budget appropriation that moved long-term debt from an internal service fund to the Local Road Fund.

<u>Net Assets</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increase (Decrease)</u>
Local Road Fund	\$ 304,188	1,519,545	1,215,357
Firefighters' Pension Fund	15,802,062	16,308,658	506,596
Net Assets - Governmental Activities	104,990,358	104,976,667	13,691

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 4 – OTHER INFORMATION**

#### **RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. These risks, along with medical claims for employees and retirees, are provided for through the City's participation in the Intergovernmental Risk Management Agency (IRMA) and the Intergovernmental Personnel Benefit Cooperative (IPBC). The City accounts for these activities in the Liability Insurance – Internal Service Fund and the Health Insurance – Internal Service Fund. There have been no significant reductions in coverage from the prior year and settled claims have not exceeded coverage for any of the past three years.

#### **Intergovernmental Risk Management Agency (IRMA)**

The City participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The City does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 4 – OTHER INFORMATION – Continued**

#### **RISK MANAGEMENT – Continued**

##### **Intergovernmental Personnel Benefit Cooperative (IPBC)**

Risks for medical and death benefits for employees and retirees are provided for through the City's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums.

#### **CONTINGENT LIABILITIES**

##### **Litigation**

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

##### **Grants**

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

##### **Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The City's water purchase contract with the Northwest Suburban Municipal Joint Action Water Agency (JAWA) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

##### **Solid Waste Agency of Northern Cook County (SWANCC)**

The City's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**COMMITMENTS**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The City has committed to purchase water from the Northwest Suburban Municipal Joint Action Water Agency. The City expects to pay the following minimum amounts:

Year Ending December 31	Amount
2010	\$ 1,972,862
2011	2,099,351
2012	2,162,332
2013	2,227,202
2014	2,294,018
2015	2,362,838
2016	<u>2,511,747</u>
	<u><u>15,630,350</u></u>

These amounts have been calculated using the City's current allocation percentage of 10.38%. In future years, this allocation percentage will be subject to change.

**Solid Waste Agency of Northern Cook County (SWANCC)**

The City has committed to make payments to the Solid Waste Agency of Northern Cook County (SWANCC). The City expects to pay the following minimum amounts:

Year Ending December 31	Amount
2010	\$ 585,623
2011	573,690
2012	<u>563,588</u>
	<u><u>1,722,901</u></u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**JOINT VENTURES**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The City is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers.

The seven members of JAWA and their percentage shares as of December 31, 2009 are as follows:

	<u>Percent Share</u>
Village of Elk Grove Village	17.70 %
Village of Hanover Park	9.90
Village of Hoffman Estates	16.00
Village of Mount Prospect	11.40
City of Rolling Meadows	8.20
Village of Schaumburg	28.80
Village of Streamwood	<u>8.00</u>
	<u>100.00 %</u>

These percentage shares are based upon formulae contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**JOINT VENTURES – Continued**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued**

Summary of financial positions as of April 30, 2009:

Current Assets	\$ 19,972,159	Current Liabilities	\$ 4,027,731
Noncurrent Assets		Long-Term Liabilities	<u>76,233,343</u>
Capital Assets	52,021,456	Total Liabilities	<u>80,261,074</u>
Other Assets	<u>11,015,333</u>	Net Assets	<u><u>2,747,874</u></u>
Total Assets	<u>83,008,948</u>		

Summary of revenues, expenses and changes in net assets for the year ended April 30, 2009:

Operating Revenues	\$ 28,075,200
Operating Expenses	<u>23,877,758</u>
Operating Income	4,197,442
Nonoperating Revenue (Expenses)	<u>(2,703,932)</u>
Change in Net Assets	1,493,510
Net Assets - Beginning	<u>1,254,364</u>
Net Assets - Ending	<u><u>2,747,874</u></u>

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 903 Brantwood Avenue, Elk Grove Village, Illinois 60007.

Revenues of the system consist of: (a) all receipts derived from Water Supply Agreements or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

# **CITY OF ROLLING MEADOWS, ILLINOIS**

## **Notes to the Financial Statements December 31, 2009**

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### **NOTE 4 – OTHER INFORMATION – Continued**

#### **JOINT VENTURES – Continued**

##### **Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued**

JAWA has entered into Water Supply Agreements with the seven-member municipalities for a term of 40 years, extending to December 31, 2022. The Agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the City to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this Agreement.

The payments required to be made by the City under this Agreement shall be required to be made solely from revenues to be derived by the City from the operation of the Water System. Members are not prohibited by the Agreement, however, from using other available funds to make payments under the Agreement. This Agreement shall not constitute an indebtedness of the City within the meaning of any statutory or constitutional limitation.

The obligation of the City to make payments required by this Agreement from revenues of the Water System shall be payable from the operation and maintenance account of the Water Fund.

In accordance with the joint venture agreement, the City remitted \$2,486,112 to JAWA for the year ended December 31, 2009. All payments were paid from the Water Fund. The City’s share of net assets of JAWA was \$0 at December 31, 2009.

##### **Solid Waste Agency of Northern Cook County (SWANCC)**

The City is a member of the Solid Waste Agency of Northern Cook County (SWANCC), which consists of twenty-three municipalities. SWANCC is a municipal joint action agency, established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is reported as a nonequity proprietary joint venture.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 4 – OTHER INFORMATION – Continued

#### JOINT VENTURES – Continued

#### Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The twenty-three members of SWANCC and their percentage shares as of April 30, 2009 are as follows:

	<u>Percent Share</u>
Village of Arlington Heights	9.97 %
Village of Barrington	1.54
Village of Buffalo Grove	6.42
Village of Elk Grove Village	4.99
City of Evanston	6.96
Village of Glencoe	1.32
Village of Glenview	4.75
Village of Hoffman Estates	4.36
Village of Inverness	1.09
Village of Kenilworth	0.84
Village of Lincolnwood	1.70
Village of Morton Grove	2.82
Village of Mount Prospect	7.78
Village of Niles	3.14
Village of Palatine	11.04
City of Park Ridge	5.70
City of Prospect Heights	1.78
City of Rolling Meadows	4.03
Village of Skokie	7.46
Village of South Barrington	0.69
Village of Wheeling	4.51
Village of Wilmette	3.97
Village of Winnetka	3.14
	<u>100.00 %</u>

These percentage shares are subject to change in future years based on the population of the municipalities. The members form a contiguous geographic service area, which is located northwest of downtown Chicago.

SWANCC is governed by a Board of Directors, which consists of one appointed Mayor or President from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**JOINT VENTURES – Continued**

**Solid Waste Agency of Northern Cook County (SWANCC) – Continued**

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, 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.

Summary of financial positions as of April 30, 2009:

Current Assets	\$ 5,744,977	Current Liabilities	\$ 3,636,265
Noncurrent Assets		Long-Term Liabilities	<u>5,982,799</u>
Capital Assets	12,179,879	Total Liabilities	<u>9,619,064</u>
Other Assets	<u>139,293</u>	Net Assets	<u>8,445,085</u>
Total Assets	<u>18,064,149</u>		

Summary of revenues, expenses and changes in net assets for the year ended April 30, 2009:

Operating Revenues	\$ 17,055,520
Operating Expenses	<u>16,026,646</u>
Change in Net Assets	1,028,874
Net Assets - Beginning	<u>7,416,211</u>
Net Assets - Ending	<u>8,445,085</u>

Complete financial statements for SWANCC can be obtained from the Agency's administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

## **CITY OF ROLLING MEADOWS, ILLINOIS**

### **Notes to the Financial Statements December 31, 2009**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **JOINT VENTURES – Continued**

##### **Solid Waste Agency of Northern Cook County (SWANCC) – Continued**

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the City to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the City under this Contract are required to be made solely from revenues to be derived by the City from the operation of the Refuse Collection System. The City is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the City within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture agreement, the City remitted \$418,071 to SWANCC for the year ended December 31, 2009, which is recorded in the City’s Refuse Collection Fund.

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS**

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters’ Pension Plan, which is also a single-employer pension plan. Publicly available financial reports that include financial statements and required supplementary information (RSI) for the Police and Firefighters’ Pension Plans and may be obtained by writing to the City at 3600 Kirchoff Road, Rolling Meadows, Illinois 60008. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions and Funding Policies**

**Illinois Municipal Retirement System**

As set by statute, the City's IMRF plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 11.71 percent of annual covered payroll. The City 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.

**Police Pension Plan**

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	32
Current Employees	
Vested	37
Nonvested	<u>16</u>
	<u>85</u>

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions, and Funding Policies – Continued**

**Police Pension Plan – Continued**

Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

**Firefighters' Pension Plan**

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

At fiscal year end the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	29
Current Employees	
Vested	30
Nonvested	<u>17</u>
	<u>76</u>

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions, Provisions, and Funding Policies – Continued

##### Firefighters' Pension Plan – Continued

The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

#### Summary of Significant Accounting Policies and Plan Asset Matters

##### Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

##### Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### Significant Investments

There are no investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits for either the Police or Firefighters' Pension Plans.

##### Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Annual Pension Cost and Net Pension Obligation**

The City’s annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	11.71%	18.01%	21.66%
Employee	4.50%	9.91%	9.455%
Annual Pension Cost	\$1,085,521	\$1,104,879	\$1,223,805
Contributions Made	\$1,085,521	\$846,468	\$850,986
Actuarial Valuation Date	12/31/09	12/31/08	12/31/08
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	23 Years	25 Years	25 Years
Asset Valuation Method	5-Year Smoothed Market	3-Year Smoothed Market	3-Year Smoothed Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	8.00% Compounded Annually	8.00% Compounded Annually
Projected Salary Increases	.4 to 10%	5.00%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Annual Pension Cost and Net Pension Obligation – Continued**

There was no net pension obligation for the IMRF plan. The pension liability for the Police and Firefighters' Pension Plans are as follows:

	Police Pension	Firefighters' Pension	Total
Annual Required Contributions	\$ 1,145,780	1,265,822	2,411,602
Interest on Net Pension Obligation	161,511	195,570	357,081
Adjustment to Annual Required Contribution	161,545	258,823	420,368
Annual Pension Cost	1,468,836	1,720,215	3,189,051
Actual Contribution	1,022,014	1,014,127	2,036,141
Increase to the NPO	446,822	706,088	1,152,910
NPO - December 31, 2008	1,760,472	2,071,803	3,832,275
NPO - December 31, 2009	2,207,294	2,777,891	4,985,185

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Trend Information**

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2007	\$ 1,076,486	\$ 1,014,054	\$ 1,052,818
	2008	1,130,374	1,104,879	1,223,805
	2009	1,085,521	1,468,836	1,720,215
Actual Contributions	2007	1,076,486	488,124	493,662
	2008	1,130,374	846,468	850,986
	2009	1,085,521	1,022,014	1,014,127
Percentage of APC Contributed	2007	100.00%	48.14%	46.89%
	2008	100.00%	76.61%	69.54%
	2009	100.00%	69.58%	58.95%
Net Pension Obligation	2007	None	1,760,472	2,071,803
	2008	None	2,018,883	2,444,622
	2009	None	2,207,294	2,777,891

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Funded Status and Funding Progress**

The City's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/09	12/31/08	12/31/08
Percent Funded	63.29%	49.50%	41.80%
Actuarial Accrued Liability for Benefits	\$32,067,786	\$39,306,318	\$37,792,992
Actuarial Value of Assets	\$20,296,058	\$19,473,991	\$15,802,062
(Over) Under Funded Actuarial Accrued Liability (UAAL)	\$11,771,728	\$19,832,327	\$21,990,930
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$ 9,270,036	\$ 4,701,227	\$ 3,928,508
Ratio of UAAL to Covered Payroll	126.99%	421.85%	559.78%

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 are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the City provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's General Fund.

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending December 31, 2009, retirees contributed \$204,918. Active employees do not contribute to the plan until retirement.

At December 31, 2009, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	27
Active Employees	<u>222</u>
	<u>249</u>

##### Annual OPEB Costs and Net OPEB Obligation

The City first had an actuarial valuation performed for the plan as of December 31, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2009.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2009**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Annual OPEB Costs and Net OPEB Obligation – Continued**

The net OPEB obligation (NOPEBO) as of December 31, 2009, was calculated as follows:

	<u>Governmental Activities</u>
Annual Required Contribution	\$ 498,722
Interest on the NPO	-
Adjustment to the ARC	<u>-</u>
Annual OPEB Cost	498,722
Actual Contribution	<u>204,918</u>
Increase in the NPO	293,804
NOPEBO - Beginning of Year	<u>297,778</u>
NOPEBO - End of Year	<u><u>591,582</u></u>

**Trend Information**

The District's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2007	\$ N/A	\$ N/A	N/A	\$ N/A
2008	471,423	173,645	36.83%	297,778
2009	498,722	204,918	41.09%	591,582

# CITY OF ROLLING MEADOWS, ILLINOIS

## Notes to the Financial Statements December 31, 2009

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Funded Status and Funding Progress

The funded status of the plan as of December 31, 2009, was as follows:

Actuarial Accrued Liability (AAL)	\$ 5,832,237
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	5,832,237
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	15,785,156
UAAL as a Percentage of Covered Payroll	36.95%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

##### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2009 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.00% discount rate, a 3.00% price inflation assumption, a 4.00% wage inflation assumption as well as a healthcare cost trend rate of 4.50% to 10.00% depending on fiscal year. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2009, was 29 years.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- **Schedule of Funding Progress**
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefits Plan
  
- **Schedule of Employer Contributions**
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefits Plan
  
- **Budgetary Comparison Schedules**
  - General Fund
  - Motor Fuel Tax – Special Revenue Fund

### Notes to the Required Supplementary Information

- **Budgetary Information** – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2009**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 21,119,057	\$ 24,995,335	84.49%	\$ 3,876,278	\$ 7,975,347	48.60%
2005	22,745,285	27,027,570	84.16%	4,282,285	8,256,867	51.86%
2006	23,961,821	28,492,247	84.10%	4,530,426	8,748,334	51.79%
2007	25,459,071	30,746,627	82.80%	5,287,556	9,368,892	56.44%
2008	19,674,004	30,071,268	65.42%	10,397,264	9,906,874	104.95%
2009	20,296,058	32,067,786	63.29%	11,771,728	9,270,036	126.99%

Data Source: Illinois Municipal Retirement Fund

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2009**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 19,473,843	\$ 24,205,198	80.45%	\$ 4,731,355	\$ 3,520,775	134.38%
2004	20,374,596	25,383,428	80.27%	5,008,832	3,764,649	133.05%
2005	19,050,226	31,390,882	60.69%	12,340,656	3,988,850	309.38%
2006	21,094,351	34,048,263	61.95%	12,953,912	4,274,342	303.06%
2007	22,276,012	37,127,790	60.00%	14,851,778	4,477,359	331.71%
2008	19,473,991	39,306,318	49.54%	19,832,327	4,701,227	421.85%

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information  
Schedule of Funding Progress  
December 31, 2009**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 17,983,711	\$ 21,524,831	83.55%	\$ 3,541,120	\$ 3,010,061	117.64%
2004	18,751,249	23,701,927	79.11%	4,950,678	2,972,887	166.53%
2005	17,571,192	29,890,514	58.79%	12,319,322	3,332,551	369.67%
2006	18,638,346	33,305,824	55.96%	14,667,478	3,316,233	442.29%
2007	19,846,639	36,096,221	54.98%	16,249,582	3,741,436	434.31%
2008	15,802,062	37,791,992	41.81%	21,989,930	3,928,508	559.75%

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Other Post-Employment Benefits Plan**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2009**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	-	5,495,553	0.00%	5,495,553	15,178,035	36.21%
2009	-	5,832,237	0.00%	5,832,237	15,785,156	36.95%

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Employer Contributions  
December 31, 2009**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2004	\$ 769,621	\$ 769,621	100.00%
2005	880,462	880,462	100.00%
2006	1,000,809	1,000,809	100.00%
2007	1,076,486	1,076,486	100.00%
2008	1,130,374	1,130,374	100.00%
2009	1,085,521	1,085,521	100.00%

Data Source: Illinois Municipal Retirement Fund

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Employer Contributions  
December 31, 2009**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2004	\$ 488,689	\$ 621,696	78.61%
2005	627,340	621,696	100.91%
2006	494,978	718,490	68.89%
2007	488,124	985,476	49.53%
2008	846,468	1,060,907	79.79%
2009	1,022,014	1,468,836	69.58%

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2009**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2004	\$ 492,511	\$ 560,011	87.95%
2005	564,725	560,011	100.84%
2006	500,086	644,000	77.65%
2007	493,662	1,017,801	48.50%
2008	850,986	1,172,057	72.61%
2009	1,014,127	1,720,215	58.95%

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Other Post-Employment Benefits Plan**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2009**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contributions</b>	<b>Percent Contributed</b>
2004	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	173,645	471,423	36.83%
2009	204,918	498,722	41.09%

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

Data Source: Actuarial Valuation Reports

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 18,280,077	18,280,077	16,973,177
Intergovernmental	3,324,719	3,328,019	2,550,400
Licenses and Permits	853,100	853,100	775,307
Charges for Services	1,969,090	1,969,090	2,437,206
Fines and Forfeitures	867,700	867,700	863,342
Interest	(18,000)	(18,000)	(1,853)
Miscellaneous	101,099	101,099	426,466
<b>Total Revenues</b>	<b>25,377,785</b>	<b>25,381,085</b>	<b>24,024,045</b>
<b>Expenditures</b>			
General Government	3,609,542	3,609,542	3,507,569
Public Safety	16,799,457	16,802,757	15,966,577
Public Works	2,347,822	2,532,822	2,537,541
Health/Welfare and Culture	62,361	62,361	30,071
Economic Development	34,293	34,293	25,579
<b>Total Expenditures</b>	<b>22,853,475</b>	<b>23,041,775</b>	<b>22,067,337</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,524,310</b>	<b>2,339,310</b>	<b>1,956,708</b>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	-	-	1,258
Transfers In	-	185,000	263,160
Transfers Out	(1,160,310)	(1,160,310)	(570,963)
	<b>(1,160,310)</b>	<b>(975,310)</b>	<b>(306,545)</b>
<b>Net Change in Fund Balance</b>	<b>1,364,000</b>	<b>1,364,000</b>	<b>1,650,163</b>
<b>Fund Balance - Beginning</b>			<b>(2,374,704)</b>
<b>Fund Balance - Ending</b>			<b>(724,541)</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Motor Fuel Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Intergovernmental	\$ 697,500	697,500	642,330
Interest	2,500	2,500	2,105
Miscellaneous	21,200	21,200	10,776
<b>Total Revenues</b>	<u>721,200</u>	<u>721,200</u>	<u>655,211</u>
<b>Expenditures</b>			
Highways and Streets			
Contracted Services	100,000	100,000	107,859
Supplies			
Snow and Ice Control	170,200	170,200	143,471
<b>Total Expenditures</b>	<u>270,200</u>	<u>270,200</u>	<u>251,330</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	451,000	451,000	403,881
<b>Other Financing (Uses)</b>			
Transfers Out	(300,000)	(300,000)	-
<b>Net Change in Fund Balance</b>	<u>151,000</u>	<u>151,000</u>	403,881
<b>Fund Balance - Beginning</b>			<u>1,647,970</u>
<b>Fund Balance - Ending</b>			<u>2,051,851</u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
  - General Fund
  - General Obligation Bond Series of 2005 – Debt Service Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Statement of Changes in Assets and Liabilities – Agency Fund

**MAJOR GOVERNMENTAL FUNDS**

## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

## **MAJOR SPECIAL REVENUE FUND**

### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for allotments of motor fuel taxes from the State of Illinois made on a per capita basis. The City uses these funds to maintain and construct transportation-related community needs, such as streets, bridges, and traffic signals.

