



VILLAGE OF MUNDELEIN, ILLINOIS

Comprehensive Annual Financial Report

Year Ended April 30, 2009

Prepared by:
Finance Department
Mary K. Hatton, Finance Director

Village of Mundelein, Illinois

Comprehensive Annual Financial Report
Year ended April 30, 2009

Prepared by Finance Department:

INTRODUCTORY SECTION

Village of Mundelein, Illinois

Comprehensive Annual Financial Report

Year Ended April 30, 2009

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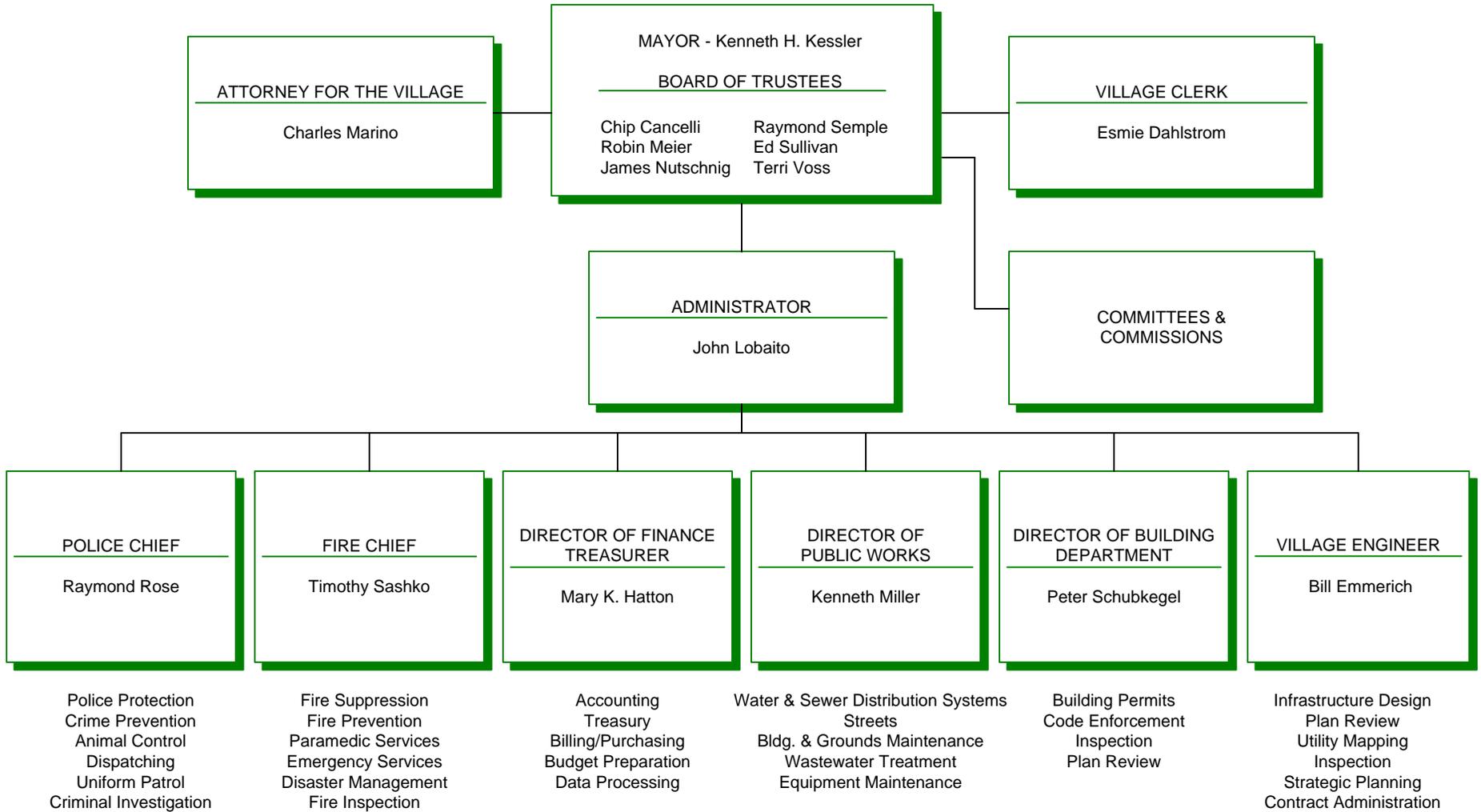
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Village of Mundelein, Illinois

Officers and Officials
April 30, 2009

<u>Title</u>	<u>Name</u>
Mayor	Kenneth H. Kessler
Trustee	Robin Meier
Trustee	Terry Voss
Trustee	Steven G. Cancelli
Trustee	Raymond T. Semple
Trustee	Edwin O. Sullivan
Trustee	James J. Nutschig
Village Clerk	Esmie M. Dahlstrom
Village Administrator	John Lobaito
Director of Finance	Mary K. Hatton
Police Chief	Raymond J. Rose
Fire Chief	Timothy E. Sashko
Village Engineer	William M. Emmerich
Director of Public Works	Kenneth A. Miller
Building Director	Pete Schubkegel

**ORGANIZATIONAL CHART
PRINCIPAL OFFICERS
04-30-09**





Village of Mundelein

Kenneth H. Kessler, President

Mary K. Hatton, Finance Director

440 East Hawley Street
Mundelein, IL 60060
www.mundelein-il.org

Telephone: (847) 949-3200
Fax: (847) 949-2153
info@mundelein-il.org

October 19, 2009

To the President and Board of Trustees, the Citizens of
the Village of Mundelein, and all interested parties:

The Comprehensive Annual Financial Report (CAFR) of the Village of Mundelein, Illinois for the fiscal year ended April 30, 2009 is hereby submitted. The purpose of this report is to provide citizens, investors, grantor agencies and any interested parties with reliable financial information about the Village. The report has been prepared in accordance with generally accepting accounting principles (GAAP) and with standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers' Association of the United States and Canada, the State of Illinois Comptroller's Office and the State of Illinois. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including disclosures, rests with the Village of Mundelein. The Village believes the report, and data contained herein, to be accurate in all material respects and that it gives an accurate representation of the financial position and results of operations of the funds and account groups of the Village as of, and for the year ended, April 30, 2009. All disclosures regarding the Village's financial position necessary to enable the reader to understand the Village's financial activities have been included.

Management of the Village is responsible for establishing and maintaining a system of internal accounting controls. These controls are designed to assure that the assets of the Village are safeguarded against any material loss, theft or misuse. These controls assure that the financial statements are in conformity with generally accepted accounting principles. Internal account controls are designed to provide reasonable, but not absolute, assurances that control objectives will be met. The concept of reasonable assurances recognized that (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits require estimates and judgment by Management.

The Village of Mundelein's management discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

For financial reporting purposes, this report includes all the funds of the Village of Mundelein, as well as its component units. Component units are legally separate entities for which the Village is financially accountable. Other governmental entities, which are located within the Village's boundaries, are not included because they do not meet the criteria for inclusion as set forth by generally accepted accounting principles.

Economic Outlook

The economic condition of the Village of Mundelein remains strong. Aggressive cost control measures, a reasonable fund balance, low debt burden, a diversified tax base, and conservative revenue forecasting have mitigated the impacts of the current recession. However, economic growth has slowed and the outlook for growth in the months ahead is weak. FYE 2009 started slowly, with faith in the future, but ended even slower, with a dark cloud over the national economy.

There were no annexations to the Village this year. New housing construction has been slow, but it has not evaporated, thanks to the Del Webb senior development. New home starts for the period April 2008 to April 2009 totaled 56 units. In

addition, one multi-unit condominium project, the Diamond Lake Condominiums, started construction and is nearing completion. Forest Plaza, a 40,000 square foot shopping center, opened in Spring 2009 and is 40% occupied. This year, Northfield Block completed its new 20,000 square foot corporate headquarters, and Chase Bank completed construction of a 4,500 square foot branch office, and a new Montessori School began construction. Otherwise it was a rough year for the business sector. Technical Concepts and ETX Transmissions, both employing 75 people, announced closings, and Bradco Supply relocated out of town. One significant bright spot was the execution of a letter of intent between the Village and Weston Inc. to find a site for the company's regional headquarters in Mundelein's downtown business district. Negotiations on this project, which would have a major economic benefit to the community, have been promising.

In the year ahead, the Village anticipates that commercial, industrial, and residential development will remain slow. The Weston project, continued development in Del Webb, scattered new housing construction, and small commercial projects will provide a fair amount of economic growth.

Major Initiatives

With the slowing of the residential and commercial sectors, the major initiatives conducted during Fiscal Year end 2009 were centered on Village projects. The Village continued to invest in the public infrastructure with over \$5 million in construction projects, engineering design, and comprehensive planning activities. The proposed acquisition of the EJ&E railroad by the Canadian National Railroad, and the switch to a single residential garbage hauler for the Village were led to important agreements that will have lasting impacts for many years to come.

Significant public infrastructure improvements included: 1) Over \$2 million in local road repairs including water, sanitary and storm sewer system improvements and sidewalk repairs in the construction areas. 2) Approximately \$2M water distribution system upgrades, which included the completion of a new 1 million gallon water tower on Winchester Road, and a new valve system to improve water pressure on the west side of town. 3) Completion of the east side bike path system connecting three Village Parks to the Libertyville Township trail system.

In addition, engineering design work continued on three very important upcoming projects: 1) Drainage improvements to the Seavey Waterway; 2) Bid specifications for the Safer Routes to Schools sidewalk installation project; and 3) Design of the Hawley Street reconstruction and enhancement project, scheduled for construction in 2011.