## **MAJOR DEBT SERVICE FUND**

### **General Obligation Bond Series of 2005 Fund**

The General Obligation Bond Series of 2005 Fund is used to account for the accumulation of monies for payment of the 2005 General Obligation Bond Series. These bonds were issued for a variety of City-wide infrastructure improvements.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes			
Prior Years' Taxes	\$ 70,000	70,000	(46,927)
Current Levy	4,435,077	4,435,077	4,494,895
Police Pension	1,000,000	1,000,000	1,042,648
Fire Pension	1,000,000	1,000,000	1,033,738
Municipal Sales Tax	3,400,000	3,400,000	3,062,136
Home Rule Sales Tax	2,450,000	2,450,000	2,053,624
Simplified Telecommunications Tax	2,070,000	2,070,000	2,075,334
Electric Utility Tax	1,300,000	1,300,000	1,301,016
Hotel Tax	475,000	475,000	288,634
Food and Beverage Tax	1,330,000	1,330,000	1,221,391
Real Estate Transfer Tax	500,000	500,000	191,259
Cable Franchise Fees	250,000	250,000	255,429
<b>Total Taxes</b>	<b>18,280,077</b>	<b>18,280,077</b>	<b>16,973,177</b>
<b>Intergovernmental</b>			
State Income Tax	2,592,000	2,592,000	1,999,825
Local Use Tax	360,000	360,000	285,768
Replacement Tax	252,300	252,300	177,371
Other Grants	120,419	123,719	87,436
<b>Total Intergovernmental</b>	<b>3,324,719</b>	<b>3,328,019</b>	<b>2,550,400</b>
<b>Licenses and Permits</b>			
Business Licenses	300,000	300,000	268,164
Liquor Licenses	145,000	145,000	154,680
Other Licenses	5,700	5,700	6,423
Building Permits	330,000	330,000	283,845
Rental Unit Permits	65,000	65,000	56,865
Other Permits	7,400	7,400	5,330
<b>Total Licenses and Permits</b>	<b>853,100</b>	<b>853,100</b>	<b>775,307</b>
<b>Charges for Services</b>			
Police Special Details	-	-	91,493
School Liason Charges	170,620	170,620	165,275
Ambulance Fees	400,000	400,000	545,788

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Charges for Services - Continued</b>			
<b>Overhead Charges</b>			
Garage	\$ 71,096	71,096	71,096
Sewer	-	-	127,826
Storm Water	-	-	51,567
TIF #1	33,742	33,742	33,742
TIF #2	30,222	30,222	30,222
Refuse	416,159	416,159	416,159
Water	392,355	392,355	392,354
Sewer	127,826	127,826	-
Storm Sewer	51,567	51,567	-
SSA #1	8,153	8,153	8,153
Library	33,390	33,390	33,390
Woodfield	-	-	211,122
Park District	19,000	19,000	14,608
Other Inspection Fees	117,560	117,560	160,222
Other Charges for Services	97,400	97,400	84,189
<b>Total Charges for Services</b>	<b>1,969,090</b>	<b>1,969,090</b>	<b>2,437,206</b>
<b>Fines and Forfeitures</b>			
Circuit Court Fines	185,000	185,000	171,341
Traffic Fines	118,000	118,000	129,300
Compliance Fines	50,000	50,000	49,133
DUI Fines	24,000	24,000	16,692
Red Light Enforcement Fines	300,000	300,000	433,927
Adjudication	100,000	100,000	61,825
Other Fines	90,700	90,700	1,124
<b>Total Fines and Forfeitures</b>	<b>867,700</b>	<b>867,700</b>	<b>863,342</b>
<b>Interest</b>	<b>(18,000)</b>	<b>(18,000)</b>	<b>(1,853)</b>
<b>Miscellaneous</b>			
Rental Income	12,000	12,000	163,914
Other	89,099	89,099	262,552
<b>Total Miscellaneous</b>	<b>101,099</b>	<b>101,099</b>	<b>426,466</b>
<b>Total Revenues</b>	<b>25,377,785</b>	<b>25,381,085</b>	<b>24,024,045</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>General Government</b>			
<b>Administrative</b>			
<b>Mayor</b>			
Salaries and Wages	\$ 9,950	9,950	9,950
Benefits	1,926	1,926	2,176
Contracted Services	6,460	6,460	3,252
Supplies	400	400	52
<b>Total Mayor</b>	<b>18,736</b>	<b>18,736</b>	<b>15,430</b>
<b>City Council</b>			
Salaries and Wages	28,001	28,001	28,000
Benefits	7,017	7,017	5,274
Contracted Services	91,800	91,800	68,777
Supplies	4,500	4,500	837
<b>Total City Council</b>	<b>131,318</b>	<b>131,318</b>	<b>102,888</b>
<b>City Manager</b>			
Salaries and Wages	233,355	233,355	236,677
Benefits	64,406	64,406	67,268
Contracted Services	26,767	26,767	21,729
Supplies	7,050	7,050	346
<b>Total City Manager</b>	<b>331,578</b>	<b>331,578</b>	<b>326,020</b>
<b>Human Resources</b>			
Salaries and Wages	226,323	226,323	213,212
Benefits	59,465	59,465	68,513
Contracted Services	73,931	73,931	13,241
Supplies	25,150	25,150	7,986
<b>Total Human Resources</b>	<b>384,869</b>	<b>384,869</b>	<b>302,952</b>
<b>City Clerk</b>			
Salaries and Wages	105,506	105,506	105,605
Benefits	34,828	34,828	33,771
Contracted Services	23,439	23,439	10,268
Supplies	3,000	3,000	71
<b>Total City Clerk</b>	<b>166,773</b>	<b>166,773</b>	<b>149,715</b>
<b>Public Relations</b>			
Contracted Services	75,500	75,500	72,537
Supplies	6,750	6,750	253
<b>Total Public Relations</b>	<b>82,250</b>	<b>82,250</b>	<b>72,790</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>General Government - Continued</b>			
<b>Administrative - Continued</b>			
<b>Video Production</b>			
Salaries and Wages	\$ 12,000	12,000	11,010
Contracted Services	6,000	6,000	629
Supplies	3,200	3,200	1,248
Total Video Production	21,200	21,200	12,887
<b>Adjudication</b>			
Contracted Services	32,500	32,500	46,852
Supplies	2,000	2,000	-
Total Adjudication	34,500	34,500	46,852
<b>Community Events</b>			
Contracted Services	5,470	5,470	-
Supplies	57,625	57,625	44,448
Total Community Events	63,095	63,095	44,448
<b>Finance and Administration</b>			
Salaries and Wages	214,526	214,526	217,760
Benefits	72,917	72,917	70,418
Contracted Services	48,269	48,269	41,717
Supplies	1,550	1,550	450
Total Finance and Administration	337,262	337,262	330,345
<b>Administrative Services</b>			
Legal Contracted Services	182,000	182,000	308,794
Engineering Contracted Services	30,000	30,000	-
Special Details			
Salaries and Wages	-	-	101,676
Other Contracted Services	159,195	159,195	186,043
Other Supplies	13,135	13,135	9,198
Total Administrative Services	384,330	384,330	605,711

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>General Government - Continued</b>			
<b>Administrative - Continued</b>			
<b>Information Technology</b>			
Salaries and Wages	\$ 236,451	236,451	189,260
Benefits	82,061	82,061	63,417
Contracted Services	105,932	105,932	47,872
Supplies	37,545	37,545	17,872
<b>Total Information Technology</b>	<b>461,989</b>	<b>461,989</b>	<b>318,421</b>
<b>Total Administrative</b>	<b>2,417,900</b>	<b>2,417,900</b>	<b>2,328,459</b>
<b>Community Development</b>			
<b>Administration</b>			
Salaries and Wages	336,763	336,763	312,659
Benefits	90,535	90,535	86,706
Contracted Services	110,130	110,130	86,307
Supplies and Materials	7,406	7,406	3,100
<b>Total Administration</b>	<b>544,834</b>	<b>544,834</b>	<b>488,772</b>
<b>Building Plan Review</b>			
Salaries and Wages	109,045	109,045	110,101
Benefits	39,528	39,528	44,284
Contracted Services	2,705	2,705	28,769
Supplies	560	560	-
<b>Total Building Plan Review</b>	<b>151,838</b>	<b>151,838</b>	<b>183,154</b>
<b>Building Inspections</b>			
Salaries and Wages	167,691	167,691	168,012
Benefits	57,015	57,015	65,977
Contracted Services	19,730	19,730	37,983
Supplies and Materials	2,460	2,460	78
<b>Total Building Inspections</b>	<b>246,896</b>	<b>246,896</b>	<b>272,050</b>
<b>Health and Housing Inspections</b>			
Salaries and Wages	169,413	169,413	169,579
Benefits	64,916	64,916	58,997
Contracted Services	5,480	5,480	1,620
Supplies and Materials	2,106	2,106	279
<b>Total Health and Housing Inspections</b>	<b>241,915</b>	<b>241,915</b>	<b>230,475</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Continued			
Zoning Board of Appeals			
Salaries and Wages	\$ 1,250	1,250	500
Benefits	172	172	97
Contracted Services	700	700	422
Total Zoning Board of Appeals	2,122	2,122	1,019
Plan Commission			
Salaries and Wages	1,500	1,500	1,491
Benefits	172	172	264
Contracted Services	1,590	1,590	1,733
Supplies and Materials	100	100	-
Total Plan Commission	3,362	3,362	3,488
Tobacco Information/Prevention			
Salaries and Wages	125	125	127
Benefits	-	-	25
Contracted Services	500	500	-
Supplies and Materials	50	50	-
Total Tobacco Information/Prevention	675	675	152
Total Community Development	1,191,642	1,191,642	1,179,110
Total General Government	3,609,542	3,609,542	3,507,569
Public Safety			
Police Department			
Administration			
Salaries and Wages	543,843	543,843	452,071
Benefits	1,117,672	1,117,672	1,122,171
Contracted Services	521,326	521,326	505,716
Supplies and Materials	18,225	18,225	2,939
Total Administration	2,201,066	2,201,066	2,082,897

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Public Safety - Continued</b>			
<b>Police Department - Continued</b>			
<b>Administrative Services</b>			
Salaries and Wages	\$ 342,508	342,508	357,602
Benefits	92,193	92,193	88,404
Contracted Services	14,460	14,460	6,888
Supplies and Materials	24,011	24,011	1,453
Total Administrative Services	473,172	473,172	454,347
<b>Support Services</b>			
Salaries and Wages	133,266	133,266	86,400
Benefits	66,411	66,411	35,827
Total Support Services	199,677	199,677	122,227
<b>Patrol</b>			
Salaries and Wages	3,775,475	3,775,475	3,963,390
Benefits	637,725	637,725	751,735
Contracted Services	57,247	57,247	56,720
Supplies and Materials	72,860	72,860	18,047
Total Patrol	4,543,307	4,543,307	4,789,892
<b>Investigation</b>			
Salaries and Wages	973,759	977,059	853,359
Benefits	200,375	200,375	166,496
Contracted Services	45,888	45,888	35,674
Supplies and Materials	6,755	6,755	3,667
Total Investigation	1,226,777	1,230,077	1,059,196
<b>Records Processing</b>			
Salaries and Wages	279,062	279,062	232,266
Benefits	109,818	109,818	101,591
Contracted Services	77,966	77,966	22,092
Supplies and Materials	7,714	7,714	1,636
Total Records Processing	474,560	474,560	357,585
<b>Training - Range</b>			
Contracted Services	1,200	1,200	-
Supplies and Materials	11,079	11,079	3,129
Total Training - Range	12,279	12,279	3,129

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Public Safety - Continued</b>			
<b>Police Department - Continued</b>			
Training - Professional Development			
Contracted Services	\$ 114,126	114,126	43,486
Training - Travel and Lodging			
Contracted Services	33,212	33,212	8,530
<b>Neighborhood Resource Center</b>			
Salaries and Wages	235,359	235,359	197,187
Benefits	62,190	62,190	54,704
Contracted Services	19,946	19,946	3,177
Supplies and Materials	11,216	11,216	573
<b>Total Neighborhood Resource Center</b>	<b>328,711</b>	<b>328,711</b>	<b>255,641</b>
<b>Total Police Department</b>	<b>9,606,887</b>	<b>9,610,187</b>	<b>9,176,930</b>
<b>Fire Department</b>			
<b>Administration</b>			
Salaries and Wages	480,739	480,739	428,991
Benefits	1,091,254	1,091,254	1,079,437
Contracted Services	376,814	376,814	367,994
Supplies and Materials	4,649	4,649	2,263
<b>Total Administration</b>	<b>1,953,456</b>	<b>1,953,456</b>	<b>1,878,685</b>
<b>Fire Operations</b>			
Salaries and Wages	3,959,394	3,959,394	3,938,100
Benefits	711,844	711,844	645,439
Contracted Services	71,908	71,908	63,080
Supplies and Materials	59,387	59,387	22,749
<b>Total Fire Operations</b>	<b>4,802,533</b>	<b>4,802,533</b>	<b>4,669,368</b>
<b>Special Rescue Teams</b>			
Salaries and Wages	23,290	23,290	34,328
Benefits	12,580	12,580	815
Contracted Services	11,605	11,605	3,743
Supplies and Materials	8,202	8,202	2,419
<b>Total Special Rescue Teams</b>	<b>55,677</b>	<b>55,677</b>	<b>41,305</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Public Safety - Continued</b>			
<b>Fire Department - Continued</b>			
<b>Emergency Medical Services</b>			
Benefits	\$ -	-	6,900
Contracted Services	29,800	29,800	18,095
Supplies and Materials	44,710	44,710	19,086
<b>Total Emergency Medical Services</b>	<b>74,510</b>	<b>74,510</b>	<b>44,081</b>
<b>Prevention Program</b>			
Salaries and Wages	58,254	58,254	48,279
Benefits	14,889	14,889	10,182
Contracted Services	6,450	6,450	1,374
Supplies and Materials	3,650	3,650	2,211
<b>Total Prevention Program</b>	<b>83,243</b>	<b>83,243</b>	<b>62,046</b>
<b>Training Program</b>			
Salaries and Wages	99,248	99,248	23,712
Benefits	86,468	86,468	45,040
Contracted Services	2,335	2,335	2,241
Supplies and Materials	9,200	9,200	962
<b>Total Training Program</b>	<b>197,251</b>	<b>197,251</b>	<b>71,955</b>
<b>Total Fire Department</b>	<b>7,166,670</b>	<b>7,166,670</b>	<b>6,767,440</b>
<b>Board of Police and Fire Commission</b>			
Salaries and Wages	7,500	7,500	3,017
Benefits	-	-	18
Contracted Services	18,400	18,400	18,614
Supplies and Materials	-	-	558
<b>Total Board of Police and Fire Commission</b>	<b>25,900</b>	<b>25,900</b>	<b>22,207</b>
<b>Total Public Safety</b>	<b>16,799,457</b>	<b>16,802,757</b>	<b>15,966,577</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Public Works</b>			
Administration			
Salaries and Wages	\$ 334,739	359,739	447,063
Benefits	134,758	134,758	174,708
Contracted Services	360,727	360,727	358,552
Supplies and Materials	15,550	15,550	4,028
Total Administration	<u>845,774</u>	<u>870,774</u>	<u>984,351</u>
Buildings and Grounds			
Salaries and Wages	347,166	347,166	359,563
Benefits	151,306	151,306	154,262
Contracted Services	4,540	4,540	4,307
Total Buildings and Grounds	<u>503,012</u>	<u>503,012</u>	<u>518,132</u>
Forestry Program			
Salaries and Wages	84,739	84,739	86,020
Benefits	39,366	39,366	36,853
Contracted Services	40,650	40,650	28,781
Supplies and Materials	2,550	2,550	954
Total Forestry Program	<u>167,305</u>	<u>167,305</u>	<u>152,608</u>
Street Operations			
Salaries and Wages	589,418	749,418	620,476
Benefits	233,773	233,773	256,262
Contracted Services	8,540	8,540	5,496
Supplies and Materials	-	-	216
Total Street Operations	<u>831,731</u>	<u>991,731</u>	<u>882,450</u>
Total Public Works	<u>2,347,822</u>	<u>2,532,822</u>	<u>2,537,541</u>
<b>Health/Welfare and Culture</b>			
Museum			
Contracted Services	<u>5,500</u>	<u>5,500</u>	<u>4,030</u>
ESDA			
Contracted Services	<u>12,300</u>	<u>12,300</u>	<u>2,877</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Health/Welfare and Culture - Continued</b>			
<b>Safety Committee</b>			
Contracted Services	\$ 1,750	1,750	360
Supplies and Materials	2,550	2,550	1,234
Total Safety Committee	4,300	4,300	1,594
<b>Employee Wellness Program</b>			
Contracted Services	24,350	24,350	10,944
Supplies	1,000	1,000	-
Total Employee Wellness Program	25,350	25,350	10,944
<b>Temporary Family Assistance</b>			
Supplies	10,000	10,000	10,000
<b>Urban Affairs</b>			
Contracted Services	1,211	1,211	-
Supplies	3,700	3,700	626
Total Urban Affairs	4,911	4,911	626
Total Health/Welfare and Culture	62,361	62,361	30,071
<b>Economic Development</b>			
<b>Community Development</b>			
Salaries and Wages	1,500	1,500	500
Benefits	-	-	166
Contracted Services	31,593	31,593	24,665
Supplies and Materials	1,200	1,200	248
Total Economic Development	34,293	34,293	25,579
Total Expenditures	22,853,475	23,041,775	22,067,337

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Obligation Bond Series of 2005 - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 852,525	852,525	855,746
Interest	4,000	4,000	89
Total Revenues	<u>856,525</u>	<u>856,525</u>	<u>855,835</u>
Expenditures			
Debt Service			
Principal Retirement	605,000	605,000	605,000
Interest and Fiscal Charges	248,175	248,175	248,060
Total Expenditures	<u>853,175</u>	<u>853,175</u>	<u>853,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,350	3,350	2,775
Other Financing Sources			
Debt Issuance	-	-	725,910
Net Change in Fund Balance	<u>3,350</u>	<u>3,350</u>	728,685
Fund Balance - Beginning			<u>(173,990)</u>
Fund Balance - Ending			<u>554,695</u>

**NONMAJOR GOVERNMENTAL FUNDS**

## **NONMAJOR SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

### **Street Systems Fund**

The Street Systems Fund is used to account for the resources accumulated and used in street maintenance projects.

### **911 Emergency Telephone Fund**

The 911 Emergency Telephone Fund is used to account for the operation of the emergency telephone communication system. Financing is provided by local and state surcharges and property taxes.

### **Economic Development Fund**

The Economic Development Fund is used to account for the receipt and disbursement of funds with regard to the City's economic development programs.

### **Foreign Fire Tax Fund**

The Foreign Fire Tax Fund is used to account for the receipt and disbursement of funds collected as foreign fire tax.

### **Enhanced DUI Enforcement Fund**

The Enhanced DUI Enforcement Fund is used to account for the receipts and disbursements incurred as a result of the City's DUI enforcement program.

### **Asset Seizure Fund**

The Asset Seizure Fund is used to account for the receipts and disbursements incurred as a result of the City's asset seizure program pursuant to Federal and State drug seizure laws.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
December 31, 2009**

	Special Revenue	Debt Service	Capital Projects	Totals
<b>ASSETS</b>				
Cash and Investments	\$ -	-	939,467	939,467
Receivables - Net of Allowances				
Property Taxes	518,715	521,899	163,966	1,204,580
Other Taxes	-	-	34,435	34,435
Accounts	30,225	-	34,228	64,453
Due from Other Funds	172,731	375,799	2,877,720	3,426,250
Prepays	39,266	-	-	39,266
<b>Total Assets</b>	<b>760,937</b>	<b>897,698</b>	<b>4,049,816</b>	<b>5,708,451</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	17,456	-	160,810	178,266
Due to Other Funds	688,533	-	1,595,733	2,284,266
Unearned/Deferred Revenues	509,000	507,912	149,301	1,166,213
<b>Total Liabilities</b>	<b>1,214,989</b>	<b>507,912</b>	<b>1,905,844</b>	<b>3,628,745</b>
<b>Fund Balances</b>				
Reserved - Prepays	39,266	-	-	39,266
Unreserved	(493,318)	389,786	2,143,972	2,040,440
<b>Total Fund Balances</b>	<b>(454,052)</b>	<b>389,786</b>	<b>2,143,972</b>	<b>2,079,706</b>
<b>Total Liabilities and Fund Balances</b>	<b>760,937</b>	<b>897,698</b>	<b>4,049,816</b>	<b>5,708,451</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2009**

	Special Revenue	Debt Service	Capital Projects	Totals
<b>Revenues</b>				
Taxes	\$ 736,400	514,532	858,041	2,108,973
Intergovernmental	369,716	-	225,733	595,449
Licenses and Permits	-	-	377,951	377,951
Fines and Forfeitures	191,899	-	-	191,899
Interest	(256)	134	3,025	2,903
Miscellaneous	-	-	259,419	259,419
Total Revenues	<u>1,297,759</u>	<u>514,666</u>	<u>1,724,169</u>	<u>3,536,594</u>
<b>Expenditures</b>				
General Government	-	-	33,912	33,912
Public Safety	1,305,763	-	-	1,305,763
Highways and Streets	-	-	335,066	335,066
Public Works	-	-	8,153	8,153
Economic Development	697	-	36,046	36,743
Capital Outlay	394,378	-	601,565	995,943
<b>Debt Service</b>				
Principal Retirement	-	570,000	464,923	1,034,923
Interest and Fiscal Charges	-	479,317	163,225	642,542
Total Expenditures	<u>1,700,838</u>	<u>1,049,317</u>	<u>1,642,890</u>	<u>4,393,045</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	<u>(403,079)</u>	<u>(534,651)</u>	<u>81,279</u>	<u>(856,451)</u>
<b>Other Financing Sources (Uses)</b>				
Debt Issuance	-	422,295	166,795	589,090
Transfers In	39,854	531,109	2,454,395	3,025,358
Transfers Out	(78,160)	-	(2,533,088)	(2,611,248)
	<u>(38,306)</u>	<u>953,404</u>	<u>88,102</u>	<u>1,003,200</u>
Net Change in Fund Balances	(441,385)	418,753	169,381	146,749
Fund Balances - Beginning	<u>(12,667)</u>	<u>(28,967)</u>	<u>1,974,591</u>	<u>1,932,957</u>
Fund Balances - Ending	<u>(454,052)</u>	<u>389,786</u>	<u>2,143,972</u>	<u>2,079,706</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet  
Year Ended December 31, 2009**

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**See Following Page**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet  
December 31, 2009**

	Street Systems	911 Emergency Telephone
<b>ASSETS</b>		
Cash and Investments	\$ -	-
Receivables - Net of Allowances		
Property Taxes	-	518,715
Accounts	-	30,225
Due from Other Funds	-	-
Prepays	-	33,474
	<u>-</u>	<u>582,414</u>
<b>Total Assets</b>	<u>-</u>	<u>582,414</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts Payable	-	12,431
Due to Other Funds	70,317	560,296
Unearned/Deferred Revenues	-	509,000
Total Liabilities	<u>70,317</u>	<u>1,081,727</u>
<b>Fund Balances</b>		
Reserved - Prepays	-	33,474
Unreserved	(70,317)	(532,787)
Total Fund Balances	<u>(70,317)</u>	<u>(499,313)</u>
<b>Total Liabilities and Fund Balances</b>	<u>-</u>	<u>582,414</u>

Economic Development	Foreign Fire Tax	Enhanced DUI Enforcement	Asset Seizure	Totals
-	-	-	-	-
-	-	-	-	518,715
-	-	-	-	30,225
-	63,081	-	109,650	172,731
-	-	-	5,792	39,266
-	63,081	-	115,442	760,937
-	572	163	4,290	17,456
863	-	57,057	-	688,533
-	-	-	-	509,000
863	572	57,220	4,290	1,214,989
-	-	-	5,792	39,266
(863)	62,509	(57,220)	105,360	(493,318)
(863)	62,509	(57,220)	111,152	(454,052)
-	63,081	-	115,442	760,937

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2009**

	Street Systems	911 Emergency Telephone
<b>Revenues</b>		
Taxes	\$ -	712,683
Intergovernmental	-	362,216
Fines and Forfeitures	-	-
Interest	-	(470)
<b>Total Revenues</b>	<u>-</u>	<u>1,074,429</u>
<b>Expenditures</b>		
Public Safety	-	1,133,014
Economic Development	-	-
Capital Outlay	-	394,378
<b>Total Expenditures</b>	<u>-</u>	<u>1,527,392</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>(452,963)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers In	39,854	-
Transfers Out	-	-
	<u>39,854</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	39,854	(452,963)
<b>Fund Balances - Beginning</b>	<u>(110,171)</u>	<u>(46,350)</u>
<b>Fund Balances - Ending</b>	<u>(70,317)</u>	<u>(499,313)</u>

Economic Development	Foreign Fire Tax	Enhanced DUI Enforcement	Asset Seizure	Totals
-	23,717	-	-	736,400
-	-	7,500	-	369,716
-	-	45,250	146,649	191,899
(6)	62	(13)	171	(256)
(6)	23,779	52,737	146,820	1,297,759
-	19,384	128,743	24,622	1,305,763
697	-	-	-	697
-	-	-	-	394,378
697	19,384	128,743	24,622	1,700,838
(703)	4,395	(76,006)	122,198	(403,079)
-	-	-	-	39,854
-	-	-	(78,160)	(78,160)
-	-	-	(78,160)	(38,306)
(703)	4,395	(76,006)	44,038	(441,385)
(160)	58,114	18,786	67,114	(12,667)
(863)	62,509	(57,220)	111,152	(454,052)

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Street Systems - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ -	-	-
Expenditures			
General Government	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources			
Transfers In	-	-	39,854
Net Change in Fund Balance	-	-	39,854
Fund Balance - Beginning			(110,171)
Fund Balance - Ending			(70,317)

**CITY OF ROLLING MEADOWS, ILLINOIS**

**911 Emergency Telephone - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
<b>Taxes</b>			
Property Taxes	\$ 356,000	356,000	359,542
Other Taxes	550,000	550,000	353,141
Intergovernmental	-	362,216	362,216
Interest	-	-	(470)
<b>Total Revenues</b>	<b>906,000</b>	<b>1,268,216</b>	<b>1,074,429</b>
<b>Expenditures</b>			
<b>Public Safety</b>			
Salaries and Wages	878,124	878,124	502,605
Benefits	313,603	313,603	192,042
Contracted Services	188,201	188,201	438,261
Supplies	4,400	4,400	106
Capital Outlay	-	402,462	394,378
<b>Total Expenditures</b>	<b>1,384,328</b>	<b>1,786,790</b>	<b>1,527,392</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(478,328)</b>	<b>(518,574)</b>	<b>(452,963)</b>
<b>Other Financing Sources</b>			
Transfers In	575,000	575,000	-
<b>Net Change in Fund Balance</b>	<b>96,672</b>	<b>56,426</b>	<b>(452,963)</b>
<b>Fund Balance - Beginning</b>			<b>(46,350)</b>
<b>Fund Balance - Ending</b>			<b>(499,313)</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Economic Development - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 600	600	(6)
Miscellaneous			
Private Activity Bonds	20,000	20,000	-
Total Revenues	20,600	20,600	(6)
Expenditures			
Economic Development			
Contracted Services	4,100	4,100	-
Supplies	4,400	4,400	697
Total Expenditures	8,500	8,500	697
Net Change in Fund Balance	12,100	12,100	(703)
Fund Balance - Beginning			(160)
Fund Balance - Ending			(863)

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Enhanced DUI Enforcement - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Intergovernmental	\$ -	-	7,500
Fines and Forfeitures	130,000	130,000	45,250
Interest	500	500	(13)
<b>Total Revenues</b>	<u>130,500</u>	<u>130,500</u>	<u>52,737</u>
<b>Expenditures</b>			
Public Safety			
Salaries and Wages	97,250	97,250	91,665
Benefits	1,400	1,400	18,876
Contracted Services	7,065	7,065	6,665
Supplies	33,694	33,694	11,537
<b>Total Expenditures</b>	<u>139,409</u>	<u>139,409</u>	<u>128,743</u>
<b>Net Change in Fund Balance</b>	<u>(8,909)</u>	<u>(8,909)</u>	(76,006)
<b>Fund Balance - Beginning</b>			<u>18,786</u>
<b>Fund Balance - Ending</b>			<u>(57,220)</u>

## **NONMAJOR DEBT SERVICE FUNDS**

Debt Service Funds are created to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

### **General Obligation Bond Series of 2002A Fund**

The General Obligation Bond Series of 2002A Fund is used to account for the accumulation of monies for the payment of the 2002A General Obligation Bond Series. These bonds were issued to finance City-wide capital improvements.

### **General Obligation Bond Series of 2004 Fund**

The General Obligation Bond Series of 2004 Fund is used to account for the accumulation of monies from the payment of the 2004 General Obligation Bond Series. These bonds were issued to repay costs associated with certain developer agreements.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

**Combining Balance Sheet  
December 31, 2009**

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	General Obligation Bond Series of 2002A	General Obligation Bond Series of 2004	Totals
<b>ASSETS</b>			
Cash and Investments	\$ -	-	-
Receivables - Net of Allowances			
Property Taxes	521,899	-	521,899
Due from Other Funds	375,799	-	375,799
Total Assets	<u>897,698</u>	-	<u>521,899</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Unearned/Deferred Revenues	507,912	-	507,912
Fund Balances			
Unreserved	<u>389,786</u>	-	<u>389,786</u>
Total Liabilities and Fund Balances	<u>897,698</u>	-	<u>897,698</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2009**

	General Obligation Bond Series of 2002A	General Obligation Bond Series of 2004	Totals
<b>Revenues</b>			
Taxes	\$ 514,532	-	514,532
Interest	134	-	134
<b>Total Revenues</b>	<b>514,666</b>	<b>-</b>	<b>514,666</b>
<b>Expenditures</b>			
<b>Debt Service</b>			
Principal Retirement	325,000	245,000	570,000
Interest and Fiscal Charges	193,208	286,109	479,317
<b>Total Expenditures</b>	<b>518,208</b>	<b>531,109</b>	<b>1,049,317</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,542)</b>	<b>(531,109)</b>	<b>(534,651)</b>
<b>Other Financing Sources</b>			
Debt Issuance	422,295	-	422,295
Transfers In	-	531,109	531,109
	<b>422,295</b>	<b>531,109</b>	<b>953,404</b>
<b>Net Change in Fund Balances</b>	<b>418,753</b>	<b>-</b>	<b>418,753</b>
<b>Fund Balances - Beginning</b>	<b>(28,967)</b>	<b>-</b>	<b>(28,967)</b>
<b>Fund Balances - Ending</b>	<b>389,786</b>	<b>-</b>	<b>389,786</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Obligation Bond Series of 2002A - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
<b>Taxes</b>			
Property Taxes	\$ 512,536	512,536	514,532
Interest	2,500	2,500	134
<b>Total Revenues</b>	<u>515,036</u>	<u>515,036</u>	<u>514,666</u>
<b>Expenditures</b>			
<b>Debt Service</b>			
Principal Retirement	325,000	325,000	325,000
Interest and Fiscal Charges	188,086	188,086	193,208
<b>Total Expenditures</b>	<u>513,086</u>	<u>513,086</u>	<u>518,208</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	1,950	1,950	(3,542)
<b>Other Financing Sources</b>			
Debt Issuance	-	-	422,295
<b>Net Change in Fund Balance</b>	<u>1,950</u>	<u>1,950</u>	418,753
<b>Fund Balance - Beginning</b>			<u>(28,967)</u>
<b>Fund Balance - Ending</b>			<u><u>389,786</u></u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**General Obligation Bond Series of 2004 - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Debt Service			
Principal Retirement	245,000	245,000	245,000
Interest and Fiscal Charges	286,174	286,174	286,109
Total Expenditures	531,174	531,174	531,109
Excess (Deficiency) of Revenues Over (Under) Expenditures	(531,174)	(531,174)	(531,109)
Other Financing Sources			
Transfers In	585,310	585,310	531,109
Net Change in Fund Balance	54,136	54,136	-
Fund Balance - Beginning			-
Fund Balance - Ending			-

## **NONMAJOR CAPITAL PROJECTS FUNDS**

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by proprietary funds.

### **Equipment Fund**

The Equipment Fund is used to account for the purchase or construction of major capital facilities which are not financed by proprietary funds.

### **Local Road Fund**

The Local Road Fund is used to account for street improvements, including resurfacing, curb and gutter, sidewalks and bike paths.

### **2002 Construction Fund**

The 2002 Construction Fund is used to account for the financing and construction of infrastructure improvements for economic development purposes in the Golf and Algonquin Roads area.

### **Emergency Reserve Infrastructure Fund**

The Emergency Reserve Infrastructure Fund is used to account for the accumulation of resources to finance emergency repairs of the City's infrastructure.

### **Transit Oriented Area Development Fund**

The Transit Oriented Area Development Fund is used to account for savings for the future Metra STAR Line station in the City.

### **TIF #1 Kirchoff/Meadows Fund**

The TIF #1 Kirchoff/Meadows Fund is used to account for the accumulation of monies for the payment of the 1996B General Obligation Bond Series. These bonds were issues to partially refund the 1992B General Obligation Bond Series. Financing is being provided by an annual property tax levy.

### **TIF #2 Kirchoff/Owl Fund**

The TIF #2 Kirchoff/Owl Fund is used to account for the purchase of property and construction of a mixed-use development along Kirchoff Road. The plan includes condominium homes, senior housing, and office/retail space.

## **NONMAJOR CAPITAL PROJECTS FUNDS - Continued**

### **TIF #3 Woodfield**

The Woodfield Area Development Fund is used to account for the revenues and expenditures associated with the development of activities in the Woodfield Garden area.

### **SSA #1 Algonquin Parkway Fund**

The SSA #1 Algonquin Parkway Fund is used to account for revenues and expenditures related to improvements along Algonquin Parkway.

### **SSA #3 Marketplace Fund**

The SSA #3 Marketplace Fund is used to account for revenues and expenditures related to internal roadway of the Marketplace shopping area.

### **Route 53 Fund**

The Route 53 Fund is used to account for funds accumulated to construct a sound barrier along Route 53.

### **Plum Grove Road Fund**

The Plum Grove Road Fund is used to account for the City's share of the State project of widening and improvement of Plum Grove Road south of Euclid and north of Old Plum Grove Road.