A major overhaul of the Village Zoning Ordinance, which governs all residential, commercial and industrial development, began with the hiring of Camiros Inc. The Plan Commission held public hearings. The consultants conducted interviews with Village Board members, staff, and community leaders. A final document is expected in late 2009.

In December 2008, after nine months of negotiations, the Village Board approved an agreement with the Canadian National (CN) Railroad mitigating the impacts that the company's acquisition of the EJ&E railroad would have on the Village. A total of \$1.6 million will be received the next several years to address projected impacts that additional train traffic will have on the transportation system, delivery of emergency services, and the quality of life in the Village.

In March 2009 the negotiating team concluded six months of negotiations with Groot Industries to provide exclusive residential solid waste and recycling collection in the Village. The new agreement changed the way that garbage is collected in the Village, and provided lower collection rates, more service options, better customer service standards, and greater incentive to recycle.

Department Focus

Each year a Village department is highlighted in this section. Because 2009 is the 100th anniversary of the Village, we would like to vary from the traditional Department Focus and highlight the work of the Centennial Celebration Planning Committee.

Planning for the Centennial Committee began in February 2008. A draft mission statement was developed, and the Village Board established the parameters for the celebration. A potential Chairman and prospective members were identified, and an exploratory kickoff meeting was held with the Mayor. The energy and excitement expressed at the organizational meeting was intense. The volunteers suggested a series of community events spread over the Centennial year, as well as two "legacy" projects that would be left to the community as a commemoration of the Centennial. As a result, Village Ordinance officially established the Centennial Celebration Planning Committee in October 2008. Its mission was to plan, coordinate, raise funds, and implement activities, legacy projects, programs and events to celebrate the Centennial year. Chairperson Wendy Frasier and ten committee members were appointed by the Mayor and confirmed by the Village Board. The Assistant Village Administrator was appointed as the Village liaison and the twelfth member of the Committee. The terms of the Centennial Committee members end December 31, 2009.

The Centennial Committee decided on four community events: 1) February 7th, Opening Ceremony at historic Lincoln School, followed by an Open House at all Village facilities. The Open Houses would feature historic photo displays, "then and now" displays, and interactive events; 2) May 30th, An Evening of Music, at the University of St. Mary of the Lake/Mundelein Seminary auditorium, featuring the renowned Mundelein Organ, a 1921 Wurlitzer theater organ; 3) August 8th, a Community Picnic and Venetian Night Boat Parade at Diamond Lake Beach; and 4) October 17th, a Community Banquet and the unveiling of the restored 1925 Stoughton Fire Truck donated to the Village by George Cardinal Mundelein.

The restoration of the Stoughton Fire Truck was one of the two legacy projects recommended by the Committee. The other was the development of a "Centennial Plaza", complete with time capsule, in the vacant northwest corner of Kracklauer Park in downtown Mundelein. Both projects would be paid for through private donations. The Village Board agreed to buy the fire truck for \$11,000 and to pay for the restoration with the understanding that the Committee would embark on a fundraising campaign to reimburse the Village for the restoration expenses, with the goal being to present the restored vehicle at the Community Banquet. At this writing (August 2009), over \$20,000 of the estimated \$60,000 needed to complete the restoration has been raised and the restoration work is almost complete. The whole community is joining in the effort—shop and share events, Centennial memorabilia and replica toy fire trucks are being sold, raffles, donations, and a "buy a part" program are also being utilized to raise funds.

The Centennial Plaza project is making headway, but at a slower pace. The Village and the Park District are both represented on the committee and are working cooperatively. Pro bono services by Smith Engineering Consultants (topographic survey), and Gary Blanford, Landscape Architects (design and construction drawings), have been completed. The fundraising committee is preparing a plan for corporate sponsorships and in-kind material donations. Construction is projected for Spring 2010.

In addition to the primary events, the Centennial Committee sponsored several smaller events such as: a book-signing by Kevin O'Donnell following the publication of *Fado*, his memoir of growing up in Mundelein, and a library presentation titled, *The History of Mundelein*. Community groups were encouraged to use the Centennial logo throughout the year and to organize events to commemorate the Centennial. Several notable projects resulted, including: *The Voices of Mundelein*, an original play written and produced by the Kirk Players community theater, *Mundelein-The Town of Many Historic Moments*, a history of Mundelein written by the Carl Sandburg 8B Language Arts Students, a Commemorative Quilt, designed and constructed by volunteers, and a local Girl Scout Troop made a presentation to their school and to the Village Board on the History of Mechanics Grove School.

The Centennial year ends December 31, 2009, but the legacy of the committee and its impact on our town's history will remain for a long time.

The Centennial year ends December 31, 2009, but the legacy of the committee and its impact on our town's history will remain for a long time.

Long Term Financial Planning

The Village Board approves a Capital Improvement Plan in conjunction with the annual adoption of the fiscal budget, which includes the projects anticipated during the next 5-year period. Projects are broken out into the following categories and include both funding sources and uses: Street Improvements, Transportation Improvements, Stormwater Improvements, Water System Improvements, Sanitary Sewer System Improvements, Operations Improvements, Vehicle and Equipment Replacement and Other. There is a total of \$64.8 million dollars of projects included for the 5-year period with funding sources known for \$24.9 million dollars. The Long Term Planning process begins with the annual Board planning session each fall and works through the budget process each spring.

OTHER INFORMATION

Independent Audit. State statute requires an annual audit by independent certified public accountants. The firm of McGladrey & Pullen, LLP was selected by the Village's audit committee to conduct the 2009 fiscal year audit. The Village did not have grants in sufficient amounts to require compliance with the federal Single Audit Act and related OMB Circular A-133. The auditors' report is included in the financial section of the report.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for fiscal year ending April 30, 2008. This was the fifteenth year that the Village has made application for, and received, this prestigious award.

In order to be awarded a Certificate of Achievement, the Village published an easily readable, and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that 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 on a timely basis was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, credit must be given to the President and Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Mundelein's Finances.

Sincerely,



John A. Lobaito
Village Administrator



Mary K. Hatton
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Mundelein
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 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.



President

Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

The Honorable Village President
Members of the Board of Trustees
Village of Mundelein, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Mundelein, Illinois, as of and for the year ended April 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Mundelein, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Mundelein, Illinois, as of April 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information which includes management's discussion and analysis (pages 2-13) budgetary comparison information (page 58) and pension and other post-employment benefit related information (pages 59 through 61) is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Mundelein, Illinois. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplemental data (pages 63 to 110), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Schaumburg, Illinois
October 19, 2009

**VILLAGE OF MUNDELEIN, ILLINOIS MANAGEMENT'S
DISCUSSION AND ANALYSIS
April 30, 2009**

The Village of Mundelein (the "Village") management's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the appropriation), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter and the Village's financial statements.

Financial Highlights

- The Village's net assets (see table 1) increased by \$1.7 million (or 1.2%) during the fiscal year ending April 30, 2009 (FYE09). The governmental net assets decreased by \$0.5 million from FYE 08 and the business-type activities net assets increased by \$2.2 million from FYE 08.
- The Village's total change in net assets (see table 2) decreased by \$5.5 million compared to FYE08. The general government activities change in net assets decreased by \$7.9 million and the business-type activities change in net assets increased by \$2.4 million.
- The governmental activities revenue decreased by \$4.1 million (or 11.5%). The expenses increased by \$0.2 million (or 0.7%). The contributions remained unchanged.
- The business-type activities revenues decreased by \$0.8 million (or 9.9%). The expenses increased by \$0.4 million (or 4.8%). The contributions remained unchanged.
- The total cost of all Village programs increased by \$0.6 million (or 1.6%).

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 14-17) are designed to be corporate like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 16-17) is focused on both the gross and net cost of various activities (including governmental, business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

**VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The Governmental Activities reflect the Village's basic services, including police, fire, public works, engineering, community development, and administration. Shared state sales, local sales and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Wastewater), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than (the previous model's) fund types.

The Governmental Major Fund (see pages 18-21) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the appropriation) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allows the demonstration of sources and uses and/or appropriation compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Fund (Police and Firefighters' Pensions, see pages 26-27). While this Fund represents trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Total column on the Business-type Fund Financial Statements (see pages 22-25) is the same as the Business-type column at the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 19 and 21). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure - roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB 34 requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Financial Analysis of the Village as a Whole

In accordance with GASB Statement No. 34, the Village has presented a comparative analysis of Government-wide information.

VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

GOVERNMENT-WIDE STATEMENTS

Statement of Net Assets

The Village's combined net assets increased by \$1.7 million from FYE08 – increasing from \$143.0 million to \$144.7 million. The following analysis will look at net assets and net expenses of the governmental and business-type activities separately. The total net assets for the governmental activities decreased by \$0.5 million from \$104.4 to \$103.9 million. The total net assets for business-type activities increased by \$2.2 million from \$38.6 million to \$40.8 million.

Table 1 reflects the condensed Statement of Net Assets compared to FYE08. Table 2 will focus on the changes in net assets of the governmental and business-type activities.