### **Fire Station Fund**

The Fire Station Fund is used to account for accumulating funds to build a new fire station on Algonquin Road.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Capital Projects Funds**

**Combining Balance Sheet**

**December 31, 2009**

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**See Following Page**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Capital Projects Funds**

**Combining Balance Sheet  
December 31, 2009**

	Equipment	Local Road	2002 Construction	Emergency Reserve Infrastructure	Transit Oriented Area Development	TIF #1 Kirchoff/ Meadows
<b>ASSETS</b>						
Cash and Investments	\$ -	-	-	897,616	-	41,851
Receivables - Net of Allowances						
Property Taxes	-	64,014	-	-	-	-
Other Taxes	-	34,435	-	-	-	-
Accounts	-	34,228	-	-	-	-
Due from Other Funds	531,347	222,867	-	-	414,072	617,551
<b>Total Assets</b>	<b>531,347</b>	<b>355,544</b>	<b>-</b>	<b>897,616</b>	<b>414,072</b>	<b>659,402</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	-	157,143	-	-	-	-
Due to Other Funds	-	-	411,152	-	-	-
Unearned/Deferred Revenues	-	58,419	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>215,562</b>	<b>411,152</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Unreserved	531,347	139,982	(411,152)	897,616	414,072	659,402
<b>Total Liabilities and Fund Balances</b>	<b>531,347</b>	<b>355,544</b>	<b>-</b>	<b>897,616</b>	<b>414,072</b>	<b>659,402</b>

TIF #2 Kirchoff/ Owl	TIF #3 Woodfield	SSA #1 Algonquin Parkway	SSA #3 Marketplace	Route 53	Plum Grove Road	Fire Station	Totals
-	-	-	-	-	-	-	939,467
9,070	-	90,882	-	-	-	-	163,966
-	-	-	-	-	-	-	34,435
-	-	-	-	-	-	-	34,228
-	-	-	-	23,752	-	1,068,131	2,877,720
9,070	-	90,882	-	23,752	-	1,068,131	4,049,816
340	-	-	-	-	3,327	-	160,810
459,304	136,085	158,247	-	-	430,945	-	1,595,733
-	-	90,882	-	-	-	-	149,301
459,644	136,085	249,129	-	-	434,272	-	1,905,844
(450,574)	(136,085)	(158,247)	-	23,752	(434,272)	1,068,131	2,143,972
9,070	-	90,882	-	23,752	-	1,068,131	4,049,816

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Nonmajor Governmental - Capital Projects Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2009**

	Equipment	Local Road	2002 Construction	Emergency Reserve Infrastructure	Transit Oriented Area Development	TIF #1 Kirchoff/ Meadows
<b>Revenues</b>						
Taxes	\$ -	265,299	-	-	-	132,718
Intergovernmental	-	225,733	-	-	-	-
Licenses and Permits	-	377,951	-	-	-	-
Interest	645	412	-	420	444	1,172
Miscellaneous	-	53,776	-	-	-	-
<b>Total Revenues</b>	<b>645</b>	<b>923,171</b>	<b>-</b>	<b>420</b>	<b>444</b>	<b>133,890</b>
<b>Expenditures</b>						
General Government	-	-	-	-	-	33,912
Highways and Streets	-	335,066	-	-	-	-
Public Works	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Capital Outlay	47,139	540,987	-	-	-	-
Debt Service						
Principal Retirement	17,173	117,750	-	-	-	-
Interest and Fiscal Charges	4,363	43,117	-	-	-	-
<b>Total Expenditures</b>	<b>68,675</b>	<b>1,036,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,912</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(68,030)</b>	<b>(113,749)</b>	<b>-</b>	<b>420</b>	<b>444</b>	<b>99,978</b>
<b>Other Financing Sources (Uses)</b>						
Debt Issuance	-	138,762	-	-	-	-
Transfers In	-	1,097,731	-	233,312	56,402	-
Transfers Out	-	(2,502,307)	-	-	-	-
	<b>-</b>	<b>(1,265,814)</b>	<b>-</b>	<b>233,312</b>	<b>56,402</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(68,030)</b>	<b>(1,379,563)</b>	<b>-</b>	<b>233,732</b>	<b>56,846</b>	<b>99,978</b>
<b>Fund Balances - Beginning</b>	<b>599,377</b>	<b>1,519,545</b>	<b>(411,152)</b>	<b>663,884</b>	<b>357,226</b>	<b>559,424</b>
<b>Fund Balances - Ending</b>	<b>531,347</b>	<b>139,982</b>	<b>(411,152)</b>	<b>897,616</b>	<b>414,072</b>	<b>659,402</b>

TIF #2 Kirchoff/ Owl	TIF #3 Woodfield	SSA #1 Algonquin Parkway	SSA #3 Marketplace	Route 53	Plum Grove Road	Fire Station	Totals
379,238	-	80,786	-	-	-	-	858,041
-	-	-	-	-	-	-	225,733
-	-	-	-	-	-	-	377,951
(259)	(159)	(232)	-	27	(626)	1,181	3,025
-	1,946	-	-	-	203,697	-	259,419
378,979	1,787	80,554	-	27	203,071	1,181	1,724,169
-	-	-	-	-	-	-	33,912
-	-	-	-	-	-	-	335,066
-	-	8,153	-	-	-	-	8,153
35,977	69	-	-	-	-	-	36,046
-	-	-	-	-	13,439	-	601,565
330,000	-	-	-	-	-	-	464,923
115,745	-	-	-	-	-	-	163,225
481,722	69	8,153	-	-	13,439	-	1,642,890
(102,743)	1,718	72,401	-	27	189,632	1,181	81,279
28,033	-	-	-	-	-	-	166,795
-	-	-	-	-	-	1,066,950	2,454,395
-	-	-	(30,781)	-	-	-	(2,533,088)
28,033	-	-	(30,781)	-	-	1,066,950	88,102
(74,710)	1,718	72,401	(30,781)	27	189,632	1,068,131	169,381
(375,864)	(137,803)	(230,648)	30,781	23,725	(623,904)	-	1,974,591
(450,574)	(136,085)	(158,247)	-	23,752	(434,272)	1,068,131	2,143,972

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Equipment - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 11,000	11,000	645
Expenditures			
Capital Outlay			
Public Safety			
Police	69,977	69,977	15,139
Fire	32,000	32,000	32,000
Information Technology	50,000	50,000	-
Debt Service			
Principal Retirement	17,173	17,173	17,173
Interest and Fiscal Charges	-	-	4,363
Total Expenditures	169,150	169,150	68,675
Net Change in Fund Balance	(158,150)	(158,150)	(68,030)
Fund Balance - Beginning			599,377
Fund Balance - Ending			531,347

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Local Road - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 258,419	258,419	265,299
Intergovernmental	194,000	194,000	225,733
Licenses and Permits	365,000	365,000	377,951
Interest	-	-	412
Miscellaneous	128,000	128,000	53,776
<b>Total Revenues</b>	<b>945,419</b>	<b>945,419</b>	<b>923,171</b>
<b>Expenditures</b>			
Highways and Streets			
Contracted Services	337,045	337,045	270,697
Supplies			
Operating Supplies	99,755	99,755	57,457
Repairs and Maintenance Supplies	21,700	21,700	6,912
Capital Outlay			
Street Improvements	670,000	670,000	540,987
Debt Service			
Principal Retirement	117,750	117,750	117,750
Interest and Fiscal Charges	43,174	43,174	43,117
<b>Total Expenditures</b>	<b>1,289,424</b>	<b>1,289,424</b>	<b>1,036,920</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(344,005)</b>	<b>(344,005)</b>	<b>(113,749)</b>
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	-	-	138,762
Transfers In	1,096,450	1,096,450	1,097,731
Transfers Out	(1,216,950)	(1,216,950)	(2,502,307)
	<b>(120,500)</b>	<b>(120,500)</b>	<b>(1,265,814)</b>
<b>Net Change in Fund Balance</b>	<b>(464,505)</b>	<b>(464,505)</b>	<b>(1,379,563)</b>
<b>Fund Balance - Beginning, as Restated</b>			<b>1,519,545</b>
<b>Fund Balance - Ending</b>			<b>139,982</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**2002 Construction - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

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	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Capital Outlay	-	-	-
Net Change in Fund Balance	<u>-</u>	<u>-</u>	-
Fund Balance - Beginning			<u>(411,152)</u>
Fund Balance - Ending			<u>(411,152)</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Emergency Reserve Infrastructure - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 1,200	1,200	420
Expenditures			
Capital Outlay	35,000	35,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,800)	(33,800)	420
Other Financing Sources			
Transfers In	165,312	165,312	233,312
Net Change in Fund Balance	<u>131,512</u>	<u>131,512</u>	233,732
Fund Balance - Beginning			<u>663,884</u>
Fund Balance - Ending			<u>897,616</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Transit Oriented Area Development - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 4,000	4,000	444
Expenditures			
Public Works	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,000	4,000	444
Other Financing Sources (Uses)			
Transfers In	56,402	56,402	56,402
Transfers Out	(100,000)	(100,000)	-
	(43,598)	(43,598)	56,402
Net Change in Fund Balance	(39,598)	(39,598)	56,846
Fund Balance - Beginning			357,226
Fund Balance - Ending			414,072

**CITY OF ROLLING MEADOWS, ILLINOIS**

**TIF #1 Kirchoff/Meadows - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 320,000	320,000	132,718
Interest	12,000	12,000	1,172
Total Revenues	<u>332,000</u>	<u>332,000</u>	<u>133,890</u>
Expenditures			
General Government			
Contracted Services	<u>33,742</u>	<u>33,742</u>	<u>33,912</u>
Net Change in Fund Balance	<u>298,258</u>	<u>298,258</u>	99,978
Fund Balance - Beginning			<u>559,424</u>
Fund Balance - Ending			<u>659,402</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**TIF #2 Kirchoff/Owl - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes			
Property Taxes	\$ 500,000	500,000	379,238
Interest	-	-	(259)
<b>Total Revenues</b>	<u>500,000</u>	<u>500,000</u>	<u>378,979</u>
<b>Expenditures</b>			
Economic Development			
Contracted Services	36,022	36,022	35,977
Debt Service			
Principal Retirement	330,000	330,000	330,000
Interest and Fiscal Charges	115,746	115,746	115,745
<b>Total Expenditures</b>	<u>481,768</u>	<u>481,768</u>	<u>481,722</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	18,232	18,232	(102,743)
<b>Other Financing Sources</b>			
Debt Issuance	-	-	28,033
<b>Net Change in Fund Balance</b>	<u>18,232</u>	<u>18,232</u>	(74,710)
<b>Fund Balance - Beginning</b>			<u>(375,864)</u>
<b>Fund Balance - Ending</b>			<u>(450,574)</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Special Service Area #1 Algonquin Parkway - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 78,341	78,341	80,786
Intergovernmental	45,000	45,000	-
Interest	-	-	(232)
Total Revenues	<u>123,341</u>	<u>123,341</u>	<u>80,554</u>
Expenditures			
Public Works			
Contracted Services	<u>54,153</u>	<u>54,153</u>	<u>8,153</u>
Net Change in Fund Balance	<u>69,188</u>	<u>69,188</u>	72,401
Fund Balance - Beginning			<u>(230,648)</u>
Fund Balance - Ending			<u>(158,247)</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Special Service Area #3 Marketplace - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ -	-	-
Expenditures			
Public Works	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Other Financing (Uses)			
Transfers Out	(29,500)	(29,500)	(30,781)
Net Change in Fund Balance	<u>(29,500)</u>	<u>(29,500)</u>	(30,781)
Fund Balance - Beginning			<u>30,781</u>
Fund Balance - Ending			<u>-</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Route 53 - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 200	200	27
Expenditures			
Capital Outlay	123,364	123,364	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(123,164)	(123,164)	27
Other Financing Sources			
Transfers In	100,000	100,000	-
Net Change in Fund Balance	<u>(23,164)</u>	<u>(23,164)</u>	27
Fund Balance - Beginning			<u>23,725</u>
Fund Balance - Ending			<u><u>23,752</u></u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Plum Grove Road - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	(626)
Miscellaneous	503,000	503,000	203,697
Total Revenues	503,000	503,000	203,071
Expenditures			
Capital Outlay	-	-	13,439
Excess (Deficiency) of Revenues Over (Under) Expenditures	503,000	503,000	189,632
Other Financing Sources			
Transfers In	50,000	50,000	-
Net Change in Fund Balance	553,000	553,000	189,632
Fund Balance - Beginning			(623,904)
Fund Balance - Ending			(434,272)

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Fire Station - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	1,181
Expenditures			
Capital Outlay	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	1,181
Other Financing Sources			
Transfers In	1,066,950	1,066,950	1,066,950
Net Change in Fund Balance	<u>1,066,950</u>	<u>1,066,950</u>	1,068,131
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u>1,068,131</u>

## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

### **Water Fund**

The Water Fund is used to account for all resources collected and used to provide water services to the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration of billings and collections, operations, and maintenance of the water distribution system. The City water distribution system includes elevated tanks, reservoirs, fire hydrants, meters, and numerous miles of water mains.

### **Sewer Fund**

The Sewer Fund is used to account for all resources collected and used to provide sanitary sewer services to the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration of billings and collections, operations, and maintenance of sanitary sewer systems.

### **Refuse Collection Fund**

The Refuse Collection Fund is used to account for all the resources collected and used to provide waste collection and disposal services to the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration of billings and collections, operations, and maintenance of the waste collection vehicles.

### **Stormwater Management Fund**

The Stormwater Management Fund is used to account for the resources collected to finance storm water runoff and creek bank improvements.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Water - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 4,811,100	4,811,100	4,938,733
Miscellaneous	290,150	290,150	490,154
Total Operating Revenues	<u>5,101,250</u>	<u>5,101,250</u>	<u>5,428,887</u>
Operating Expenses			
Administration	477,469	477,469	497,172
Public Works	392,354	392,354	392,354
Operations	4,595,781	4,595,781	3,713,825
Depreciation and Amortization	-	-	217,606
Total Operating Expenses	<u>5,465,604</u>	<u>5,465,604</u>	<u>4,820,957</u>
Operating Income (Loss)	<u>(364,354)</u>	<u>(364,354)</u>	<u>607,930</u>
Nonoperating Revenues (Expenses)			
Interest Income	2,500	2,500	13,265
Interest Expense	(19,387)	(19,387)	(38,740)
	<u>(16,887)</u>	<u>(16,887)</u>	<u>(25,475)</u>
Income (Loss) Before Transfers	(381,241)	(381,241)	582,455
Transfers Out	<u>(57,185)</u>	<u>(77,185)</u>	<u>(103,435)</u>
Change in Net Assets	<u>(438,426)</u>	<u>(458,426)</u>	479,020
Net Assets - Beginning			<u>3,855,805</u>
Net Assets - Ending			<u>4,334,825</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Water - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Administration</b>			
Salaries and Wages	\$ 169,724	169,724	166,520
Benefits	64,199	64,199	66,191
Contracted Services	242,546	242,546	263,719
Supplies	1,000	1,000	742
<b>Total Administration</b>	<b>477,469</b>	<b>477,469</b>	<b>497,172</b>
<b>Public Works</b>			
Contracted Services	392,354	392,354	392,354
<b>Operations</b>			
<b>Water Production</b>			
Salaries and Wages	110,432	110,432	96,730
Benefits	49,074	49,074	47,952
Contracted Services	128,490	128,490	143,785
Supplies	2,185,365	2,185,365	2,511,816
<b>Total Water Production</b>	<b>2,473,361</b>	<b>2,473,361</b>	<b>2,800,283</b>
<b>Water Distribution</b>			
Salaries and Wages	385,855	385,855	406,025
Benefits	157,908	157,908	162,899
Contracted Services	94,256	94,256	57,431
Supplies	11,731	11,731	6,812
Machinery & Equipment	1,086,750	1,086,750	(20,000)
<b>Total Water Distribution</b>	<b>1,736,500</b>	<b>1,736,500</b>	<b>613,167</b>
<b>Meter Controls</b>			
Salaries and Wages	-	-	(4,805)
Contracted Services	10,500	10,500	725
Supplies	53,120	53,120	8,611
<b>Total Meter Controls</b>	<b>63,620</b>	<b>63,620</b>	<b>4,531</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Water - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operations - Continued			
Underground Utilities			
Salaries and Wages	\$ 184,783	184,783	170,103
Benefits	58,171	58,171	66,462
Contracted Services	29,000	29,000	23,401
Supplies	50,346	50,346	35,878
Total Underground Utilities	322,300	322,300	295,844
Total Operations	4,595,781	4,595,781	3,713,825
Depreciation and Amortization	-	-	217,606
Total Operating Expenses	5,465,604	5,465,604	4,820,957

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Sewer - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,621,360	1,621,360	1,641,248
Miscellaneous	21,000	21,000	22,523
Total Operating Revenues	<u>1,642,360</u>	<u>1,642,360</u>	<u>1,663,771</u>
Operating Expenses			
Administration	314,773	314,773	331,230
Public Works	127,826	127,826	127,826
Operations	1,039,056	1,039,056	638,738
Depreciation	-	-	207,588
Total Operating Expenses	<u>1,481,655</u>	<u>1,481,655</u>	<u>1,305,382</u>
Income Before Transfers	160,705	160,705	358,389
Transfers Out	<u>(191,677)</u>	<u>(286,677)</u>	<u>(286,677)</u>
Change in Net Assets	<u>(30,972)</u>	<u>(125,972)</u>	71,712
Net Assets - Beginning			<u>3,293,298</u>
Net Assets - Ending			<u>3,365,010</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Sewer - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Administration</b>			
Salaries and Wages	\$ 111,188	111,188	115,583
Benefits	28,857	28,857	38,604
Contracted Services	174,228	174,228	176,670
Supplies	500	500	373
<b>Total Administration</b>	<b>314,773</b>	<b>314,773</b>	<b>331,230</b>
<b>Public Works</b>			
Contracted Services	127,826	127,826	127,826
<b>Operations</b>			
Salaries and Wages	342,997	342,997	392,856
Benefits	145,084	145,084	145,969
Contracted Services	86,175	86,175	38,970
Supplies	65,800	65,800	47,377
Machinery & Equipment	399,000	399,000	13,566
<b>Total Operations</b>	<b>1,039,056</b>	<b>1,039,056</b>	<b>638,738</b>
<b>Depreciation</b>	-	-	207,588
<b>Total Operating Expenses</b>	<b>1,481,655</b>	<b>1,481,655</b>	<b>1,305,382</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Refuse Collection - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,393,882	2,393,882	2,386,636
Miscellaneous	84,530	84,530	95,282
Total Operating Revenues	<u>2,478,412</u>	<u>2,478,412</u>	<u>2,481,918</u>
Operating Expenses			
Administration	1,113,572	1,113,572	599,841
Operations	1,592,798	1,592,798	1,803,971
Depreciation and Amortization	-	-	57,555
Total Operating Expenses	<u>2,706,370</u>	<u>2,706,370</u>	<u>2,461,367</u>
Operating Income (Loss)	<u>(227,958)</u>	<u>(227,958)</u>	<u>20,551</u>
Nonoperating Revenues (Expenses)			
Interest Income	3,000	3,000	133
Interest Expense	(9,717)	(9,717)	(9,996)
	<u>(6,717)</u>	<u>(6,717)</u>	<u>(9,863)</u>
Change in Net Assets	<u>(234,675)</u>	<u>(234,675)</u>	10,688
Net Assets - Beginning			<u>442,237</u>
Net Assets - Ending			<u><u>452,925</u></u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Refuse Collection - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Administration			
Salaries and Wages	\$ 111,188	111,188	114,893
Benefits	37,242	37,242	39,140
Contracted Services	964,892	964,892	445,682
Supplies	250	250	126
Total Administration	1,113,572	1,113,572	599,841
Operations			
Salaries and Wages	372,565	372,565	369,989
Benefits	144,617	144,617	141,376
Contracted Services	1,074,716	1,074,716	1,288,037
Supplies	900	900	4,569
Total Operations	1,592,798	1,592,798	1,803,971
Depreciation and Amortization	-	-	57,555
Total Operating Expenses	2,706,370	2,706,370	2,461,367

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Stormwater Management - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 529,400	529,400	537,516
Miscellaneous	7,533	7,533	7,947
Total Operating Revenues	<u>536,933</u>	<u>536,933</u>	<u>545,463</u>
Operating Expenses			
Administration	51,567	51,567	51,567
Operations	298,511	298,511	198,544
Depreciation	-	-	141,239
Total Operating Expenses	<u>350,078</u>	<u>350,078</u>	<u>391,350</u>
Operating Income	<u>186,855</u>	<u>186,855</u>	<u>154,113</u>
Nonoperating Revenues (Expenses)			
Operating Grants	-	-	350,472
Interest Income	1,750	1,750	2
Interest Expense	(85,066)	(85,066)	(85,065)
	<u>(83,316)</u>	<u>(83,316)</u>	<u>265,409</u>
Income Before Transfers	103,539	103,539	419,522
Transfers Out	<u>(14,602)</u>	<u>(14,602)</u>	<u>(14,602)</u>
Change in Net Assets	<u>88,937</u>	<u>88,937</u>	404,920
Net Assets - Beginning			<u>249,020</u>
Net Assets - Ending			<u>653,940</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Stormwater Management - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Administration</b>			
Contracted Services	\$ 51,567	51,567	51,567
<b>Debt Service</b>			
Principal Retirement	125,000	125,000	-
Interest Expense	85,066	85,066	85,065
	210,066	210,066	85,065
<b>Less Nonoperating Items</b>			
Debt Service	(210,066)	(210,066)	(85,065)
Total Debt Service	-	-	-
<b>Total Administration</b>	51,567	51,567	51,567
<b>Operations</b>			
Salaries and Wages	69,990	69,990	66,109
Benefits	19,171	19,171	18,127
Contracted Services	104,850	104,850	107,676
Supplies	27,500	27,500	12,271
Machinery & Equipment	77,000	77,000	(5,639)
<b>Total Operations</b>	298,511	298,511	198,544
<b>Depreciation</b>	-	-	141,239
<b>Total Operating Expenses</b>	350,078	350,078	391,350

## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

### **Municipal Garage Fund**

The Municipal Garage Fund is used to account for the resources collected from other City departments used to provide maintenance to City vehicles and major equipment/machinery.