Table 1
Statement of Net Assets
As of April 30, 2009
(In millions)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 42.1	\$ 40.0	\$ 8.5	\$ 8.8	\$ 50.6	\$ 48.8
Capital assets	92.5	93.7	36.0	33.9	128.5	127.6
Total assets	\$ 134.6	\$ 133.7	\$ 44.5	\$ 42.7	\$ 179.1	\$ 176.4
Long-term liabilities	16.9	15.4	1.1	2.9	18.0	18.3
Other liabilities	13.8	13.9	2.6	1.2	16.4	15.1
Total liabilities	\$ 30.7	\$ 29.3	\$ 3.7	\$ 4.1	\$ 34.4	\$ 33.4
Net Assets:						
Invested in capital assets, net of debt	\$ 77.7	\$ 78.2	\$ 33.1	\$ 30.8	\$ 110.8	\$ 109.0
Restricted	9.0	9.0	6.5	6.6	15.5	15.6
Unrestricted	17.2	17.2	1.2	1.2	18.4	18.4
Total net assets	\$ 103.9	\$ 104.4	\$ 40.8	\$ 38.6	\$ 144.7	\$ 143.0

For more detailed information see the Statement of Net Assets (pages 14-15).

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital - which will increase current assets and long-term debt.

VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's \$1.7 million increase in combined net assets (which is the Village's bottom line) was the result of governmental activities net assets decreasing by \$0.5 million and the business-type activities net assets increasing by \$2.2 million. The governmental activities total assets increased by \$0.9 million and the governmental activities total liabilities increased by \$1.4 million. The change in total assets was the result of an increase of \$1.1 million in current and other assets and a \$0.9 million decrease in capital assets. The change in total assets results predominantly from increases in property tax receivables. The change in capital assets results predominantly from adds to current street improvement projects and the transfer of the Westside Water Improvements to the Enterprise Fund upon the completion of the projects.

The increase in governmental activities total liabilities was the result of an increase in current liabilities of \$3.0 million and a decrease in other liabilities of \$1.6 million. The current liabilities change was predominantly the result of the change in classification of Contributions Payable and the increase in unearned property tax revenues. The noncurrent liabilities change was the result of the retirement of existing GO Bonds and the change in classification of Contributions Payable. The use of restricted net assets for governmental activities is governed by state statute or Village ordinance. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, remained the same.

The net assets for business-type activities increased by \$2.2 million. The business-type total assets increased by \$1.8 million and the business-type activities total liabilities decreased by \$0.4 million. The change in total assets was the result of a decrease of \$0.3 million in current assets and an increase of \$2.1 million capital assets. The change in total assets results predominantly from an increase in capital assets from the completion of the Westside Water Improvements. The change in total liabilities results predominantly from a decrease in the IEPA Loan non-current payable balance. Restricted net assets for business-type activities can only be used to finance additions to, expansion of, or replacement of capital assets. The Village's unrestricted net assets, the part of net assets that can be used to finance day-to-day operation of its water and wastewater utility program, remained the same.

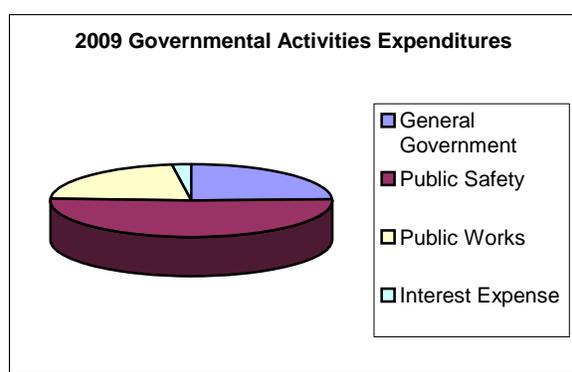
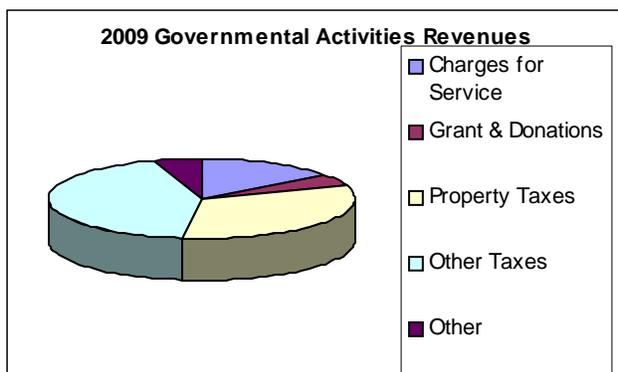
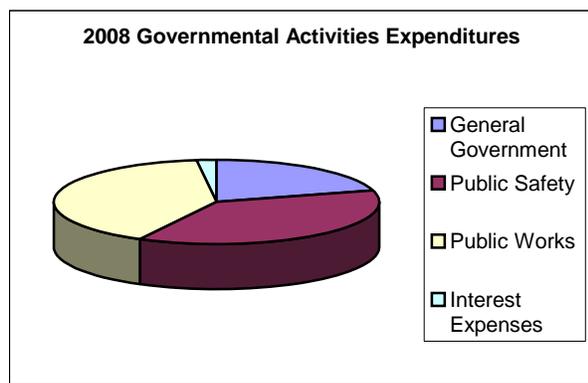
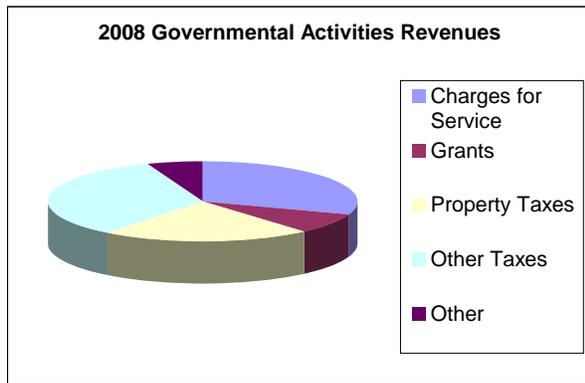
VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The following chart shows the revenue and expenditures of the governmental activities.

Table 2
Changes in Net Assets
For the Fiscal Year Ended April 30, 2009
(in millions)

Revenue	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Program Revenues						
Charges for Service	\$ 4.6	\$ 6.5	\$ 6.6	\$ 6.8	\$ 11.2	\$ 13.3
Grants and contributions						
Operating	0.9	0.4	-	0.6	0.9	1.0
Capital	0.6	2.6	0.1	-	0.7	2.6
General Revenue						
Property	10.1	9.6	-	-	10.1	9.6
Other taxes	13.7	14.8	-	-	13.7	14.8
Other	1.6	1.7	0.6	0.7	2.2	2.4
Total Revenue	31.5	35.6	7.3	8.1	38.8	43.7
Expenses						
Governmental Activities						
General Government	6.9	7.5	-	-	6.9	7.5
Public Safety	14.6	13.7	-	-	14.6	13.7
Public Works	6.2	6.3	-	-	6.2	6.3
Interest	0.7	0.7	-	-	0.7	0.7
Business Type						
Waterworks and Sewerage	-	-	8.7	8.3	8.7	8.3
Total Expenses	28.4	28.2	8.7	8.3	37.1	36.5
Excess (Deficiency) before Contributions	3.1	7.4	(1.4)	(0.2)	1.7	7.2
Transfers in (out)	(3.6)	-	3.6	-	-	-
Change in Net Assets	(0.5)	7.4	2.2	(0.2)	1.7	7.2
Net assets - beginning	104.4	97.0	38.6	38.8	143.0	135.8
Net assets - ending	\$ 103.9	\$ 104.4	\$ 40.8	\$ 38.6	\$ 144.7	\$ 143.0

VILLAGE OF MUNDELEIN, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)



Normal Impacts

There are eight basic impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition - which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and home-rule sales tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village approved rates - while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.).

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and nonrecurring) - certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment income - the Village's investment portfolio is managed using a longer average maturity than most governments and the market condition may cause investment income to fluctuate more than alternative shorter-term options.

VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Expenditures:

Introduction of New Programs - within the functional expenditure categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent significant portions of the Village's operating cost.

Salary Increases (annual adjustments and merit) - the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest; the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Governmental Activities

Revenue:

Total revenues decreased \$4.1 million from \$35.6 to \$31.5 million.

The Governmental activities program revenues for charges for service decreased \$1.9 million predominantly the result of development related activities including reimbursement from developers for plan review expenditures, and inspections; and receipt of development impact fees. The program revenues for capital and operating grants and contributions had a net decrease of \$1.5 million, which was the result of the elimination of developer donations for the Westside water improvements.

The governmental activities general revenue includes property taxes, and other taxes (sales tax, home-rule sales tax, hotel-motel tax, and state shared income tax). Property taxes increased \$0.5 as a result of increases needed for Police Pension, Firefighter Pension, Illinois Municipal Retirement Pension and Social Security retirement costs for the Village. The Equalized Assessed Value (EAV) increased 6.5% to \$968,152,034. The new construction portion of the EAV increase was 4.0% with the balance attributed to general market reassessment changes. The Village increased the home-rule sales tax rate from ¾% to 1% effective July 1, 2006. In addition, telecommunication tax increased due to a rate increase from 1% to 4.5% effective July 1, 2006.

Expenses:

The Village's Governmental Activities total expenses increased by \$0.2 million from \$28.2 to \$28.4 million.

The Village's General Government function expenses decreased by \$0.6 million. The expenses consist of actual expenses for the general government fund and other governmental funds, the amount of capital assets subtracted out, the amount of depreciation added and the change in long-term debt for compensated absences. Personnel service costs increased due to the general wage increase of 3% given in May 2008, the addition of budget personnel positions and the increase in-group health insurance costs. Further, other expense reductions were made in anticipation of the developing recession.