### **Vehicle Replacement Fund**

The Vehicle Replacement Fund is used to account for the resources collected from other City departments used in replacing City vehicles and major equipment.

### **Buildings and Land Fund**

The Buildings and Land Fund is used to account for the resources collected from other City departments used for the purchase of land or buildings, or the remodeling, renovation, and expansion of current buildings.

### **Liability Insurance Fund**

The Liability Insurance Fund is used to account for the resources collected from other City departments used to manage funding of the property/casualty/workers compensation claims.

### **Health Insurance Fund**

The Health Insurance Fund is used to account for resources collected from other City departments to fund the City's portion of health insurance premiums as well as those of retired employees.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Combining Statement of Net Assets  
Internal Service Funds**

**December 31, 2009**

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**See Following Page**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Combining Statement of Net Assets  
Internal Service Funds**

**December 31, 2009**

	<u>Municipal Garage</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ -
Receivables - Net of Allowances - Accounts	2,801
Due from Other Funds	110,368
Prepays	-
Total Current Assets	<u>113,169</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	-
Depreciable	9,247
Accumulated Depreciation	<u>(2,774)</u>
	<u>6,473</u>
Other Assets	
Unamortized Bond Issuance Costs	-
Total Noncurrent Assets	<u>6,473</u>
Total Assets	<u>119,642</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	19,127
Deposits Payable	-
Due to Other Funds	-
Compensated Absences Payable	6,879
Capital Leases Payable	1,849
General Obligation Bonds Payable	-
Total Current Liabilities	<u>27,855</u>
Noncurrent Liabilities	
Compensated Absences Payable	128,295
Capital Leases Payable	3,853
General Obligation Bonds Payable	-
Total Noncurrent Liabilities	<u>132,148</u>
Total Liabilities	<u>160,003</u>
<b>NET ASSETS</b>	
Invested in Capital Assets - Net of Related Debt	771
Unrestricted	<u>(41,132)</u>
Total Net Assets	<u>(40,361)</u>

Vehicle Replacement	Buildings and Land	Liability Insurance	Health Insurance	Totals
-	-	-	-	-
-	-	-	-	2,801
1,552,824	-	23,026	-	1,686,218
-	150	580,527	2,144,115	2,724,792
1,552,824	150	603,553	2,144,115	4,413,811
133,343	285,718	-	-	419,061
5,734,940	2,764,327	-	-	8,508,514
(4,277,822)	(746,422)	-	-	(5,027,018)
1,590,461	2,303,623	-	-	3,900,557
4,632	-	-	-	4,632
1,595,093	2,303,623	-	-	3,905,189
3,147,917	2,303,773	603,553	2,144,115	8,319,000
1,227	14,938	4,592	251,073	290,957
-	-	-	313,559	313,559
-	294,979	-	166,451	461,430
-	-	-	-	6,879
61,807	-	-	-	63,656
60,000	-	-	-	60,000
123,034	309,917	4,592	731,083	1,196,481
-	-	-	-	128,295
347,399	-	-	-	351,252
200,000	-	-	-	200,000
547,399	-	-	-	679,547
670,433	309,917	4,592	731,083	1,876,028
921,255	2,303,623	-	-	3,225,649
1,556,229	(309,767)	598,961	1,413,032	3,217,323
2,477,484	1,993,856	598,961	1,413,032	6,442,972

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Combining Statement of Revenues, Expenses and Changes in Net Assets  
Internal Service Funds**

**Year Ended December 31, 2009**

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	\$ 981,857
Miscellaneous	9,104
Total Operating Revenues	<u>990,961</u>
Operating Expenses	
Administration	934,539
Public Safety	-
Public Works	-
Depreciation and Amortization	1,849
Total Operating Expenses	<u>936,388</u>
Operating Income (Loss)	<u>54,573</u>
Nonoperating Revenues (Expenses)	
Disposal of Capital Assets	-
Interest Income	91
Interest Expense	-
	<u>91</u>
Income (Loss) Before Transfers	54,664
Transfers In	-
Transfers Out	-
	<u>-</u>
Change in Net Assets	54,664
Net Assets - Beginning	<u>(95,025)</u>
Net Assets - Ending	<u><u>(40,361)</u></u>

Vehicle Replacement	Buildings and Land	Liability Insurance	Health Insurance	Totals
308,260	423,109	619,999	2,347,512	4,680,737
87,111	23,310	196,650	1,075,339	1,391,514
395,371	446,419	816,649	3,422,851	6,072,251
150	-	1,917,344	4,139,086	6,991,119
77,464	-	-	-	77,464
-	192,611	-	-	192,611
475,629	186,460	-	-	663,938
553,243	379,071	1,917,344	4,139,086	7,925,132
(157,872)	67,348	(1,100,695)	(716,235)	(1,852,881)
39,378	-	-	-	39,378
1,904	(432)	(134)	(101)	1,328
(35,600)	-	-	-	(35,600)
5,682	(432)	(134)	(101)	5,106
(152,190)	66,916	(1,100,829)	(716,336)	(1,847,775)
-	1,365,357	-	-	1,365,357
-	(1,066,950)	-	-	(1,066,950)
(152,190)	365,323	(1,100,829)	(716,336)	(1,549,368)
2,629,674	1,628,533	1,699,790	2,129,368	7,992,340
2,477,484	1,993,856	598,961	1,413,032	6,442,972

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Combining Statement of Cash Flows  
Internal Service Funds**

**Year Ended December 31, 2009**

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Interfund Services Provided	\$ 946,903
Payments to Suppliers	(627,840)
Payments to Employees	(317,304)
	<u>1,759</u>
Cash Flows from Noncapital Financing Activities	
Transfers In	-
Transfers Out	-
	<u>-</u>
Cash Flows from Capital and Related Financing Activities	
Disposal of Capital Assets	-
Proceeds on Debt Issued	-
Principal Paid on Debt	(1,850)
Interest Paid on Debt	-
	<u>(1,850)</u>
Cash Flows from Investing Activities	
Interest Received	91
Net Change in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning	-
Cash and Cash Equivalents - Ending	<u>-</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	54,573
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities	
Depreciation and Amortization	1,849
(Increase) Decrease in Current Assets	(44,058)
Increase (Decrease) in Current Liabilities	(10,605)
Net Cash Provided by Operating Activities	<u>1,759</u>

Vehicle Replacement	Buildings and Land	Liability Insurance	Health Insurance	Totals
652,593	875,110	1,917,781	3,969,948	8,362,335
(251,746)	113,808	(1,917,647)	(3,969,847)	(6,653,272)
-	-	-	-	(317,304)
400,847	988,918	134	101	1,391,759
-	1,365,357	-	-	1,365,357
-	(1,066,950)	-	-	(1,066,950)
-	298,407	-	-	298,407
(241,675)	(57,845)	-	-	(299,520)
-	-	-	-	-
(125,476)	(1,229,048)	-	-	(1,356,374)
(35,600)	-	-	-	(35,600)
(402,751)	(1,286,893)	-	-	(1,691,494)
1,904	(432)	(134)	(101)	1,328
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(157,872)	67,348	(1,100,695)	(716,235)	(1,852,881)
-	-	-	-	-
-	-	-	-	-
475,629	186,460	-	-	663,938
257,222	428,691	1,101,132	547,097	2,290,084
(174,132)	306,419	(303)	169,239	290,618
400,847	988,918	134	101	1,391,759

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Municipal Garage - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 989,829	989,829	981,857
Miscellaneous	1,800	1,800	9,104
Total Operating Revenues	<u>991,629</u>	<u>991,629</u>	<u>990,961</u>
Operating Expenses			
Administration			
Motor Pool			
Salaries and Wages	305,367	305,367	317,304
Benefits	116,755	116,755	115,357
Contracted Services	144,983	144,983	146,901
Supplies	456,626	456,626	354,977
Depreciation and Amortization	-	-	1,849
Total Operating Expenses	<u>1,023,731</u>	<u>1,023,731</u>	<u>936,388</u>
Operating Income (Loss)	(32,102)	(32,102)	54,573
Nonoperating Revenues			
Interest Income	<u>4,000</u>	<u>4,000</u>	<u>91</u>
Change in Net Assets	<u>(28,102)</u>	<u>(28,102)</u>	54,664
Net Assets - Beginning			<u>(95,025)</u>
Net Assets - Ending			<u>(40,361)</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Vehicle Replacement - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 508,260	508,260	308,260
Miscellaneous	476,203	87,111	87,111
Total Operating Revenues	<u>984,463</u>	<u>595,371</u>	<u>395,371</u>
Operating Expenses			
Administration	1,200	1,200	150
Public Safety	788,414	356,090	77,464
Depreciation and Amortization	-	-	475,629
Total Operating Expenses	<u>789,614</u>	<u>357,290</u>	<u>553,243</u>
Operating Income (Loss)	<u>194,849</u>	<u>238,081</u>	<u>(157,872)</u>
Nonoperating Revenues (Expenses)			
Disposal of Capital Assets	20,000	20,000	39,378
Interest Income	25,000	25,000	1,904
Interest Expense	(34,613)	(34,613)	(35,600)
	<u>10,387</u>	<u>10,387</u>	<u>5,682</u>
Change in Net Assets	<u>205,236</u>	<u>248,468</u>	(152,190)
Net Assets - Beginning			<u>2,629,674</u>
Net Assets - Ending			<u>2,477,484</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Buildings and Land - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 623,109	623,109	423,109
Miscellaneous	22,000	22,000	23,310
Total Operating Revenues	<u>645,109</u>	<u>645,109</u>	<u>446,419</u>
Operating Expenses			
Public Works	245,590	245,590	192,611
Depreciation and Amortization	-	-	186,460
Total Operating Expenses	<u>245,590</u>	<u>245,590</u>	<u>379,071</u>
Operating Income	399,519	399,519	67,348
Nonoperating Revenues			
Interest Income	-	-	(432)
Income Before Transfers	399,519	399,519	66,916
Transfers In	150,000	150,000	1,365,357
Transfers Out	<u>(1,066,950)</u>	<u>(1,066,950)</u>	<u>(1,066,950)</u>
Change in Net Assets	<u>(517,431)</u>	<u>(517,431)</u>	365,323
Net Assets - Beginning			<u>1,628,533</u>
Net Assets - Ending			<u>1,993,856</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Liability Insurance - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 619,999	619,999	619,999
Miscellaneous			
Insurance Rebate	218,000	218,000	196,650
Total Operating Revenues	<u>837,999</u>	<u>837,999</u>	<u>816,649</u>
Operating Expenses			
Administration			
Liability Insurance	804,000	804,000	804,560
Unemployment	2,500	2,500	54,294
Reimbursable Repairs	20,000	20,000	11,831
Change to Insurance Reserves	-	-	1,046,659
Total Operating Expenses	<u>826,500</u>	<u>826,500</u>	<u>1,917,344</u>
Operating Income (Loss)	11,499	11,499	(1,100,695)
Nonoperating Revenues			
Interest Income	-	-	(134)
Change in Net Assets	<u>11,499</u>	<u>11,499</u>	(1,100,829)
Net Assets - Beginning			<u>1,699,790</u>
Net Assets - Ending			<u><u>598,961</u></u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Health Insurance - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
<b>Operating Revenues</b>			
Interfund Services	\$ 2,801,364	2,801,364	2,347,512
Miscellaneous			
Employee Contributions	255,000	255,000	336,702
Retiree Contributions	383,736	383,736	455,257
Other	-	-	283,380
<b>Total Operating Revenues</b>	<b>3,440,100</b>	<b>3,440,100</b>	<b>3,422,851</b>
<b>Operating Expenses</b>			
Administration			
Group Health			
PPO White	1,238,000	1,238,000	1,180,199
PPO Blue	165,000	165,000	114,177
HMO	1,298,000	1,298,000	1,344,067
Retirees	380,719	380,719	427,837
PSEBA	-	-	8,171
Dental Insurance			
PPO	68,216	68,216	78,996
HMO	78,989	78,989	51,454
Retirees	2,961	2,961	3,469
Life Insurance	30,312	30,312	30,859
Medical Waivers	691	691	757
Retiree Payouts	300,000	300,000	896,896
Other	2,500	2,500	2,204
<b>Total Operating Expenses</b>	<b>3,565,388</b>	<b>3,565,388</b>	<b>4,139,086</b>
<b>Operating Income (Loss)</b>	<b>(125,288)</b>	<b>(125,288)</b>	<b>(716,235)</b>
<b>Nonoperating Revenues</b>			
Interest Income	4,500	4,500	(101)
<b>Change in Net Assets</b>	<b>(120,788)</b>	<b>(120,788)</b>	<b>(716,336)</b>
<b>Net Assets - Beginning</b>			<b>2,129,368</b>
<b>Net Assets - Ending</b>			<b>1,413,032</b>

## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

#### **Firefighters' Pension Fund**

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

### **AGENCY FUNDS**

#### **Compliance Deposits Fund**

The Compliance Deposits Fund is used to account for money paid to the City pursuant to zoning and building codes.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Net Plan Assets  
December 31, 2009**

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	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,000,518	1,136,181	2,136,699
Investments			
U.S. Government and Agency Obligations	10,798,521	9,819,841	20,618,362
Mutual Funds	8,257,540	7,048,459	15,305,999
Common Stock	1,973,405	-	1,973,405
Insurance Company Contracts	-	168,815	168,815
Receivables			
Accrued Interest	45,076	69,016	114,092
Prepays	-	780	780
Total Assets	22,075,060	18,243,092	40,318,152
<b>LIABILITIES</b>			
Liabilities			
Accounts Payable	19,582	7,298	26,880
<b>NET ASSETS</b>			
Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	22,055,478	18,235,794	40,291,272

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**CITY OF ROLLING MEADOWS, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Changes in Net Plan Assets  
Year Ended December 31, 2009**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 1,022,014	1,014,127	2,036,141
Contributions - Plan Members	493,970	374,519	868,489
Contributions - Prior Year	8,415	-	8,415
Miscellaneous	-	117	117
<b>Total Contributions</b>	<b>1,524,399</b>	<b>1,388,763</b>	<b>2,913,162</b>
<b>Investment Earnings</b>			
Interest Earned	803,492	2,940,947	3,744,439
Net Change in Fair Value	1,711,518	(505,186)	1,206,332
	2,515,010	2,435,761	4,950,771
Less Investment Expenses	(74,844)	(77,012)	(151,856)
<b>Net Investment Income</b>	<b>2,440,166</b>	<b>2,358,749</b>	<b>4,798,915</b>
<b>Total Additions</b>	<b>3,964,565</b>	<b>3,747,512</b>	<b>7,712,077</b>
<b>Deductions</b>			
Administration	52,702	36,676	89,378
Benefits and Refunds	1,600,376	1,783,700	3,384,076
<b>Total Deductions</b>	<b>1,653,078</b>	<b>1,820,376</b>	<b>3,473,454</b>
<b>Change in Net Assets</b>	<b>2,311,487</b>	<b>1,927,136</b>	<b>4,238,623</b>
<b>Net Assets - Beginning as Restated</b>	<b>19,743,991</b>	<b>16,308,658</b>	<b>36,052,649</b>
<b>Net Assets - Ending</b>	<b>22,055,478</b>	<b>18,235,794</b>	<b>40,291,272</b>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Compliance Deposits - Agency Fund**

**Statement of Changes in Assets and Liabilities  
December 31, 2009**

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	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
<b>ASSETS</b>				
Cash and Investments	<u>\$ 357,776</u>	<u>149,380</u>	<u>232,533</u>	<u>274,623</u>
<b>LIABILITIES</b>				
Accounts Payable	6,047	2,440	6,047	2,440
Deposits Payable	<u>351,729</u>	<u>146,940</u>	<u>226,486</u>	<u>272,183</u>
Total Liabilities	<u>357,776</u>	<u>149,380</u>	<u>232,533</u>	<u>274,623</u>

## **SUPPLEMENTAL SECTION**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2002A**

**December 31, 2009**

Date of Issue	April 15, 2002
Date of Maturity	December 1, 2018
Authorized Issue	\$4,885,000
Denomination of Bonds	\$5,000
Interest Rates	4.40% - 4.90%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 335,000	172,912	507,912	2010	86,456	2010	86,456
2010	355,000	157,668	512,668	2011	78,834	2011	78,834
2011	370,000	141,516	511,516	2012	70,758	2012	70,758
2012	385,000	124,682	509,682	2013	62,341	2013	62,341
2013	405,000	106,876	511,876	2014	53,438	2014	53,438
2014	420,000	87,840	507,840	2015	43,920	2015	43,920
2015	440,000	67,890	507,890	2016	33,945	2016	33,945
2016	465,000	46,550	511,550	2017	23,275	2017	23,275
2017	485,000	23,766	508,766	2018	11,883	2018	11,883
	<u>3,660,000</u>	<u>929,700</u>	<u>4,589,700</u>		<u>464,850</u>		<u>464,850</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2002B**

**December 31, 2009**

Date of Issue	June 15, 2002
Date of Maturity	December 1, 2020
Authorized Issue	\$2,600,000
Denomination of Bonds	\$5,000
Interest Rates	3.65% - 4.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 130,000	80,254	210,254	2010	40,127	2010	40,127
2010	135,000	75,118	210,118	2011	37,559	2011	37,559
2011	140,000	69,718	209,718	2012	34,859	2012	34,859
2012	150,000	63,908	213,908	2013	31,954	2013	31,954
2013	155,000	57,534	212,534	2014	28,767	2014	28,767
2014	160,000	50,790	210,790	2015	25,395	2015	25,395
2015	170,000	43,670	213,670	2016	21,835	2016	21,835
2016	180,000	36,020	216,020	2017	18,010	2017	18,010
2017	185,000	27,696	212,696	2018	13,848	2018	13,848
2018	195,000	19,000	214,000	2019	9,500	2019	9,500
2019	205,000	9,738	214,738	2020	4,869	2020	4,869
	<u>1,805,000</u>	<u>533,446</u>	<u>2,338,446</u>		<u>266,723</u>		<u>266,723</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2003**

**December 31, 2009**

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Date of Issue	March 15, 2003
Date of Maturity	January 1, 2018
Authorized Issue	\$4,030,000
Denomination of Bonds	\$5,000
Interest Rates	2.90% - 3.70%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2009	\$ 340,000	105,846	445,846	2010	52,923	2011	52,923
2010	350,000	94,626	444,626	2011	47,313	2012	47,313
2011	365,000	82,900	447,900	2012	41,450	2013	41,450
2012	375,000	70,672	445,672	2013	35,336	2014	35,336
2013	390,000	58,110	448,110	2014	29,055	2015	29,055
2014	400,000	44,850	444,850	2015	22,425	2016	22,425
2015	415,000	30,850	445,850	2016	15,425	2017	15,425
2016	430,000	15,910	445,910	2017	7,955	2018	7,955
	<u>3,065,000</u>	<u>503,764</u>	<u>3,568,764</u>		<u>251,882</u>		<u>251,882</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2004**

**December 31, 2009**

Date of Issue	September 15, 2004
Date of Maturity	January 1, 2024
Authorized Issue	\$8,070,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% - 4.40%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2009	\$ 270,000	277,662	547,662	2010	138,831	2011	138,831
2010	295,000	268,482	563,482	2011	134,241	2012	134,241
2011	325,000	258,452	583,452	2012	129,226	2013	129,226
2012	355,000	247,076	602,076	2013	123,538	2014	123,538
2013	390,000	234,652	624,652	2014	117,326	2015	117,326
2014	420,000	220,612	640,612	2015	110,306	2016	110,306
2015	460,000	205,072	665,072	2016	102,536	2017	102,536
2016	500,000	187,592	687,592	2017	93,796	2018	93,796
2017	540,000	168,092	708,092	2018	84,046	2019	84,046
2018	585,000	146,492	731,492	2019	73,246	2020	73,246
2019	630,000	122,360	752,360	2020	61,180	2021	61,180
2020	680,000	95,900	775,900	2021	47,950	2022	47,950
2021	730,000	66,660	796,660	2022	33,330	2023	33,330
2022	785,000	34,540	819,540	2023	17,270	2024	17,270
	<u>6,965,000</u>	<u>2,533,644</u>	<u>9,498,644</u>		<u>1,266,822</u>		<u>1,266,822</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2005**

**December 31, 2009**

Date of Issue	November 1, 2005
Date of Maturity	December 1, 2017
Authorized Issue	\$7,425,000
Denomination of Bonds	\$5,000
Interest Rates	3.75% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 625,000	224,838	849,838	2010	112,419	2010	112,419
2010	645,000	201,400	846,400	2011	100,700	2011	100,700
2011	670,000	175,600	845,600	2012	87,800	2012	87,800
2012	690,000	148,800	838,800	2013	74,400	2013	74,400
2013	715,000	121,200	836,200	2014	60,600	2014	60,600
2014	745,000	92,600	837,600	2015	46,300	2015	46,300
2015	770,000	62,800	832,800	2016	31,400	2016	31,400
2016	800,000	32,000	832,000	2017	16,000	2017	16,000
	<u>5,660,000</u>	<u>1,059,238</u>	<u>6,719,238</u>		<u>529,619</u>		<u>529,619</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2007**

**December 31, 2009**

Date of Issue	May 1, 2007
Date of Maturity	December 1, 2013
Authorized Issue	\$410,000
Denomination of Bonds	\$5,000
Interest Rates	3.95% - 4.15%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Harris Bank N.A. Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 60,000	10,540	70,540	2010	5,270	2010	5,270
2010	65,000	8,170	73,170	2011	4,085	2011	4,085
2011	65,000	5,570	70,570	2012	2,785	2012	2,785
2012	70,000	2,904	72,904	2013	1,452	2013	1,452
	<u>260,000</u>	<u>27,184</u>	<u>287,184</u>		<u>13,592</u>		<u>13,592</u>

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2007A**

**December 31, 2009**

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Date of Issue	December 31, 2007
Date of Maturity	December 1, 2017
Authorized Issue	\$2,835,000
Denomination of Bonds	\$5,000
Interest Rates	3.512%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank of America Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 260,000	82,884	342,884	2010	41,442	2010	41,442
2010	270,000	73,752	343,752	2011	36,876	2011	36,876
2011	280,000	64,270	344,270	2012	32,135	2012	32,135
2012	290,000	54,436	344,436	2013	27,218	2013	27,218
2013	300,000	44,250	344,250	2014	22,125	2014	22,125
2014	310,000	33,714	343,714	2015	16,857	2015	16,857
2015	320,000	22,828	342,828	2016	11,414	2016	11,414
2016	330,000	11,590	341,590	2017	5,795	2017	5,795
	<u>2,360,000</u>	<u>387,724</u>	<u>2,747,724</u>		<u>193,862</u>		<u>193,862</u>

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Net Assets by Component - Last Eight Fiscal Years\*  
December 31, 2009 (Unaudited)**

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**See Following Page**

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Net Assets by Component - Last Eight Fiscal Years\*  
December 31, 2009 (Unaudited)**

	2002	2003
<b>Governmental Activities</b>		
Invested in Capital Assets - Net of Related Debt	\$ 114,467,959	118,105,904
Restricted	9,574,375	9,237,670
Unrestricted	10,293,208	4,810,686
<b>Total Governmental Activities Net Assets</b>	<u>134,335,542</u>	<u>132,154,260</u>
<b>Business-Type Activities</b>		
Invested in Capital Assets - Net of Related Debt	3,800,644	5,310,646
Restricted	-	-
Unrestricted	5,369,935	2,983,549
<b>Total Business-Type Activities Net Assets</b>	<u>9,170,579</u>	<u>8,294,195</u>
<b>Primary Government</b>		
Invested in Capital Assets - Net of Related Debt	118,268,603	123,416,550
Restricted	9,574,375	9,237,670
Unrestricted	15,663,143	7,794,235
<b>Total Primary Government Net Assets</b>	<u>143,506,121</u>	<u>140,448,455</u>

\* Accrual Basis of Accounting

Data Source: Audited Financial Statements

Note: The City adopted GASB No. 34 for the year ended December 31, 2002.

2004	2005	2006	2007	2008	2009
110,976,358	104,921,357	109,358,442	105,646,508	109,272,518	108,882,307
7,452,856	13,012,711	5,940,947	3,753,784	1,647,970	2,051,851
4,075,589	4,126,247	5,356,570	8,983,731	(5,930,130)	(5,645,470)
122,504,803	122,060,315	120,655,959	118,384,023	104,990,358	105,288,688
5,760,042	5,880,429	6,576,137	5,085,394	7,126,881	8,491,159
-	-	-	-	-	-
1,431,808	1,382,591	1,069,107	1,259,025	713,479	315,541
7,191,850	7,263,020	7,645,244	6,344,419	7,840,360	8,806,700
116,736,400	110,801,786	115,934,579	110,731,902	116,399,399	117,373,466
7,452,856	13,012,711	5,940,947	3,753,784	1,647,970	2,051,851
5,507,397	5,508,838	6,425,677	10,242,756	(5,216,651)	(5,329,929)
129,696,653	129,323,335	128,301,203	124,728,442	112,830,718	114,095,388

CITY OF ROLLING MEADOWS, ILLINOIS

Changes in Net Assets - Last Eight Fiscal Years\*  
December 31, 2009 (Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009
<b>Expenses</b>								
<b>Governmental Activities</b>								
General Government	\$ 6,842,446	5,830,572	7,521,694	6,145,099	3,490,225	4,721,609	5,050,686	5,142,807
Public Safety	12,214,412	13,576,522	14,351,010	15,253,378	16,061,263	19,927,423	20,450,625	18,504,150
Highways and Streets	1,060,477	1,019,805	1,142,852	1,869,904	5,012,517	4,476,613	2,639,761	1,063,134
Public Works	1,899,263	1,559,325	1,601,180	1,871,045	1,935,883	2,246,108	4,155,140	3,449,304
Health and Welfare	226,215	243,413	251,207	236,829	67,394	103,638	25,680	30,071
Economic Development	408,374	345,131	8,221,945	50,827	48,841	122,229	251,734	62,322
Interest on Long-Term Debt	577,846	594,438	615,250	844,525	1,021,232	922,866	1,050,211	913,918
Total Governmental Activities Expenses	23,229,033	23,169,206	33,705,138	26,271,607	27,637,355	32,520,486	33,623,837	29,165,706
<b>Business-Type Activities</b>								
Water	3,918,608	4,107,305	4,332,690	4,307,934	4,393,038	4,768,120	4,772,997	4,859,697
Sewer	1,239,791	1,000,747	823,218	764,523	982,322	1,251,397	1,178,925	1,305,382
Refuse	1,797,742	1,756,057	1,853,234	1,763,795	2,123,270	2,381,456	2,488,338	2,471,363
Storm Water Management	88,157	326,571	317,309	435,541	390,878	508,623	603,328	476,415
Street Light Utility	-	76,140	84,201	86,316	103,826	91,310	-	-
Total Business-Type Activities Expenses	7,044,298	7,266,820	7,410,652	7,358,109	7,993,334	9,000,906	9,043,588	9,112,857
Total Primary Government Expenses	30,273,331	30,436,026	41,115,790	33,629,716	35,630,689	41,521,392	42,667,425	38,278,563
<b>Program Revenues</b>								
<b>Governmental Activities</b>								
<b>Charges for Services</b>								
General Government	3,027,809	4,246,842	4,742,608	5,551,277	3,175,688	3,641,078	2,862,046	2,409,957
Public Safety	895,163	909,788	1,424,161	1,459,145	1,674,630	1,830,923	1,680,285	2,227,513
Highways and Streets	-	-	-	-	-	-	367,344	377,951
Public Works	-	-	-	-	-	-	40,000	-
Operating Grants/Contributions	120,069	2,622,898	103,324	72,863	179,560	56,871	131,846	87,436
Capital Grants/Contributions	815,879	761,664	716,557	787,515	756,145	1,004,163	862,720	868,063
Total Governmental Activities Program Revenues	4,858,920	8,541,192	6,986,650	7,870,800	5,786,023	6,533,035	5,944,241	5,970,920
<b>Business-Type Activities</b>								
<b>Charges for Services</b>								
Water	3,311,046	3,388,150	3,417,460	3,824,944	3,765,740	3,917,773	4,580,044	5,428,887
Sewer	965,318	1,020,144	1,011,446	1,115,544	1,200,544	1,277,885	1,576,209	1,663,771
Refuse	1,704,758	1,631,862	1,896,759	2,020,598	2,230,404	2,281,387	2,525,528	2,481,918
Storm Water Management	260,249	302,642	326,491	414,679	463,534	493,815	520,222	895,935
Street Light Utility	-	-	-	300	2,405	-	-	-
Operating Grants/Contributions	-	185,922	20,658	-	-	-	-	-
Capital Grants/Contributions	-	-	-	-	-	-	813,878	-
Total Business-Type Activities Program Revenues	6,241,371	6,528,720	6,672,814	7,376,065	7,662,627	7,970,860	10,015,881	10,470,511

Total Primary Government Program Revenues	11,100,291	15,069,912	13,659,464	15,246,865	13,448,650	14,503,895	15,960,122	16,441,431
	2002	2003	2004	2005	2006	2007	2008	2009
Net (Expense) Revenue								
Governmental Activities	\$ (18,370,113)	(14,628,014)	(26,718,488)	(18,400,807)	(21,851,332)	(25,987,451)	(27,679,596)	(23,194,786)
Business-Type Activities	(802,927)	(738,100)	(737,838)	17,956	(330,707)	(1,030,046)	972,293	1,357,654
<b>Total Primary Government Net (Expense) Revenue</b>	<b>(19,173,040)</b>	<b>(15,366,114)</b>	<b>(27,456,326)</b>	<b>(18,382,851)</b>	<b>(22,182,039)</b>	<b>(27,017,497)</b>	<b>(26,707,303)</b>	<b>(21,837,132)</b>
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Taxes								
Property	6,326,670	6,667,625	6,631,757	7,361,063	7,534,448	9,308,152	8,532,810	9,112,215
Sales and Home Rule	4,021,769	3,850,781	5,384,657	5,724,848	5,642,929	5,878,245	5,612,900	5,115,760
Income	1,624,833	1,511,770	1,574,803	1,851,239	2,015,888	2,196,417	2,326,382	1,999,825
Replacement	147,876	159,125	172,583	238,523	250,109	303,772	207,587	177,371
Hotel	273,810	259,596	263,684	248,527	304,677	265,716	451,898	288,634
Food and Beverage	1,129,800	899,494	1,250,607	1,276,799	1,318,674	1,339,008	1,293,970	1,221,391
Real Estate Transfer	525,481	661,454	912,866	802,639	594,248	386,091	269,663	191,259
Other Taxes	264,879	245,743	258,288	288,052	585,297	605,793	1,181,778	918,055
Electric Utility	-	-	-	-	-	-	-	1,301,016
Telecommunications Taxes	-	-	-	-	2,065,561	2,047,648	2,038,337	2,075,334
Interest	508,892	195,008	129,419	224,106	573,027	261,614	61,928	4,572
Miscellaneous	227,795	436,235	117,425	13,708	356,266	612,121	1,174,766	696,661
Gain (Loss) on Sale of Capital Assets	-	-	-	-	2,518	(4,137)	-	-
Transfers	228,065	448,816	372,942	(73,185)	(568,093)	700,644	(490,990)	404,714
<b>Total Governmental Activities</b>	<b>15,279,870</b>	<b>15,335,647</b>	<b>17,069,031</b>	<b>17,956,319</b>	<b>20,675,549</b>	<b>23,901,084</b>	<b>22,661,029</b>	<b>23,506,807</b>
Business-Type Activities								
Interest	102,865	39,422	8,435	(19,971)	(42,536)	(25,828)	32,658	13,400
Miscellaneous	332,093	111,836	-	-	3,300	88,161	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-	-	51,000	-	-	-
Transfers	(228,065)	(448,816)	(372,942)	73,185	568,093	(399,863)	490,990	(404,714)
<b>Total Business-Type Activities</b>	<b>206,893</b>	<b>(297,558)</b>	<b>(364,507)</b>	<b>53,214</b>	<b>579,857</b>	<b>(337,530)</b>	<b>523,648</b>	<b>(391,314)</b>
<b>Total Primary Government</b>	<b>15,486,763</b>	<b>15,038,089</b>	<b>16,704,524</b>	<b>18,009,533</b>	<b>21,255,406</b>	<b>23,563,554</b>	<b>23,184,677</b>	<b>23,115,493</b>
Changes in Net Assets								
Governmental Activities	(3,090,243)	707,633	(9,649,457)	(444,488)	(1,175,783)	(2,086,367)	(5,018,567)	312,021
Business-Type Activities	(596,034)	(1,035,658)	(1,102,345)	71,170	249,150	(1,367,576)	1,495,941	966,340
<b>Total Primary Government</b>	<b>(3,686,277)</b>	<b>(328,025)</b>	<b>(10,751,802)</b>	<b>(373,318)</b>	<b>(926,633)</b>	<b>(3,453,943)</b>	<b>(3,522,626)</b>	<b>1,278,361</b>

\* Accrual Basis of Accounting

Data Source: Audited Financial Statements

Note: The City adopted GASB No. 34 for the year ended December 31, 2002.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\*  
December 31, 2009 (Unaudited)**

	2000	2001	2002
<b>General Fund</b>			
Reserved	\$ 1,588,442	1,447,022	1,410,309
Unreserved	6,776,598	4,860,608	2,931,491
<b>Total General Fund</b>	<b>8,365,040</b>	<b>6,307,630</b>	<b>4,341,800</b>
<b>All Other Governmental Funds</b>			
Reserved	1,544,601	502,048	993,523
Unreserved, Reported in,			
Special Revenue Funds	854,118	1,113,062	1,058,323
Debt Service Funds	-	-	8,622,159
Capital Projects Funds	4,629,811	5,739,916	-
<b>Total All Other Governmental Funds</b>	<b>7,028,530</b>	<b>7,355,026</b>	<b>10,674,005</b>
<b>Total Fund Balances of All Governmental Funds</b>	<b>15,393,570</b>	<b>13,662,656</b>	<b>15,015,805</b>

\* Modified Accrual Basis of Accounting

Data Source: Audited Financial Statements

Note: The City moved the accounting for its insurance activities from the General Fund to two newly created internal service funds. The city also transferred certain capital projects funds to internal service funds.

2003	2004	2005	2006	2007	2008	2009
1,756,020	1,631,733	2,373,441	2,759,673	23,280	885,176	31,143
1,405,341	1,801,605	1,483,152	933,072	(558,108)	(3,259,880)	(755,684)
3,161,361	3,433,338	3,856,593	3,692,745	(534,828)	(2,374,704)	(724,541)
881,247	698,338	589,942	684,867	406,996	3,083	39,266
860,986	1,145,141	1,036,954	1,621,101	1,880,821	1,632,220	1,558,533
(70,912)	(60,449)	-	(11,785)	(94,750)	(202,957)	944,481
6,199,786	3,816,748	10,919,372	3,802,109	1,394,085	759,234	2,143,972
7,871,107	5,599,778	12,546,268	6,096,292	3,587,152	2,191,580	4,686,252
11,032,468	9,033,116	16,402,861	9,789,037	3,052,324	(183,124)	3,961,711

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\*  
December 31, 2009 (Unaudited)**

	2000	2001	2002
<b>Revenues</b>			
Taxes	\$ 12,463,689	11,771,213	12,653,281
Intergovernmental	3,496,643	3,634,770	2,846,593
Licenses and Permits	913,452	1,005,027	995,859
Charges for Services	1,085,387	1,157,911	1,181,818
Fines and Forfeitures	292,180	291,054	366,022
Interest	1,113,673	786,718	488,383
Miscellaneous	1,868,655	1,964,575	1,800,276
<b>Total Revenues</b>	<b>21,233,679</b>	<b>20,611,268</b>	<b>20,332,232</b>
<b>Expenditures</b>			
General Government	3,475,369	3,200,498	3,292,943
Public Safety	11,114,557	11,755,114	12,395,620
Highways and Streets	1,198,484	1,133,809	1,168,464
Public Works	1,329,028	1,438,328	1,356,053
Health and Welfare	176,208	163,579	228,616
Economic Development **	-	347,055	408,374
Capital Outlay	2,176,416	2,834,318	3,933,587
Debt Service			
Bond Defeasance	-	-	-
Professional Fees	-	-	-
Principal Retirement	875,000	898,883	855,000
Interest	516,889	415,745	553,491
<b>Total Expenditures</b>	<b>20,861,951</b>	<b>22,187,329</b>	<b>24,192,148</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>371,728</b>	<b>(1,576,061)</b>	<b>(3,859,916)</b>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	-	152,847	-
Debt Issuance	-	-	4,885,000
Premium/Discount on Debt Issuance	-	-	-
Transfers In	2,900,655	2,011,545	3,543,088
Transfers Out	(2,908,655)	(2,011,545)	(3,215,023)
<b>Total Other Financing Sources (Uses)</b>	<b>(8,000)</b>	<b>152,847</b>	<b>5,213,065</b>
<b>Net Change in Fund Balances</b>	<b>363,728</b>	<b>(1,423,214)</b>	<b>1,353,149</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.4%</b>	<b>6.8%</b>	<b>7.0%</b>

\* Modified Accrual Basis of Accounting

\*\* Economic Development prior to 2001 included in General Government.