The Village's Public Safety function expenses increased by \$0.9 million. Personnel services costs increased due to the general wage increase of 3% given in May 2008, the addition of budget personnel positions and the increase in-group health insurance costs. A departmental restructuring in the Fire Department had begun resulting in adding three (3) full-time and three (3) contract firefighter/paramedics to staff. Further, other expense reductions were made in anticipation of the developing recession.

**VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The Village's Public Works function expenses decreased by \$0.1 million. Personnel services costs increased due to the general wage increase of 3% given in May 2008, the increase in in-group health insurance costs and other expense reductions in anticipation of the developing recession are included.

Due to low levels of unemployment and high demand for skilled employees in the region, it is important that the Village provide competitive compensation levels for its employees. An annual salary survey is conducted and pay scales adjusted. A 3% cost of living adjustment was made to the pay scale in May 2008.

Business-type Activities

Revenues:

Total Business-type activity revenues decreased \$0.8 million from \$8.1 to \$7.3 million.

The Business-type activities program revenues for charges for services decreased \$0.2 million resulting from increases in water and wastewater user rates as applied to reduced levels of total consumption. Operating grants and contributions decreased by \$0.6 million. There was an increase in Program revenues for capital grants and contributions of \$0.1 million.

Business-type activities general revenue decreased by \$0.1 million and is predominantly the result of a reduction in interest income.

Expenses:

Total Business-type activity expenses increased \$0.4 million from \$8.3 to \$8.7 million.

The Business-type activity expenses include personnel and benefit costs in conjunction with maintenance of infrastructure. Personnel services costs increased due to the general wage increase of 3% in May 2008, the increase in-group health insurance costs and other expenditure reductions in anticipation of the developing recession as included. Other economies and changes in depreciation expenses resulted in the overall change.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

For the fiscal year ended April 30, 2009, the governmental funds reflect a combined fund balance of \$27.9 million, which is unchanged from the prior year. The primary reason for the General Corporate Fund's increase of \$0.4 million in fund balance was the planned savings for future capital projects included in the 5 Year Capital Improvement Plan. The balances for the General Obligation Bond Fund has been incorporated in totals for Nonmajor Governmental Funds. The fund change in the Nonmajor Governmental Funds is decreased by \$0.4 million as a result of the completion of planned capital projects.

Major Governmental Fund

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The Fund balance of the General Fund increased by \$0.4 million due to increase in revenues over expenditure. The General Fund revenues decreased by \$3.4 million. Decreases in Taxes, including property tax, sales tax, home- rules sales tax, hotel-motel tax, and shared state taxes including income and use taxes made up \$1.0 million of the decrease. Reductions in building and development permits, fees and donations make up the remaining decrease. The General Fund expenditures decreased by \$0.7 million, substantially due to Public Works completion of capital projects for the Westside infrastructure improvements.

VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

General Fund Budgetary Highlights

The Village of Mundelein falls under the provisions of 65 ILCS 5/8-2-9 of the Illinois Statutes regarding annual appropriations for municipalities of less than 500,000 inhabitants. The appropriation ordinance is the corporate authority's authorization to expend sums of money deemed necessary to defray all necessary expenses and liabilities of the municipality. As such, the figures presented in this report are Village appropriations but for reporting purposes are titled budget. The appropriation ordinance is derived from and expands upon an annual operating budget approved by the Village Board. The annual operating budget is the internal document used by the Village to control day to day expenditures of the Village and to plan for long-range capital infrastructure improvements. The annual operating budget plus funds on-hand are included in the appropriation totals. During FYE09, the Village Board adopted an appropriation transfer ordinance. This Ordinance was primarily for the purpose of transferring appropriation amounts within the fund. No additional appropriations were made during the year.

General Fund Budget Highlights

General Fund	FY2009 (in Millions)		Actual
	Original Budget	Amended Budget	
Revenues and other financing sources			
Taxes	\$ 19.5	\$ 19.5	\$ 18.2
Other	6.2	6.2	4.9
Transfers	-	-	0.2
Total	25.7	25.7	23.3
Expenditures and Transfers			
Expenditures	31.7	31.7	22.7
Transfers	-	-	0.2
Total	31.7	31.7	22.9
Change in Fund Balance	\$ (6.0)	\$ (6.0)	\$ 0.4

The General Fund actual revenues were \$2.4 million less than the original budget. The Taxes category of revenues was \$1.3 million less than the original budget while the Other category of revenues was \$1.3 less than the original budget. The decreases in sales tax, Home-rule sales tax and income tax account for the majority of the difference.

The General Fund actual expenditures were \$8.8 million less than the original budget and amended budget. During the year the Village deferred infrastructure improvements previously anticipated as a result of the developing impact of the recession and financial market distress. Continual monitoring and adjustments in actual spending are practiced during each year. For further detailed information see the Schedule of Expenditures – Budget and Actual by Function and Object for the General Fund presented in this combining and individual fund financial statements and schedules.

VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Capital Assets

At the end of FYE09, the Village's Governmental Fund had invested \$92.5 million net of depreciation in a variety of capital assets and infrastructure, as reflected in the following schedule. See Notes to Financial Statement #5 for further detail.

Table 3
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	\$ 41.1	\$ 41.1	\$ 1.7	\$ 1.7	\$ 42.8	\$ 42.8
Construction in Progress	1.2	4.9	0.5	1.8	1.7	6.7
Buildings	16.8	17.1	16.0	16.5	32.8	33.6
Land Improvements	0.7	0.8	-	-	0.7	0.8
Machinery and Equipment	1.1	1.0	1.3	0.7	2.4	1.7
Sidewalks	3.8	3.8	-	-	3.8	3.8
Streets	17.5	15.7	-	-	17.5	15.7
Traffic Signals	0.1	0.1	-	-	0.1	0.1
Storm Sewers	10.2	9.3	-	-	10.2	9.3
Water and Sanitary Sewer	-	-	16.4	13.2	16.4	13.2
Total	\$ 92.5	\$ 93.8	\$ 35.9	\$ 33.9	\$ 128.4	\$ 127.7

Table 4
Change in Capital Assets
(in millions)

	Governmental Activities	Business-Type Activities	Total Primary Government
Beginning Balance	\$ 93.8	\$ 33.9	\$ 127.7
Additions			
Depreciable	4.3	5.5	9.8
Non-Depreciation	-	-	-
Construction in Progress	3.3	0.5	3.8
Retirements			
Depreciable	-	-	-
Non-Depreciation	-	-	-
Construction in Progress	(7.0)	(1.8)	(8.8)
Depreciation	(1.9)	(2.1)	(4.0)
Ending Balance	\$ 92.5	\$ 36.0	\$ 128.5

**VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Projects added to construction in progress for the Governmental Activities includes FYE09 Street Improvement project, Seavey Ditch Phase II design, Route 45 Streetscape projects, Antique Fire Truck Restoration, SAFE Routes Sidewalk program, Design for FYE10 Street Improvement Program and Allanson Bike Path. Projects added to the Business-Type Activities include water and sewer work in conjunction with the FYE09 Street Improvement Project, and Sanitary Sewer Rehabilitation work.

Projects retired from the Governmental Activities include the West Side Pressure Zone, Winchester Water Tower, FYE08 and FYE09 Street Improvements, and Water Booster Station. The water related projects were all paid from developer donations made to the General Fund. Upon completion of all the projects, the assets were transferred to the Enterprise Fund. Projects retired from construction in progress for the Business-type Activities includes water main and sanitary sewer components of the 2008 and 2009 Street Improvement Projects and replacement of primary clarifiers at the wastewater treatment plant.

Debt Outstanding

In 1998, the Village issued General Obligation Bonds as the first in a planned three issues to fund the construction of a new fire station, new fire station headquarters and a new police station. In 1999, the Village issued General Obligation Bonds, the second and last issue, relating to the new public safety facilities. As of April 30, 2009 the Village owes \$4.4 million and \$5.9 million in principal, respectively.

In 2005, the Village issued General Obligation Bonds for general corporate purposes including land acquisition and public improvements. As of April 30, 2009 the Village owes \$4.5 million in principal. The Village of Mundelein sought and received a Moody's rating increase from AA3 to AA2.

In 1998, the Village received an Illinois Environmental Protection Agency Loan under their revolving loan program. As of April 30, 2009 the Village owes \$2.9 million in principal. Since the loan was issued for the acquisition of capital assets for the wastewater system, it is reported as a business-type activity.

The Village, under its home rule authority, does not have a legal debt limit.

Economic Factors

Global economic contraction has pushed monetary and fiscal policies on a national basis into uncharted territory. The significant deflationary forces of the recession impacted portfolio values, budget forecasts, revenues and future budgets. The Federal Reserve has announced plans for quantitative easing in an attempt to bring nominal interest rates on Corporate bonds, mortgage rates and other instruments down in this weakened economy. Rising national, state and local unemployment levels have placed significant fiscal pressure on local governments to provide services to financially burdened citizens. Until the economy stabilizes it is anticipated that the Federal Government will do what it takes to prevent deflation, but there is risk of potentially serious longer term problems in the future such as inflation.

In January 2005, the Village Board created a 99-acre Tax Increment Financing District (TIF) and authorized Tax Increment Financing for the core downtown area surrounding the commuter rail station.