Data Source: Audited Financial Statements

2003	2004	2005	2006	2007	2008	2009
12,343,971	16,160,343	17,289,700	17,832,188	18,308,907	19,016,882	19,937,896
2,955,248	3,032,939	3,964,740	3,857,675	4,021,047	3,933,009	3,788,179
1,192,524	1,136,599	1,173,272	1,093,799	1,010,634	1,017,538	1,153,258
1,507,908	1,993,875	2,049,499	2,700,640	2,996,532	2,872,146	2,437,206
331,176	476,295	484,245	654,288	618,072	1,019,991	1,055,241
183,585	117,937	203,689	537,225	190,513	26,760	3,244
5,120,271	1,457,052	759,733	530,800	407,520	1,174,766	696,661
23,634,683	24,375,040	25,924,878	27,206,615	27,553,225	29,061,092	29,071,685
2,915,476	3,834,734	3,546,548	4,083,515	4,176,068	4,225,872	3,541,481
13,375,679	14,858,842	14,928,155	16,002,500	17,700,593	19,222,960	17,272,340
1,127,800	1,168,220	1,288,266	1,630,778	1,376,631	1,997,103	586,396
1,428,484	1,440,080	1,602,790	2,105,611	2,817,057	2,128,901	2,545,694
244,736	251,597	35,956	42,000	23,013	25,680	30,071
345,131	8,221,945	136,170	48,841	119,358	251,734	62,322
8,734,712	3,321,074	2,336,720	8,746,520	2,356,659	1,670,995	995,943
3,014,290	-	-	-	-	-	-
21,295	137,781	-	-	-	-	-
895,000	955,000	1,370,000	1,445,000	1,535,000	1,474,744	1,639,923
605,759	628,554	808,782	1,074,145	944,177	892,309	890,602
32,708,362	34,817,827	26,053,387	35,178,910	31,048,556	31,890,298	27,564,772
(9,073,679)	(10,442,787)	(128,509)	(7,972,295)	(3,495,331)	(2,829,206)	1,506,913
-	-	-	74,968	7,040	851	1,258
4,030,000	8,070,000	7,425,000	-	-	83,897	1,315,000
-	-	145,912	-	-	-	-
4,068,246	11,562,784	3,351,565	2,595,995	2,093,122	2,977,970	3,288,518
(3,609,456)	(11,189,349)	(3,424,222)	(2,228,222)	(4,275,361)	(3,468,960)	(3,182,211)
4,488,790	8,443,435	7,498,255	442,741	(2,175,199)	(406,242)	1,422,565
(4,584,889)	(1,999,352)	7,369,746	(7,529,554)	(5,670,530)	(3,235,448)	2,929,478
7.2%	5.0%	9.2%	9.0%	8.6%	7.71%	10.32%

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Levy Years  
December 31, 2009 (Unaudited)**

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property
1999	\$ 228,405,110	\$ 286,185,959	\$ 137,812,068	\$ -
2000	228,500,794	287,147,477	135,255,122	-
2001	291,519,841	327,909,597	151,755,102	-
2002	311,568,710	341,333,865	160,214,607	-
2003	311,038,930	328,652,215	147,797,998	-
2004	362,666,983	376,208,886	164,827,057	-
2005	389,984,765	393,743,154	175,310,583	-
2006	404,157,732	383,299,304	177,721,407	-
2007	480,227,000	408,031,980	196,854,692	-
2008	N/A	N/A	N/A	-

Data Source: Office of the Cook County Clerk

Note: Property is assessed at 33% of actual value.

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed Value to Total Estimated Actual Value
\$ 652,403,137	0.935	\$ 1,957,209,411	33.33%
650,903,393	0.955	1,952,710,179	33.33%
771,184,540	0.807	2,313,553,620	33.33%
813,117,182	0.775	2,439,351,546	33.33%
787,489,143	0.818	2,362,467,429	33.33%
903,702,926	0.763	2,711,108,778	33.33%
959,038,502	0.719	2,877,115,506	33.33%
965,178,443	0.723	2,895,535,329	33.33%
1,085,113,672	0.723	3,255,341,016	33.33%
1,152,685,356	0.730	3,458,056,068	33.33%

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Levy Years**

**Elk Grove Township**

**December 31, 2009 (Unaudited)**

	1999	2000	2001
<b>City Direct Rates</b>			
General	\$ 0.657	0.692	0.585
Debt Service	0.168	0.142	0.121
Pension Trust			
Police Pension	0.056	0.058	0.049
Firefighters' Pension	0.054	0.063	0.052
<b>Total City Direct Rates</b>	<b>0.935</b>	<b>0.955</b>	<b>0.807</b>
<b>Component Unit - Library Direct Rate</b>	<b>0.377</b>	<b>0.389</b>	<b>0.340</b>
<b>Total City Direct Rate</b>	<b>1.312</b>	<b>1.344</b>	<b>1.147</b>
<b>Overlapping Rates - Elk Grove Township</b>			
Cook County	0.854	0.824	0.746
Forest Preserve District	0.070	0.069	0.067
Suburban Tuberculosis Sanitarium	0.008	0.008	0.007
Metropolitan Sanitary District	0.419	0.415	0.401
Northwest Mosquito Abatement	0.010	0.011	0.010
Consolidated Elections	0.023	-	0.032
Elk Grove			
Town	0.060	0.061	0.053
Road and Bridge	0.010	0.011	0.009
General Assistance	0.013	0.013	0.011
School Districts			
School District Number 15	3.611	3.749	3.289
High School District Number 214	2.183	2.257	1.989
Community College District Number 512	0.270	0.347	0.308
Rolling Meadows Park District	0.510	0.527	0.464
<b>Total Overlapping Rates - Elk Grove Township</b>	<b>8.041</b>	<b>8.292</b>	<b>7.386</b>
<b>Total Direct and Overlapping Rates</b>	<b>9.353</b>	<b>9.636</b>	<b>8.533</b>

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value.

2002	2003	2004	2005	2006	2007	2008
0.534	0.569	0.497	0.468	0.473	0.473	0.428
0.115	0.119	0.153	0.144	0.139	0.139	0.124
0.061	0.065	0.056	0.053	0.055	0.055	0.089
0.065	0.065	0.057	0.054	0.056	0.056	0.089
0.775	0.818	0.763	0.719	0.723	0.723	0.730
0.327	0.355	0.325	0.317	0.331	0.302	0.289
1.102	1.173	1.088	1.036	1.054	1.025	1.019
0.690	0.630	0.593	0.533	0.500	0.446	0.415
0.061	0.059	0.060	0.060	0.057	0.053	0.051
0.006	0.004	0.001	0.005	0.005	-	-
0.371	0.361	0.347	0.315	0.284	0.263	0.252
0.009	0.010	0.009	0.009	0.009	0.008	0.008
-	0.029	-	0.014	-	0.012	-
0.050	0.051	0.046	0.044	0.044	0.040	0.041
0.009	0.010	0.009	0.009	0.009	0.009	0.009
0.011	0.011	0.007	0.009	0.009	0.008	0.009
3.185	3.313	2.925	2.840	2.763	2.435	2.385
1.888	1.982	1.818	1.759	1.823	1.621	1.587
0.295	0.310	0.279	0.281	0.288	0.260	0.256
0.448	0.498	0.471	0.429	0.449	0.418	0.411
7.023	7.268	6.565	6.307	6.240	5.573	5.424
8.125	8.441	7.653	7.343	7.294	6.598	6.443

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Levy Years  
Palatine Township (High School District 211)  
December 31, 2009 (Unaudited)**

	1999	2000	2001
<b>City Direct Rates</b>			
General	\$ 0.657	0.692	0.585
Debt Service	0.168	0.142	0.121
Pension Trust			
Police Pension	0.056	0.058	0.049
Firefighters' Pension	0.054	0.063	0.052
<b>Total City Direct Rates</b>	<b>0.935</b>	<b>0.955</b>	<b>0.807</b>
Component Unit - Library Direct Rate	0.377	0.389	0.340
<b>Total City Direct Rate</b>	<b>1.312</b>	<b>1.344</b>	<b>1.147</b>
<b>Overlapping Rates - Elk Grove Township</b>			
Cook County	0.854	0.824	0.746
Forest Preserve District	0.070	0.069	0.067
Suburban Tuberculosis Sanitarium	0.008	0.008	0.007
Water Reclamation District	0.419	0.415	0.401
Northwest Mosquito Abatement	0.010	0.011	0.010
Consolidated Elections	0.023	-	0.032
Palatine			
Town	0.052	0.050	0.042
Road and Bridge	0.087	0.086	0.077
General Assistance	0.010	0.009	0.008
School Districts			
School District Number 15	3.611	3.749	3.289
High School District Number 211	2.418	2.450	2.147
Community College District Number 512	0.270	0.347	0.308
Rolling Meadows Park District	0.510	0.527	0.464
<b>Total Overlapping Rates - Elk Grove Township</b>	<b>8.342</b>	<b>8.545</b>	<b>7.598</b>
<b>Total Direct and Overlapping Rates</b>	<b>9.654</b>	<b>9.889</b>	<b>8.745</b>

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value.

2002	2003	2004	2005	2006	2007	2008
0.534	0.569	0.497	0.468	0.473	0.473	0.428
0.115	0.119	0.153	0.144	0.139	0.139	0.124
0.061	0.065	0.056	0.053	0.055	0.055	0.089
0.065	0.065	0.057	0.054	0.056	0.056	0.089
0.775	0.818	0.763	0.719	0.723	0.723	0.730
0.327	0.355	0.325	0.317	0.331	0.302	0.289
1.102	1.173	1.088	1.036	1.054	1.025	1.019
0.690	0.630	0.593	0.533	0.500	0.446	0.415
0.061	0.059	0.060	0.060	0.057	0.053	0.051
0.006	0.004	0.001	0.005	0.005	-	-
0.371	0.361	0.347	0.315	0.284	0.263	0.252
0.009	0.010	0.009	0.009	0.009	0.008	0.008
-	0.029	-	0.014	-	0.012	-
0.041	0.042	0.038	0.037	0.039	0.035	0.035
0.074	0.009	0.070	0.069	0.072	0.064	0.063
0.008	0.078	0.008	0.008	0.009	0.008	0.008
3.185	3.313	2.925	2.840	2.763	2.435	2.385
2.067	2.165	2.158	2.191	2.261	1.972	1.928
0.295	0.310	0.279	0.281	0.288	0.260	0.256
0.448	0.498	0.471	0.429	0.449	0.418	0.411
7.255	7.508	6.959	6.791	6.736	5.974	5.812
8.357	8.681	8.047	7.827	7.790	6.999	6.831

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Levy Years  
Palatine Township (High School District 214)  
December 31, 2009 (Unaudited)**

	1999	2000	2001
<b>City Direct Rates</b>			
General	\$ 0.657	0.692	0.585
Debt Service	0.168	0.142	0.121
Pension Trust			
Police Pension	0.056	0.058	0.049
Firefighters' Pension	0.054	0.063	0.052
<b>Total City Direct Rates</b>	<b>0.935</b>	<b>0.955</b>	<b>0.807</b>
<b>Component Unit - Library Direct Rate</b>	<b>0.377</b>	<b>0.389</b>	<b>0.340</b>
<b>Total City Direct Rate</b>	<b>1.312</b>	<b>1.344</b>	<b>1.147</b>
<b>Overlapping Rates - Elk Grove Township</b>			
Cook County	0.854	0.824	0.746
Forest Preserve District	0.070	0.069	0.067
Suburban Tuberculosis Sanitarium	0.008	0.008	0.007
Water Reclamation District	0.419	0.415	0.401
Northwest Mosquito Abatement	0.010	0.011	0.010
Consolidated Elections	0.023	-	0.032
Palatine			
Town	0.052	0.050	0.042
Road and Bridge	0.087	0.086	0.077
General Assistance	0.010	0.009	0.008
School Districts			
School District Number 15	3.611	3.749	3.289
High School District Number 214	2.183	2.257	1.989
Community College District Number 512	0.270	0.347	0.308
Rolling Meadows Park District	0.510	0.527	0.464
<b>Total Overlapping Rates - Elk Grove Township</b>	<b>8.107</b>	<b>8.352</b>	<b>7.440</b>
<b>Total Direct and Overlapping Rates</b>	<b>9.419</b>	<b>9.696</b>	<b>8.587</b>

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value.

2002	2003	2004	2005	2006	2007	2008
0.534	0.569	0.497	0.468	0.473	0.473	0.428
0.115	0.119	0.153	0.144	0.139	0.139	0.124
0.061	0.065	0.056	0.053	0.055	0.055	0.089
0.065	0.065	0.057	0.054	0.056	0.056	0.089
0.775	0.818	0.763	0.719	0.723	0.723	0.730
0.327	0.355	0.325	0.317	0.331	0.302	0.298
1.102	1.173	1.088	1.036	1.054	1.025	1.028
0.690	0.630	0.593	0.533	0.500	0.446	0.415
0.061	0.059	0.060	0.060	0.057	0.053	0.051
0.006	0.004	0.001	0.005	0.005	-	-
0.371	0.361	0.347	0.315	0.284	0.263	0.252
0.009	0.010	0.009	0.009	0.009	0.008	0.008
-	0.029	-	0.014	-	0.012	-
0.041	0.042	0.038	0.037	0.039	0.035	0.035
0.074	0.009	0.070	0.069	0.072	0.064	0.063
0.008	0.078	0.008	0.008	0.009	0.008	0.008
3.185	3.313	2.925	2.840	2.763	2.435	2.385
1.888	1.982	1.818	1.759	1.823	1.621	1.587
0.295	0.310	0.279	0.281	0.288	0.260	0.256
0.448	0.498	0.471	0.429	0.449	-	0.411
7.076	7.325	6.619	6.359	6.298	5.205	5.471
8.178	8.498	7.707	7.395	7.352	6.230	6.499

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Principal Property Tax Payers - Current Year and Nine Years Ago  
December 31, 2009 (Unaudited)**

Taxpayer	2008 Tax Levy			2000 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Prime Group Realty (Formerly American Nat'l Bank)	\$ 23,757,988	1	2.06%	\$ 15,954,596	1	2.45%
Northrop Corporation	10,391,682	2	0.90%	9,379,694	2	1.44%
Atrium Corporation Center LLC	9,993,688	3	0.87%			
Walmart Stores, Inc.	6,867,833	4	0.60%			
YPI 1600 Corporate Center	6,390,581	5	0.55%			
Marc Realty	6,209,026	6	0.54%			
Tower Realty Management Corpor	6,141,517	7	0.53%	7,143,997	3	1.10%
12 Oaks Realty	5,844,150	8	0.51%			
Meijer Stores Ltd. Tax	4,780,396	9	0.41%			
Rolling Meadows 450 LLC	4,281,276	10	0.37%			
Rolling Meadows Delaware				5,922,658	4	0.91%
3Com Corporation				5,699,990	5	0.87%
Citadel Management Inc.				5,439,513	6	0.83%
CBIZ Property Tax Solutions				5,339,509	7	0.82%
National Search Management Co.				5,300,998	8	0.81%
Lincoln Atrium Management Co.				4,961,942	9	0.76%
Multipoint				4,574,659	10	0.70%
	<u>84,658,137</u>		<u>7.34%</u>	<u>69,717,556</u>		<u>10.69%</u>

Data Source: Office of the Cook County Clerk - Tax Extension Department

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Levy Years  
December 31, 2009 (Unaudited)**

Fiscal Year Ended Dec. 31	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 6,098,379	\$ 5,868,669	96.23%	\$ 80,695	\$ 5,949,364	97.56%
2001	2000	6,219,563	5,611,462	90.22%	24,065	5,635,527	90.61%
2002	2001	6,218,751	5,619,849	90.37%	150,789	5,770,638	92.79%
2003	2002	6,308,471	6,283,466	99.60%	(152,404)	6,131,062	97.19%
2004	2003	6,438,424	6,413,838	99.62%	(221,234)	6,192,604	96.18%
2005	2004	6,893,476	6,667,518	96.72%	57,974	6,725,492	97.56%
2006	2005	6,891,780	6,719,499	97.50%	68,802	6,788,301	98.50%
2007	2006	6,973,121	6,473,354	92.83%	445,674	6,919,028	99.22%
2008	2007	7,848,368	7,639,825	97.34%	(46,937)	7,592,888	96.74%
2009	2008	8,428,123	8,301,100	98.49%	-	8,301,100	98.49%

Data Source: Office of the Cook County Clerk

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Taxable Sales by Category - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

<b>Fiscal Year</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
General Merchandise	\$ 32,231,200	57,771,780	62,664,280	66,675,940
Food	13,993,960	14,290,600	14,634,400	15,330,580
Drinking and Eating Places	37,457,740	38,873,440	42,753,980	43,968,520
Apparel	5,266,760	5,020,120	4,886,400	4,644,480
Furniture and H.H. and Radio	4,474,740	6,108,960	3,460,400	4,261,200
Lumber, Building, Hardware	3,289,200	4,083,840	2,433,620	2,172,540
Automobile and Filling Stations	14,675,140	17,227,780	15,904,820	15,328,260
Drugs and Misc. Retail	36,974,060	45,445,200	23,902,980	13,496,240
Agriculture and All Others	121,570,140	37,297,520	45,995,820	36,870,780
Manufacturers	10,594,600	8,494,440	9,654,680	8,744,460
<b>Total</b>	<b>280,527,540</b>	<b>234,613,680</b>	<b>226,291,380</b>	<b>211,493,000</b>
Local Sales Tax Rate	1.50%	1.50%	1.50%	1.50%
Total Sales Tax Rate	8.25%	8.25%	8.25%	8.25%

Data Source: Illinois Department of Revenue

2004	2005	2006	2007	2008	2009
65,459,920	64,188,280	61,123,560	60,275,753	59,529,361	60,495,368
13,072,900	13,779,560	15,127,480	15,001,571	11,690,306	11,157,166
45,969,580	47,885,120	49,420,200	48,936,206	48,805,003	44,742,470
3,356,000	3,621,500	3,443,500	3,405,336	2,521,712	2,522,896
4,136,200	3,699,140	7,149,700	7,218,336	7,372,794	6,164,965
3,211,060	2,807,960	2,915,620	2,715,061	2,697,156	1,205,151
37,261,380	46,308,020	44,328,920	65,703,526	46,737,476	45,088,883
13,628,840	16,269,740	16,478,260	16,190,972	13,493,447	12,878,726
36,813,940	31,777,380	32,129,520	32,404,576	30,093,783	20,523,263
9,413,220	10,828,300	8,593,220	8,463,314	9,521,908	6,873,845
232,323,040	241,165,000	240,709,980	260,314,651	232,462,946	211,652,733
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
8.75%	8.75%	8.75%	8.75%	10.00%	10.00%