In 2005, the Village Board annexed a 100-acre parcel slotted for a 500,000 sq. ft. retail shopping center across the street from Mundelein Crossing shopping center. An economic incentive agreement was executed, which provides for the Village to retain the first \$150,000 in new sales taxes and sharing the excess 50/50 with the developer for a 13-year period to a maximum of \$6,000,000 plus interest. Due to economic conditions and third party litigation, this development has not proceeded at this time.

**VILLAGE OF MUNDELEIN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

In 2005, the Village Board approved a 10 acre redevelopment agreement within the Tax Increment Financing District for the construction of 541 condominium units with the potential of \$4.5 million in Tier #1 TIF redevelopment project cost notes and \$2.5 million in Tier #2 TIF redevelopment project costs notes to be funded through the tax increment generated in the 10 acre redevelopment project area. The first 84-unit condominium building was occupied in 2007. Due to the downturn in the housing market and the economy in general, construction of additional units has come to a stop in this development.

In 2005, the Village Board annexed a 317 acre development with the potential of 727 single-family residential units in an age-restricted development. Four hundred ninety residential occupancy permits have been issued within this "active adult community" development. Due to the downturn in the housing market and the economy in general, construction has slowed in this development.

Per capita income remained constant between 2008 and 2009. The unemployment rate for calendar 2008 in Illinois was 6.6%. As of August 2009, the Bureau of Labor Statistics shows the unemployment rate in Illinois at 10.0% seasonally adjusted, while the not seasonally adjusted unemployment rate for July 2009 for the Chicago-Naperville-Joliet IL-IN-WI Metropolitan Area is at 10.6%.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Mary K. Hatton, Finance Director, Village of Mundelein, 440 E. Hawley Street, Mundelein, Illinois 60060.

BASIC FINANCIAL STATEMENTS

Village of Mundelein, Illinois

Statement of Net Assets
April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Current			
Cash and investments	\$ 25,464,057	\$ 7,262,206	\$ 32,726,263
Receivables			
Property taxes	11,812,369	-	11,812,369
Accounts	241,424	1,195,566	1,436,990
Accrued interest	140,944	26,608	167,552
Inventories	22,144	-	22,144
Due from other governments	2,861,735	-	2,861,735
Prepaid items	562,910	91,830	654,740
Total current assets	<u>41,105,583</u>	<u>8,576,210</u>	<u>49,681,793</u>
Noncurrent			
Net pension asset	1,037,433	-	1,037,433
Capital assets (net of accumulated depreciation)			
Land	41,112,439	1,718,514	42,830,953
Construction in process	1,182,735	495,680	1,678,415
Buildings	16,821,115	16,001,504	32,822,619
Improvements other than buildings	669,327	16,449,734	17,119,061
Machinery, equipment and vehicles	1,110,829	1,327,175	2,438,004
Sidewalks	3,786,051	-	3,786,051
Streets, curbs and gutters	17,455,344	-	17,455,344
Traffic signals	96,974	-	96,974
Storm sewers	10,238,315	-	10,238,315
Net capital assets	<u>92,473,129</u>	<u>35,992,607</u>	<u>128,465,736</u>
Total noncurrent assets	<u>93,510,562</u>	<u>35,992,607</u>	<u>129,503,169</u>
Total assets	<u>\$ 134,616,145</u>	<u>\$ 44,568,817</u>	<u>\$ 179,184,962</u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Net Assets - Continued
 April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current			
Accounts payable	\$ 407,806	\$ 569,565	\$ 977,371
Accrued payroll	693,568	94,200	787,768
Accrued interest payable	257,974	-	257,974
Refundable deposits	-	91,218	91,218
Unearned property tax revenue	11,795,065	-	11,795,065
Compensated absences payable	681,729	86,605	768,334
Other liabilities	326,915	-	326,915
Pension contributions payable	1,648,570	-	1,648,570
Net other post-employment obligation	31,383	-	31,383
General obligation bonds payable	925,000	-	925,000
IEPA loan payable	-	269,017	269,017
Total current liabilities	<u>16,768,010</u>	<u>1,110,605</u>	<u>17,878,615</u>
Noncurrent			
IEPA loan payable	-	2,626,940	2,626,940
General obligation bonds payable, net	13,790,414	-	13,790,414
Total noncurrent liabilities	<u>13,790,414</u>	<u>2,626,940</u>	<u>16,417,354</u>
Total liabilities	<u>30,558,424</u>	<u>3,737,545</u>	<u>34,295,969</u>
Net Assets			
Invested in capital assets, net of related debt	77,757,715	33,096,650	110,854,365
Restricted			
Debt service	859,206	-	859,206
Capital improvements	4,185,592	6,483,245	10,668,837
Other improvements	3,147,248	-	3,147,248
Employee benefits	414,459	-	414,459
Public safety	318,249	-	318,249
Unrestricted	<u>17,375,252</u>	<u>1,251,377</u>	<u>18,626,629</u>
Total net assets	<u>\$ 104,057,721</u>	<u>\$ 40,831,272</u>	<u>\$ 144,888,993</u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Activities
Year Ended April 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 6,956,476	\$ 1,713,508	\$ -	\$ -
Public safety	14,399,607	1,572,135	-	-
Public works	6,218,320	1,336,032	944,630	624,101
Interest expense	660,929	-	-	-
Total governmental activities	<u>28,235,332</u>	<u>4,621,675</u>	<u>944,630</u>	<u>624,101</u>
Business-type activities				
Waterworks and sewerage	8,672,138	6,589,571	13,376	139,804
Total business-type activities	<u>8,672,138</u>	<u>6,589,571</u>	<u>13,376</u>	<u>139,804</u>
Total	<u>\$ 36,907,470</u>	<u>\$ 11,211,246</u>	<u>\$ 958,006</u>	<u>\$ 763,905</u>

General revenues and transfers:

General revenues

Taxes

Property taxes

Sales tax

Home rule sales tax

Hotel occupation tax

Income tax

Use tax

Road and bridge tax

911 surcharge tax

Replacement tax

Telecommunications tax

Other taxes

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning

Net assets - ending

See Notes to Financial Statements.

Net (Expense), Revenue and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (5,242,968)	\$ -	\$ (5,242,968)
(12,827,472)	-	(12,827,472)
(3,313,557)	-	(3,313,557)
(660,929)	-	(660,929)
(22,044,926)	-	(22,044,926)
-	(1,929,387)	(1,929,387)
-	(1,929,387)	(1,929,387)
(22,044,926)	(1,929,387)	(23,974,313)
10,122,301	-	10,122,301
4,805,750	-	4,805,750
3,461,615	-	3,461,615
301,135	-	301,135
2,785,702	-	2,785,702
459,832	-	459,832
144,877	-	144,877
303,609	-	303,609
85,516	-	85,516
1,017,584	-	1,017,584
131,541	-	131,541
1,194,807	250,674	1,445,481
407,781	364,395	772,176
(3,551,501)	3,551,501	-
21,670,549	4,166,570	25,837,119
(374,377)	2,237,183	1,862,806
104,432,098	38,594,089	143,026,187
\$ 104,057,721	\$ 40,831,272	\$ 144,888,993

Village of Mundelein, Illinois

Balance Sheet - Governmental Funds

April 30, 2009

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 14,954,540	\$ 10,509,517	\$ 25,464,057
Receivables			
Property taxes	6,929,742	4,882,627	11,812,369
Accounts	241,424	-	241,424
Accrued interest	99,357	41,587	140,944
Inventories	22,144	-	22,144
Due from other funds	-	315,377	315,377
Due from other governments	2,799,961	61,774	2,861,735
Prepaid items	420,106	142,804	562,910
Total assets	\$ 25,467,274	\$ 15,953,686	\$ 41,420,960
Liabilities			
Accounts payable	\$ 321,637	\$ 86,169	\$ 407,806
Accrued payroll	502,076	191,492	693,568
Deferred property taxes	6,912,438	4,882,627	11,795,065
Due to other funds	327,377	-	327,377
Other liabilities	-	314,915	314,915
Total liabilities	8,063,528	5,475,203	13,538,731
Fund Balances			
Reserved for inventories	22,144	-	22,144
Reserved for prepaid items	420,106	142,804	562,910
Reserved for drug enforcement	32,698	-	32,698
Reserved - other improvements	-	625,000	625,000
Reserved for debt service	-	859,206	859,206
Unreserved - designated for capital and other improvements - special revenue funds	-	6,875,527	6,875,527
Unreserved - undesignated			
General fund	16,928,798	-	16,928,798
Special revenue funds	-	1,975,946	1,975,946
Total fund balances	17,403,746	10,478,483	27,882,229
Total liabilities and fund balances	\$ 25,467,274	\$ 15,953,686	\$ 41,420,960

See Notes to Financial Statements.

Village of Mundelein, Illinois

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets
April 30, 2009

Total fund balances-governmental funds	\$ 27,882,229
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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.	92,473,129
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Some liabilities reported in the Statement of Net Assets do not
require the use of current financial resources and therefore are
not reported as liabilities in governmental funds. These liabilities
consist of:

Pension contributions payable	(1,648,570)
Accrued interest payable	(257,974)
Net other post-employment obligation	(31,383)
Net pension asset	1,037,433
General obligation bonds payable	(14,735,000)
Unamortized bond discount	19,586
Compensated absences	(681,729)

Net assets of governmental activities	<u><u>\$ 104,057,721</u></u>
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See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds
 Year Ended April 30, 2009

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Charges for services	\$ 815,853	\$ 395,522	\$ 1,211,375
Licenses and permits	1,826,631	-	1,826,631
Intergovernmental	-	834,225	834,225
Grants	228,849	687,339	916,188
Donations	28,442	-	28,442
Fines and forfeits	680,561	-	680,561
Fees	-	68,883	68,883
Property taxes	6,235,061	3,887,240	10,122,301
Sales tax	4,290,512	515,238	4,805,750
Home rule sales tax	3,150,015	311,600	3,461,615
Hotel occupation tax	301,135	-	301,135
Income tax	2,785,702	-	2,785,702
Use tax	459,832	-	459,832
Road and bridge tax	-	144,877	144,877
911 surcharge tax	-	303,609	303,609
Replacement tax	-	85,516	85,516
Telecommunications tax	1,017,584	-	1,017,584
Other taxes	1,997	129,544	131,541
Interest	885,257	309,550	1,194,807
Miscellaneous	406,131	1,650	407,781
Total revenues	<u>23,113,562</u>	<u>7,674,793</u>	<u>30,788,355</u>
Expenditures			
Current			
General government	6,213,025	1,230,591	7,443,616
Public safety	13,314,299	399,274	13,713,573
Public works	3,175,287	3,206,170	6,381,457
Pension contributions	-	1,671,035	1,671,035
Debt service			
Principal	-	885,000	885,000
Interest and fiscal charges	-	678,625	678,625
Total expenditures	<u>22,702,611</u>	<u>8,070,695</u>	<u>30,773,306</u>
Excess (deficiency) of revenues over expenditures	<u>410,951</u>	<u>(395,902)</u>	<u>15,049</u>
Other financing sources (uses)			
Transfer in	187,406	221,573	408,979
Transfer out	(210,000)	(198,979)	(408,979)
Total other financing sources (uses)	<u>(22,594)</u>	<u>22,594</u>	<u>-</u>
Net change in fund balances	388,357	(373,308)	15,049
Fund balances - beginning	17,015,389	10,851,791	27,867,180
Fund balances - ending	<u>\$ 17,403,746</u>	<u>\$ 10,478,483</u>	<u>\$ 27,882,229</u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended April 30, 2009

Net change in fund balances-total governmental funds	\$	15,049
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Amounts reported for governmental activities in the Statement of
Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation in the current period (\$3,659,875 current additions less \$1,892,993 depreciation).

	1,766,882
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The issuance of long-term debt provides current financial resources, while the repayment of debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal retirement	885,000
Amortization of discount	(1,223)

Some revenues reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as revenues in governmental funds. These activities include donations of capital assets.

	624,101
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Transfer of capital assets to the enterprise fund	(3,551,501)
Loss on disposal of capital assets	(117,484)
Increase in net pension asset	261,415
Increase in other post-employment obligation	(31,383)
Increase in pension contributions payable	(182,126)
Decrease in accrued interest payable	18,920
Increase in compensated absences	(62,027)

Change in net assets of governmental activities	\$	<u>(374,377)</u>
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Village of Mundelein, Illinois

Enterprise Fund
Statement of Net Assets
April 30, 2009

	<u>Business-Type Activities Waterworks and Sewerage Fund</u>
Assets	
Current	
Cash and investments	\$ 7,262,206
Accounts receivable	1,195,566
Accrued interest receivable	26,608
Prepaid expenses	91,830
	<u>8,576,210</u>
Noncurrent	
Capital assets, net of accumulated depreciation	<u>35,992,607</u>
Total assets	<u>44,568,817</u>
Liabilities	
Current	
Accounts payable	569,565
Accrued payroll	94,200
Deposits payable	91,218
Compensated absences	86,605
IEPA loan payable	269,017
Total current liabilities	<u>1,110,605</u>
Noncurrent	
IEPA loan payable	<u>2,626,940</u>
Total liabilities	<u>3,737,545</u>
Net Assets	
Invested in capital assets, net of related debt	33,096,650
Restricted for capital improvements	6,483,245
Unrestricted	1,251,377
Total net assets	<u>\$ 40,831,272</u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Enterprise Fund
 Statement of Revenues, Expenses and Changes in Net Assets
 Year Ended April 30, 2009

	Business-Type Activities
	<u>Waterworks and Sewerage Fund</u>
Operating revenues	
Charges for services	
Water and sewer sales	\$ 6,589,571
Operating expenses	
(excluding depreciation)	<u>6,483,428</u>
Operating income before depreciation	106,143
Depreciation	<u>2,099,338</u>
Operating loss	<u>(1,993,195)</u>
Nonoperating revenues (expenses)	
Expansion fees	114,395
Escrow transfer	250,000
Developer donations	13,376
Interest income	250,674
Interest expense	<u>(89,372)</u>
Total nonoperating revenues (expenses)	<u>539,073</u>
Decrease in net assets before capital contributions and transfers	(1,454,122)
Capital contributions - developer donation of capital assets	139,804
Transfer of capital assets from governmental activities	<u>3,551,501</u>
Change in net assets	2,237,183
Net assets - beginning	<u>38,594,089</u>
Net assets - ending	<u><u>\$ 40,831,272</u></u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Cash Flows – Enterprise Fund
Year Ended April, 30, 2009

	Business-Type Activities
	Waterworks and Sewerage Fund
Cash flows from operating activities	
Cash received from residents for services	\$ 6,535,488
Payments to employees	(1,994,009)
Payments to suppliers	(4,530,863)
Net cash provided by operating activities	<u>10,616</u>
Cash flows from noncapital financing activities	
Cash received from developers	13,376
Cash received from residents for escrow deposits	252,150
Cash received from residents for expansion fees	114,395
Net cash provided by noncapital financing activities	<u>379,921</u>
Cash flows from capital and related financing activities	
Capital assets purchased	(579,385)
Principal paid on IEPA note payable	(261,407)
Interest paid on IEPA note payable	(89,372)
Net cash used in capital and related financing activities	<u>(930,164)</u>
Cash flows from investing activities	
Sales of investment securities	838,586
Cash receipts from interest income	247,281
Net cash provided by investing activities	<u>1,085,867</u>
Net increase in cash and equivalents	546,240
Cash and equivalents - beginning	<u>919,081</u>
Cash and equivalents - ending	<u>\$ 1,465,321</u>

(Continued)

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Cash Flows – Enterprise Fund (Continued)
Year Ended April, 30, 2009

	Business-Type Activities
	Waterworks and Sewerage Fund
<hr/>	
Reconciliation of operating loss to net cash provided by operating activities	
Operating loss	\$ (1,993,195)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	2,099,338
Loss on disposal of capital assets	93,227
Changes in assets and liabilities	
Accounts receivable	(54,083)
Prepaid items	(27,809)
Accounts payable	(129,159)
Accrued payroll	12,642
Compensated absences payable	9,655
Total adjustments	<u>2,003,811</u>
Net cash provided by operating activities	<u>\$ 10,616</u>
Reconciliation to Statement of Net Assets	
Cash and investments	
Cash and cash equivalents	\$ 1,465,321
Investments	5,796,885
	<u>\$ 7,262,206</u>
Summary of noncash investing activities:	
Net appreciation in the fair value of investments	\$ 153,332
Summary of noncash financing activities:	
Developer contributions of capital assets	\$ 139,804
Transfer of capital assets from governmental activities	3,551,501

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Fiduciary Net Assets - Pension Trust Funds and Agency Funds

April 30, 2009

	Pension Trust Funds	Agency Funds
Assets		
Cash and equivalents	\$ 51,581	\$ 1,187,365
Investments		
U.S. government and agency obligations	13,991,465	-
Money market funds	2,071,643	-
Mutual funds	5,005,541	-
Common stock	2,747,798	-
Certificates of deposit	754,244	-
The Illinois Funds Investment Pool	658,494	-
	<u>25,280,766</u>	<u>1,187,365</u>
Receivables		
Pension contributions	1,648,570	-
Accrued interest	103,917	-
Due from other funds	12,000	-
	<u>1,764,487</u>	<u>-</u>
Total assets	<u>27,045,253</u>	<u>1,187,365</u>
Liabilities		
Deposits payable	-	388,163
Other liabilities	-	799,202
	<u>-</u>	<u>1,187,365</u>
Total liabilities	<u>-</u>	<u>1,187,365</u>
Net Assets		
Held in trust for pension benefits	<u>\$ 27,045,253</u>	<u>\$ -</u>

See Notes to Financial Statements.

Village of Mundelein, Illinois

Statement of Changes in Fiduciary Net Assets - Pension Trust Funds
Year Ended April 30, 2009

Additions	
Contributions	
Employer	\$ 1,747,204
Participants	547,970
	<u>2,295,174</u>
Investment income	
Net depreciation in fair value of investments	(3,159,942)
Interest income	833,947
Less investment expenses	(115,763)
	<u>(2,441,758)</u>
Other income	<u>106,905</u>
Total additions	<u>(39,679)</u>
Deductions	
Administration	17,446
Pension benefits and refunds	1,784,488
Total deductions	<u>1,801,934</u>
Change in net assets	(1,841,613)
Net assets - beginning	<u>28,886,866</u>
Net assets - ending	<u>\$ 27,045,253</u>

See Notes to Financial Statements.

Note 1. Summary of Significant Accounting Policies

The Village of Mundelein, Illinois (Village) was incorporated under a charter granted by the Illinois State Legislature in 1909. The Village is a home rule municipality which operates under the management form of municipal government as provided in Chapter 65, Article 5 of the Illinois Compiled Statutes. The Village provides many services to residents including police and fire protection, water and sewer service, planning and zoning and general administrative services.