## CITY OF ROLLING MEADOWS, ILLINOIS

### Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years December 31, 2009 (Unaudited)

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Fiscal Year	State Sales Tax	Local Sales Tax to City	Home Rule Sales Tax to City	Mass Transit Portion	Cook County Portion	Total Sales Tax Rate
2000	5.00%	1.00%	0.50%	0.75%	1.00%	8.25%
2001	5.00%	1.00%	0.50%	0.75%	1.00%	8.25%
2002	5.00%	1.00%	0.50%	0.75%	1.00%	8.25%
2003	5.00%	1.00%	0.50%	0.75%	1.00%	8.25%
2004	5.00%	1.00%	1.00%	0.75%	1.00%	8.75%
2005	5.00%	1.00%	1.00%	0.75%	1.00%	8.75%
2006	5.00%	1.00%	1.00%	0.75%	1.00%	8.75%
2007	5.00%	1.00%	1.00%	0.75%	1.00%	8.75%
2008	5.25%	1.00%	1.00%	1.00%	1.75%	10.00%
2009	5.25%	1.00%	1.00%	1.00%	1.75%	10.00%

Data Source: Illinois Department of Revenue

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Local Tax Revenues - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

Fiscal Year	State Sales Tax	Home Rule Sales Tax (A)	Telecom Tax (B)	Electric Utility Tax (C)	Food & Beverage (D)	Hotel Tax (E)	Real Estate Transfer Tax
2000	\$ 3,051,521	1,127,875	213,992	N/A	510,522	317,830	402,103
2001	2,917,213	855,548	469,940	N/A	557,997	266,818	606,332
2002	2,921,745	1,152,434	389,169	N/A	1,129,800	273,810	525,481
2003	2,785,074	1,041,430	988,767	N/A	899,494	259,596	661,454
2004	3,073,337	2,140,654	1,632,101	N/A	1,250,607	263,684	912,866
2005	3,245,233	2,448,482	2,289,734	N/A	1,276,799	248,527	802,639
2006	3,298,095	2,344,833	2,065,561	N/A	1,318,674	304,677	594,248
2007	3,405,981	2,471,264	2,047,648	N/A	1,339,008	265,716	386,091
2008	3,347,289	2,265,611	2,038,337	N/A	1,293,970	451,898	269,663
2009	3,062,136	2,053,624	2,075,334	1,301,016	1,221,391	288,634	191,259

Data Source: City of Rolling Meadows CAFR

- Notes: (A) Home Rule Sales Tax rate increased from .5% to 1.0% in 2004.  
 (B) The 1.0% "Infrastructure Maintenance Fee" was changed to a 4.0% Telecom Tax in Sept, 2004. Telecom Tax rates increased from 4.5% to 6% in 2005.  
 (C) Electric Utility Tax was implemented in 2009.  
 (D) Food & Beverage Tax increased from 1% to 1.5% in 2002 and to 2% in 2004.  
 (E) Hotel Tax rate increased from 4% to 5% in 2002 to 8% in 2008.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Capital Lease	General Obligation Bonds			
2000	\$ 8,580,000	\$ -	\$ -	\$ 8,580,000	2.69%	\$ 349
2001	5,160,000	-	-	5,160,000	1.60%	210
2002	11,790,000	-	2,600,000	14,390,000	4.38%	585
2003	12,125,000	-	2,500,000	14,625,000	4.36%	594
2004	19,245,000	-	2,390,000	21,635,000	6.14%	879
2005	25,300,000	-	2,280,000	27,580,000	7.43%	1,121
2006	23,855,000	-	2,165,000	26,020,000	6.61%	1,058
2007	24,030,000	537,286	3,550,000	28,117,286	6.68%	1,143
2008	22,404,048	556,387	3,310,952	26,271,387	6.08%	1,068
2009	20,721,298	471,887	3,053,702	24,246,887	N/A	985

Data Source: Audited Financial Statements

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

N/A - Information not Available

## CITY OF ROLLING MEADOWS, ILLINOIS

### Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year	General Obligation Bonds	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2000	\$ 8,580,000	1.32%	\$ 348.72
2001	5,160,000	1.19%	315.40
2002	14,390,000	1.87%	584.86
2003	14,625,000	1.80%	594.42
2004	21,635,000	2.75%	879.33
2005	27,580,000	3.05%	1,120.96
2006	26,020,000	2.71%	1,057.55
2007	27,580,000	2.86%	1,120.96
2008	25,715,000	2.37%	1,045.16
2009	23,775,000	2.06%	966.31

Data Source: Audited Financial Statements

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2009 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to City (1)	City's Share of Debt
City Direct Debt	\$ 23,775,000	100.00%	\$ 23,775,000
<b>Overlapping Debt</b>			
Arlington Heights Township High School District 214	31,685,000	6.57%	2,081,705
Cook County	2,953,610,000	0.70%	20,675,270
Forest Preserve District of Cook County	151,018,749	0.70%	1,057,131
Harper Community College District 512	201,650,000	5.13%	10,344,645
Metro Water Reclamation District of Greater Chicago	1,392,699,000	0.72%	10,027,433
Palatine Township High School District 211	41,820,000	4.38%	1,831,716
Rolling Meadows Park District	4,869,000	98.88%	4,814,467
School District CC 15	49,659,329	23.43%	11,635,181
<b>Total Overlapping Debt</b>	<b>4,827,011,078</b>		<b>62,467,548</b>
<b>Total Direct and Overlapping Debt</b>	<b>4,850,786,078</b>		<b>86,242,548</b>

Data Source: Cook County Assessor's Office

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

## **CITY OF ROLLING MEADOWS, ILLINOIS**

### **Schedule of Legal Debt Margin December 31, 2009 (Unaudited)**

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The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.

To date the General Assembly has set no limits for home rule municipalities.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Demographic and Economic Statistics - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

Fiscal Year	(1) Population	(2) Personal Income (in Thousands)	(3) Per Capita Personal Income	(1) Median Age	(1) Education Level in Years of Schooling	(3) School Enrollment	(4) Unemployment Rate
2000	24,604	\$ 318,439	\$ 20,045	34.4	14.0	5,199	3.20%
2001	24,604	323,493	26,178	34.4	14.0	5,343	4.40%
2002	24,604	328,703	26,178	34.4	14.0	5,441	5.30%
2003	24,604	335,574	26,178	34.4	14.0	5,220	5.30%
2004	24,604	352,359	26,178	34.4	14.0	5,378	4.80%
2005	24,604	371,160	26,178	34.4	14.0	5,231	4.70%
2006	24,604	393,382	26,178	34.4	14.0	5,075	3.50%
2007	24,604	421,143	26,178	34.4	14.0	5,142	3.80%
2008	24,604	431,795	26,178	34.4	14.0	4,818	5.10%
2009	24,604	N/A	26,178	34.4	14.0	4,167	10.00%

**Data Sources:**

(1) U.S. Census

(2) Data provided by School District Administrative Offices

(3) Illinois Department of Employment Security, Economic Information and Analysis

(4) U.S. Bureau of Economic Analysis - Chicago-Naperville-Joliet Metropolitan Statistical Area

N/A - Information not Available

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Principal Employers - Current Year and Nine Years Ago  
December 31, 2009 (Unaudited)**

Employer	2009			2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Northrop Defense Systems	2,400	1	10.4%	2,600	1	11.50%
Harris Bank	380	2	1.6%			
Riverside Publishing Co.	335	3	1.5%			
Komatsu	335	4	1.5%			
A.H. Management Group	280	5	1.2%			
Meijer	260	6	1.1%			
Panasonic	235	7	1.0%			
Research In Motion	230	8	1.0%			
Wal-Mart Stores Inc.	220	9	1.0%			
RTC	190	10	0.8%			
3 Comm Corp				1,200	2	5.30%
Transamerica Commercial				575	3	2.60%
Kelso Burnett Co.				400	4	1.80%
Middleby Corp.				321	5	1.40%
New Resources				285	6	1.30%
ElectroDynamics Inc.				270	7	1.20%
Carlson Wagonlit Travel				250	8	1.10%
Coleman Floor Co.				250	9	1.10%
Methode Electrics, Inc.				250	10	1.10%
	<u>4,865</u>		<u>21.11%</u>	<u>6,401</u>		<u>28.40%</u>

Data Source: Rolling Meadows Chamber of Commerce

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

	Full-Time Equivalent		2002
	2000	2001	
<b>Full-Time</b>			
<b>General Government</b>			
Management	5.20	5.30	7
Finance	12.80	12.80	11
Community Development	11.50	12.50	9
<b>Public Safety</b>			
<b>Police</b>			
Officers	60.00	60.50	56
Civilians	20.40	20.60	24
<b>Fire</b>			
Firefighters and Officers	45.20	45.20	45
Civilians	3.00	3.00	3
<b>Public Works</b>			
Administration	5.75	6.25	5
Engineering/Inspections	1.00	1.00	1
Streets and Grounds	16.20	18.20	17
Utilities and Garage	22.35	21.35	19
<b>Part-Time</b>			
<b>General Government</b>			
Management	*	*	-
Finance	*	*	2
Community Development	*	*	2
<b>Public Safety</b>			
Police	*	*	11
Fire	*	*	1
<b>Public Works</b>			
Streets and Grounds	*	*	2
Utilities	*	*	3

Data Source: City Human Resources and Budget Departments

\* Prior to 2002, employee data was tabulated using the "full-time equivalent" method. The number of actual part-time employees is not available.

2003	2004	2005	2006	2007	2008	2009
6	6	5	8	8	8	7
11	11	10	9	8	8	6
9	9	9	9	9	9	8
56	55	54	54	54	56	52
25	28	29	27	27	27	13
45	45	45	45	46	49	42
3	3	3	2	2	2	-
5	5	5	4	5	5	4
1	1	1	4	5	3	2
18	17	15	14	14	14	16
20	20	20	20	20	20	16
-	-	-	-	-	-	1
2	2	2	2	2	2	3
2	2	2	2	3	2	1
11	11	10	13	20	25	7
-	-	-	-	-	1	1
2	2	2	2	2	2	1
3	2	2	3	3	1	2

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

	2000	2001	2002
<b>Public Safety</b>			
<b>Police</b>			
Physical Arrests	1,205	1,349	1,438
Parking Violations	N/A	N/A	4,863
Traffic Violations	N/A	N/A	6,936
<b>Fire</b>			
Emergency Responses	1,940	1,933	1,890
Fires Extinguished	1,197	1,266	1,039
<b>Public Works</b>			
Street Resurfacing (Miles)	2.70	2.10	3.28
Snow and Ice Control (Tons of Salt)	N/A	N/A	1,270
<b>Water</b>			
Number of Water Main Repairs	64	50	74
Water Average Daily Consumption (Thousands of Gallons)	2,793	2,774	2,657
<b>Refuse Collection</b>			
Refuse Collected (Tons per Day)	N/A	N/A	N/A
Recyclables Collected (Tons per Day)	N/A	N/A	N/A

Data Source: Various City Departments

N/A - Information not Available

2003	2004	2005	2006	2007	2008	2009
1,051	886	798	1,084	1,043	921	510
4,327	4,293	4,014	4,540	3,418	4,795	3,066
6,268	6,616	5,837	5,928	5,731	5,364	5,906
1,934	1,912	1,945	1,978	1,976	2,282	2,204
1,103	1,036	1,055	1,227	1,019	1,148	1,093
0.70	0.41	2.28	8.28	0.77	0.95	-
1,380	1,395	1,150	1,636	2,500	3,000	1,476
83	43	78	42	41	53	51
2,595	2,481	2,557	2,563	2,487	2,616	6,692
N/A	N/A	25	29	25	22	27
N/A	N/A	9	9	9	10	10

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

	2000	2001	2002
<b>Public Safety</b>			
<b>Police</b>			
Stations	1	1	1
Patrol Units	12	12	12
<b>Fire</b>			
Fire Stations	2	2	2
Fire Engines	4	4	4
<b>Public Works</b>			
Streets (Miles)	70.50	70.50	70.50
Streetlights	257	257	257
Traffic Signals	45	45	45
<b>Water</b>			
Water Mains (Miles)	85.17	85.73	85.73
Fire Hydrants	1,239	1,263	1,265
Storage Capacity (Millions of Gallons)	5.5	5.5	5.5
<b>Wastewater</b>			
Sanitary Sewer (Miles)	75.57	75.68	76.12
Lift Stations	3	3	3
Storm Sewers (Miles)	60	60	60

Data Source: Various City Departments

2003	2004	2005	2006	2007	2008	2009
1	1	1	1	1	1	1
12	12	12	12	18	15	15
2	2	2	2	2	2	2
4	4	4	4	5	5	5
70.50	70.50	70.50	70.50	60.89	60.89	60.89
257	257	257	257	257	257	257
45	45	45	45	45	45	49
86.78	87.38	88.03	88.63	89.50	90.00	90.00
1,285	1,295	1,314	1,327	1,392	1,395	1,395
5.5	5.5	5.5	5.5	5.5	5.5	5.5
76.60	76.88	77.16	77.33	77.67	77.94	77.94
3	3	3	3	3	3	3
60	60	60	60	60	60	60

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Water Sold by Type of Customer - Last Ten Fiscal Years  
December 31, 2009 (Unaudited)**

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Type of Customer	2000	2001	2002
Industrial	74,398	65,428	65,337
Residential/Multi-Family	647,058	660,001	637,538
Commercial	255,729	248,950	233,376
School/Government	42,099	38,225	33,642
<b>Total</b>	<b>1,019,284</b>	<b>1,012,604</b>	<b>969,893</b>
Water Rate per 1,000 Gallons	\$ 3.18	\$ 3.18	\$ 3.31
Sewer Rate per 1,000 Gallons	\$ 0.80	\$ 0.80	\$ 0.99

Data Source: City of Rolling Meadows Water Department Pumpage Report

Water Sold by Type of Customer (in Thousands of Gallons)

2003	2004	2005	2006	2007	2008	2009
54,445	56,856	54,273	52,830	43,802	40,803	34,102
623,441	581,221	615,602	586,794	575,905	547,625	529,064
236,591	225,158	227,754	223,024	204,060	189,405	171,698
32,606	42,278	35,628	34,704	32,071	26,450	26,712
<b>947,083</b>	<b>905,513</b>	<b>933,257</b>	<b>897,352</b>	<b>855,838</b>	<b>804,283</b>	<b>761,576</b>

\$ 3.44	\$ 3.58	\$ 3.78	\$ 4.06	\$ 4.34	\$ 4.96	\$ 5.83
\$ 1.03	\$ 1.07	\$ 1.13	\$ 1.34	\$ 1.43	\$ 1.64	\$ 1.92

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Continuing Bond Disclosures  
December 31, 2009 (Unaudited)**

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**City of Rolling Meadows, Cook County, Illinois  
2009 Continuing Bond Disclosures Relating to the Following Bonds:**

\$4,885,000 General Obligation Bonds of 2002A

\$2,600,000 General Obligation Bonds of 2002B

\$4,030,000 General Obligation Bonds of 2003A

\$8,070,000 General Obligation Bonds of 2004

\$7,425,000 General Obligation Bonds of 2005

\$410,000 General Obligation Bonds of 2007

\$2,835,000 General Obligation Bonds of 2007A

**For further information please contact:**

Director of Finance  
City of Rolling Meadows  
3600 Kirchoff Road  
Rolling Meadows, Illinois 60008

Telephone Number: (847) 394-8500

Fax Number: (847) 394-8710

## **CITY OF ROLLING MEADOWS, ILLINOIS**

### **Continuing Bond Disclosures - Continued December 31, 2009 (Unaudited)**

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#### **Certain Information Regarding the City**

##### **General**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2008. The City has received the award to each of the last 23 years. According to the GFOA, this award represents a significant accomplishment for a government and its management and is the highest form of recognition in the field of governmental reporting.

##### **Budgetary Data**

There is no updated information to report.

##### **Cash Management**

There is no updated information to report.

##### **Property Taxes**

Information regarding property tax levies, collections, and valuations for the City can be found in the statistical section on pages 155 - 156 and 168 of these audited financial statements.

##### **Tax Rates**

Information regarding updated property tax rates for the City can be found in the statistical section on pages 157 - 163 of these audited financial statements.

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Continuing Bond Disclosures - Continued  
December 31, 2009 (Unaudited)**

**Debt Statement**

Issue Date	Bond Issue	Principal Outstanding	Supported By
4/15/2002	General Obligation Bond Series of 2002A	\$ 3,660,000	Property Taxes
6/15/2002	General Obligation Bond Series of 2002B	1,805,000	Proprietary
3/15/2003	General Obligation Bond Series of 2003	3,065,000	Incremental Taxes
9/15/2004	General Obligation Bond Series of 2004	6,965,000	Sales Taxes
10/18/2005	General Obligation Bond Series of 2005	5,660,000	Property Taxes
5/1/2007	General Obligation Bond Series of 2007	260,000	Proprietary
12/31/2007	General Obligation Bond Series of 2007A	<u>2,360,000</u>	Proprietary
Total Gross Direct Bonded Debt		23,775,000	
Less: Self-Supporting Bonded Debt		<u>14,455,000</u>	
Total Net Direct Bonded Debt		<u><u>9,320,000</u></u>	

The City's overlapping and underlying bonded debt is updated as of December 31, 2009, and can be found on pages 169 - 171 of the audited financial statements.

The City's debt ratios are updated using the 2008 equalized assessed valuation and the 2008 estimated full value of taxable property.

Estimated Full Value of Taxable Property - 2008	\$ 3,458,056,068
Equalized Assessed Valuation - 2008	1,152,685,356

	Gross Direct Debt	Gross Direct Debt and Overlapping Debt
Per Capita	\$ 966.31	\$ 3,505.22
Percent of Estimated Full Value	0.688%	2.494%
Percent of Equalized Assessed Value	2.063%	7.482%

**CITY OF ROLLING MEADOWS, ILLINOIS**

**Continuing Bond Disclosures - Continued  
December 31, 2009 (Unaudited)**

**Debt Maturity Schedule**

The following schedule sets forth the maturity schedule for all general obligation bonded debt of the City:

Calendar Year	Annual Requirement	Cumulative Retirement	
		Amount	Percent
2010	\$ 2,020,000	\$ 2,020,000	8.50%
2011	2,115,000	4,135,000	17.39%
2012	2,215,000	6,350,000	26.71%
2013	2,315,000	8,665,000	36.45%
2014	2,355,000	11,020,000	46.35%
2015	2,455,000	13,475,000	56.68%
2016	2,575,000	16,050,000	67.51%
2017	2,705,000	18,755,000	78.89%
2018	1,210,000	19,965,000	83.97%
2019	780,000	20,745,000	87.26%
2020	835,000	21,580,000	90.77%
2021	680,000	22,260,000	93.63%
2022	730,000	22,990,000	96.70%
2023	785,000	23,775,000	100.00%

**Future Debt**

There is no updated information to report.

**Pension and Retirement Fund Commitments**

Updated annual financial information is contained in the audited financial statements of the City on pages 55 through 62.