The accounting policies of the Village of Mundelein, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

(a) Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the application criteria, no component units have been included within the reporting entity.

(b) Government-wide and Fund Financial Statements

Government-wide Financial Statements: The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the Village. Eliminations have generally been made to minimize the double-counting of internal activities of the Village; however, interfund services provided and used are not eliminated in the process of consolidation. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Note 1. Summary of Significant Accounting Policies (Continued)

(b) *Government-wide and Fund Financial Statements (Continued)*

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e. general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental fund – the General Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major enterprise fund – Waterworks and Sewerage Fund.

The Village administers the following major governmental fund:

General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and public works.

The Village administers the following major proprietary fund:

Waterworks and Sewerage Fund – This fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Additionally, the Village administers fiduciary (pension trust and agency) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees and developers. The Village reports two pension trust funds, the Police Pension Fund and Firefighters Pension Fund, which account for resources accumulated for retirement annuities for sworn police officers and uniformed fire department personnel. The Village reports the following agency funds; the Special Assessments Fund, the Deposits Fund and the Reimbursement Escrow Fund. These funds hold various monies collected by the Village from property owners and developers.

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(c) Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Village has elected not to implement private-sector guidance issued after November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

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

(d) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Village's proprietary fund types consider as cash equivalents all highly liquid investments with an original maturity of three months or less when purchased.

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(e) Investments

Investments are reported at fair value. Fair value is based on quoted market prices.

(f) Inventory and Prepaid Items

Inventories are accounted for at cost, using the last-in, first-out method. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

(g) Capital Assets

Capital assets which include land, streets and bridges, buildings, storm sewers, sanitary sewers, watermains and vehicles are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$10,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and equipment	5
Vehicles	5-15
Streets, curbs and gutters	30
Sidewalks	50
Storm and sanitary sewers and water mains	75
Traffic signals	20

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

Note 1. Summary of Significant Accounting Policies (Continued)

(h) Deferred Revenue

The Village defers revenue recognition in connection with resources that have been received, but not yet earned.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

(i) Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits upon employee retirement or termination. No liability is recorded for unpaid accumulated sick leave other than the portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Failure to use vacation time within the stipulated period results in the employee forfeiting the unused portion of the vacation. Compensated absences therefore are recorded as a current liability on the fund and government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General and Waterworks and Sewerage Funds are typically used to liquidate these liabilities.

(j) Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

(k) Fund Equity

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. Designated fund balances, if any, represent tentative plans for future use of financial resources.

(l) Capital Contributions

Capital contributions (if any) reported in the governmental and proprietary funds represent capital assets donated from outside parties, principally developers, and transfers of capital assets from governmental funds to the Waterworks and Sewerage Fund.

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(m) Accounting Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

(n) Interfund Transactions

The Village has the following types of transactions between funds:

Loans and advances—amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Net amounts between governmental and business-type activities are reported as internal balances in the government-wide statement of net assets.

Services provided and used—sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund balance sheets or fund statements of net assets.

Reimbursements—repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers—flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Note 2. Legal Compliance – Budgets

All departments of the Village submit requests for appropriation to the Village's Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, enterprise and pension trust funds.

Budgets are adopted on a basis consistent with generally accepted accounting principles except for the Waterworks and Sewerage Fund. The Waterworks and Sewerage Fund is adopted on a modified basis in that depreciation is not budgeted, and capital outlay and debt principal retirements are budgeted.

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, but may not change the form of the budget. The administrator is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 2. Legal Compliance – Budgets (Continued)

The budget may be amended by the governing body and was amended during the year.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplementary appropriations were necessary.

As of April 30, 2009, none of the funds had an excess of actual expenditures over budget.

Note 3. Deposits and Investments

The Village 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 combined statement of net assets as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Statutes authorize the Village to make deposits/invest in commercial banks, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements (subject to limitations), commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. Pension funds may also invest in certain non-U.S. obligations, mortgages, veterans' loans, life insurance company contracts and certain equities (subject to limitations). The Village's deposits and investments at April 30, 2009, are categorized to give an indication of the level of collateral risk assumed.

(a) Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2009, the Village's bank balance totaling \$1,268,003 was insured and collateralized.

(b) Investments

As of April 30, 2009, the Village had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6 - 10	More Than 10
U.S. Treasury securities	\$ 26,430,780	\$ 1,632,171	\$ 16,054,874	\$ 8,321,474	\$ 422,261
GNMA securities	41,448	-	11,215	26,856	3,377
U.S. Government agencies - other	7,105,923	127,226	4,739,950	452,331	1,786,416
Money market - fixed income*	3,576,080	3,576,080	-	-	-
The Illinois Funds Investment Pool*	12,457,977	12,457,977	-	-	-
Total	<u>\$ 49,612,208</u>	<u>\$ 17,793,454</u>	<u>\$ 20,806,039</u>	<u>\$ 8,800,661</u>	<u>\$ 2,212,054</u>

* Weighted average maturity is less than one year

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

(b) Investments (Continued)

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Village's investment policy requires diversifying investments to avoid incurring unreasonable risk.

Credit Risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the Village's policy to limit its investments in these investment types to the top rating issued by NRSROs. As of April 30, 2009, the Village's debt securities were as follows (excludes securities explicitly guaranteed by the U.S. government):

Investment Type	Fair Value	Standard & Poors
U.S. Government agencies:		
FHLMC	\$ 2,288,774	AAA
FNMA	4,637,353	AAA
FHLB	127,226	AAA
Federal FARMS	52,570	AAA
Money market - fixed income:		
Allegiance	908,173	AAA
Morgan Stanley	58,028	AAA
Madison	280,853	AAA
Wintrust	803,640	AAA
Treasury Management Investment Fund	1,525,386	AAA
The Illinois Funds Investment Pool	12,457,977	AAA

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

Concentration of Credit Risk. The Village places no limit on the amount the Village may invest in any one issuer. More than 5 percent of the Village's investments are in FNMA securities. These investments are approximately 7.8% of the Village's total investments.

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

Note 4. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by the County and issued on or about May and August, and are payable in two installments which are due on or about June 15 and September 1.

Property taxes are billed, collected and remitted periodically by the County Treasurer of Lake County, Illinois. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amount to be collected. Since the 2008 property tax levy is levied to finance the operations of the fiscal year beginning May 1, 2009, the 2008 property tax levy is deferred (unearned) as of year-end.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Capital Assets

(a) *Governmental Activities*

A summary of changes in capital assets for governmental activities of the Village for the year ended April 30, 2009, is as follows:

	Balance May 1	Additions or Transfers	Deletions and Transfers*	Balance April 30
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 41,112,439	\$ -	\$ -	\$ 41,112,439
Construction in process	4,851,720	3,349,239	7,018,224	1,182,735
	<u>45,964,159</u>	<u>3,349,239</u>	<u>7,018,224</u>	<u>42,295,174</u>
Capital assets being depreciated:				
Buildings	19,909,072	80,700	-	19,989,772
Land improvements	2,631,260	-	-	2,631,260
Machinery and equipment	6,846,106	402,837	95,770	7,153,173
Sidewalks	5,757,827	77,943	-	5,835,770
Streets, curbs and gutters	30,377,846	2,620,531	146,711	32,851,666
Traffic signals	310,488	-	-	310,488
Storm sewers	12,518,144	1,101,965	11,150	13,608,959
	<u>78,350,743</u>	<u>4,283,976</u>	<u>253,631</u>	<u>82,381,088</u>
Less accumulated depreciation for:				
Buildings	2,772,607	396,050	-	3,168,657
Land improvements	1,858,746	103,187	-	1,961,933
Machinery and equipment	5,859,746	278,368	95,770	6,042,344
Sidewalks	1,944,445	105,274	-	2,049,719
Streets, curbs and gutters	14,706,504	836,529	146,711	15,396,322
Traffic signals	197,990	15,524	-	213,514
Storm sewers	3,223,733	158,061	11,150	3,370,644
	<u>30,563,771</u>	<u>1,892,993</u>	<u>253,631</u>	<u>32,203,133</u>
Total capital assets being depreciated, net	<u>47,786,972</u>	<u>2,390,983</u>	<u>-</u>	<u>50,177,955</u>
Governmental activities capital assets, net	<u>\$ 93,751,131</u>	<u>\$ 5,740,222</u>	<u>\$ 7,018,224</u>	<u>\$ 92,473,129</u>

* See Note 10 for a description of capital asset transfers into the Waterworks and Sewerage fund.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

(b) Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2009, is as follows:

	Balance May 1	Additions or Transfers *	Deletions and Transfers	Balance April 30
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 1,718,514	\$ -	\$ -	\$ 1,718,514
Construction in process	1,785,127	548,198	1,837,645	495,680
	<u>3,503,641</u>	<u>548,198</u>	<u>1,837,645</u>	<u>2,214,194</u>
Capital assets being depreciated:				
Buildings	21,166,912	-	317,824	20,849,088
Improvements other than buildings including Water/Sewer system	30,371,514	4,728,186	-	35,099,700
Machinery, equipment and vehicles	2,629,859	831,950	-	3,461,809
	<u>54,168,285</u>	<u>5,560,136</u>	<u>317,824</u>	<u>59,410,597</u>
Less accumulated depreciation for:				
Buildings	4,651,813	420,368	224,597	4,847,584
Improvements other than buildings including Water/Sewer system	17,187,838	1,462,128	-	18,649,966
Machinery, equipment and vehicles	1,917,792	216,842	-	2,134,634
	<u>23,757,443</u>	<u>2,099,338</u>	<u>224,597</u>	<u>25,632,184</u>
Total capital assets being depreciated, net	<u>30,410,842</u>	<u>3,460,798</u>	<u>93,227</u>	<u>33,778,413</u>
Business-type activities capital assets, net	<u>\$ 33,914,483</u>	<u>\$ 4,008,996</u>	<u>\$ 1,930,872</u>	<u>\$ 35,992,607</u>

* See Note 10 for a description of capital asset transfers received from governmental activities.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

(c) Depreciation Charged to Functions / Activities

Depreciation was charged to functions/activities as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 242,205	\$ -
Public safety	406,993	-
Public works	1,243,795	2,099,338
	<u>\$ 1,892,993</u>	<u>\$ 2,099,338</u>

Note 5. Long-Term Obligations

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, Illinois Environmental Protection Agency (IEPA) loans have been utilized to finance major sewer improvement/construction projects.

(a) Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2009:

	Balance May 1	Issuances	Retirements	Balance April 30	Due Within One Year
Compensated absences	\$ 619,702	\$ 801,669	\$ 739,642	\$ 681,729	\$ 681,729
General obligation bonds*	15,620,000	-	885,000	14,735,000	925,000
Total	<u>\$ 16,239,702</u>	<u>\$ 801,669</u>	<u>\$ 1,624,642</u>	<u>\$ 15,416,729</u>	<u>\$ 1,606,729</u>

* Excludes bond discount of \$19,586

(b) Business-Type Activities

The following is a summary of long-term obligation activity for the Village associated with business-type activities for the year ended April 30, 2009.

	Balance May 1	Issuances	Retirements	Balance April 30	Due Within One Year
Compensated absences	\$ 76,950	\$ 108,031	\$ 98,376	\$ 86,605	\$ 86,605
IEPA loan payable	3,157,364	-	261,407	2,895,957	269,017
Total	<u>\$ 3,234,314</u>	<u>\$ 108,031</u>	<u>\$ 359,783</u>	<u>\$ 2,982,562</u>	<u>\$ 355,622</u>

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

(c) Changes in Long-Term Obligations

Long-term obligations outstanding of the Village are as follows:

Description	Fund Debt Retired By	Balance May 1	Issuances	Retirements	Balances April 30
General Obligation Bonds					
General Obligation Bond Series					
of 1998 due in annual installments of \$320,000 to \$540,000 through December 1, 2018 plus interest at 4.6 to 4.625%	Debt Service Fund	\$ 4,680,000	\$ -	\$ 330,000	\$ 4,350,000
General Obligation Bond Series					
of 1999 due in annual installments of \$345,000 to \$1,165,000 through December 1, 2019 plus interest at 4.4 to 4.5%	Debt Service Fund	6,220,000	-	365,000	5,855,000
General Obligation Bond Series					
of 2005 due in annual installments of \$95,000 to \$360,000 through December 1, 2025 plus interest at 3.5 to 4.2%	Debt Service Fund	4,720,000	-	190,000	4,530,000
		<u>\$ 15,620,000</u>	<u>\$ -</u>	<u>\$ 885,000</u>	<u>\$ 14,735,000</u>
Notes Payable					
IEPA Note payable due in annual installments of \$350,780 including interest at 2.89%, final payment due in fiscal year 2019	Waterworks and Sewerage	\$ 3,157,364	\$ -	\$ 261,407	\$ 2,895,957

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

(d) Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental		Business-Type	
	General Obligation Bonds		IEPA Note Payable	
	Principal	Interest	Principal	Interest
2010	\$ 925,000	\$ 619,138	\$ 269,017	\$ 81,763
2011	965,000	578,560	276,847	73,932
2012	1,005,000	536,249	284,906	65,874
2013	1,050,000	492,073	293,199	57,581
2014	1,100,000	445,832	301,734	49,046
2015 - 2019	6,300,000	1,445,395	1,470,254	108,257
2020 - 2024	2,685,000	336,563	-	-
2025 - 2026	705,000	29,925	-	-
Totals	\$ 14,735,000	\$ 4,483,735	\$ 2,895,957	\$ 436,453

Note 6. Lease Obligations

No material capital or operating leases were in effect as of the date of this report.

Note 7. Defined Benefit Pension Plans

(a) Illinois Municipal Retirement System

Plan Description

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

Funding Policy

As set by statute, employer regular 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 2008 was 10.96 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost

The Village's annual pension cost of \$893,117 for the regular plan was equal to the Village's required and actual contributions.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(a) *Illinois Municipal Retirement System (Continued)*

Three-Year Trend Information

For Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset (Obligation)
2009	\$ 893,117	100 %	\$ -
2008	850,796	100	-
2007	770,927	100	-

The required contribution for 2009 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included (a) 7.50 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006 was 24 years.

Funded Status and Funding Progress

As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 70.94 percent funded. The actuarial liability for benefits was \$20,747,359 and the actuarial value of assets was \$14,717,730 resulting in an underfunded actuarial accrued liability (UAAL) of \$6,029,629. The covered payroll (annual payroll of active employees covered by the plan) was \$8,148,879 and the ratio of the UAAL to the covered payroll was 73.99 percent.

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

(b) *Police Pension*

Plan Description

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(b) Police Pension (Continued)

At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	32
Terminated employees entitled to benefits but not yet receiving them	0
Current employees	
Vested	23
Nonvested	<u>30</u>
Total	<u>85</u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. 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 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. 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.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, is increased annually, following the first anniversary date of retirement and will be paid upon reaching the age of at least 55 years, by 3% of the amount of the pension payable at the time of the increase.

Funding Policy

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 Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded. Actuarial valuations are performed annually.

Annual Pension Cost and Net Pension Asset

For fiscal year 2009, the Village's annual pension cost was \$1,047,033. The Village's actual contribution was \$1,216,121. For a description of the significant actuarial assumptions, see "Significant Actuarial Assumptions."

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(b) Police Pension (Continued)

Annual Pension Cost and Net Pension Asset

Annual required contribution	\$ 1,056,713
Interest on the NPO	(30,537)
Adjustment to the ARC	20,857
	<hr/>
Annual pension cost	1,047,033
Contributions made	1,216,121
	<hr/>
(Increase) in pension asset	(169,088)
Pension asset at May 1, 2008	490,651
	<hr/>
Pension asset at April 30, 2009	<u>\$ 659,739</u>

The net pension asset of \$659,739 is also reported by the Village in the government-wide Statement of Net Assets at April 30, 2009.

Three-Year Trend Information for the Police Pension

For Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2009	\$ 1,047,033	116.1 %	\$ 659,739
2008	898,822	119.1	490,651
2007	888,409	102.7	311,733

Reserves and Concentration of Investments

There are no assets legally reserved for purposes other than the payment of plan member benefits. There are no long-term contracts for contributions. The plan held investments (other than those issued or guaranteed by the U.S. Government) in the following organizations that represent 5% or more of net assets available for benefits:

FHLMC	\$ 802,928
FNMA	3,695,894

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(c) *Firefighters' Pension*

Plan Description

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

The Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	9
Terminated employees entitled to benefits but not yet receiving them	0
Current employees	
Vested	12
Nonvested	<u>13</u>
Total	<u>34</u>

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. 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 in the fire service on the last day of service. The pension is 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. 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 retirement benefit.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of the final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children receive 12% of the final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 is increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Funding Policy

Covered employees are required to contribute 9.455% of their 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 Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded. Actuarial valuations are performed annually.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(c) Firefighters' Pension (Continued)

Annual Pension Cost and Net Pension Asset

For fiscal year 2009, the Village's annual pension cost was \$438,756. The Village's actual contribution was \$531,083. For a description of the significant actuarial assumptions, see "Significant Actuarial Assumptions."

The net pension asset was \$377,694. It was comprised of the following components:

Annual required contribution	\$ 445,089
Interest on the NPO	(19,976)
Adjustment to the ARC	<u>13,643</u>
Annual pension cost	438,756
Contributions made	<u>531,083</u>
(Increase) in pension asset	(92,327)
Pension asset at May 1, 2008	<u>285,367</u>
Pension asset at April 30, 2009	<u><u>\$ 377,694</u></u>

Three-Year Trend Information for the Firefighters' Pension

For Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2009	\$ 438,756	121.0 %	\$ 377,694
2008	396,144	117.4	285,367
2007	396,895	108.2	216,260

Reserves and Concentration of Investments

There are no assets legally reserved for purposes other than the payment of plan member benefits. There are no long-term contracts for contributions.

The plan held investments (other than those issued or guaranteed by the U.S. government) in the following organizations that represent 5% or more of net assets available for benefits:

FHLMC	\$1,485,846
FNMA	941,460

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(d) Police Pension and Firefighters' Pension

Summary of Significant Accounting Policies and Plan Asset Matters

The financial statements for the Police and Firefighters' Pension Trust Funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs for the Police and Firefighters' Pension Plans are financed primarily through investment earnings. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value.

Funded Status and Funding Progress – Pension Trust Funds

The funded status of the Police and Firefighters' Pension Plans as of May 1, 2009, the most recent actuarial valuation date, is as follows:

	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)–(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
Police	\$ 15,478,019	\$ 30,469,387	\$ 14,991,368	50.80 %	\$ 3,975,254	377.12 %
Firefighters'	11,567,232	15,500,056	3,932,824	74.63	1,974,594	199.17

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AAL's for benefits.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(e) Pension Fund Financial Statements

Combining Statement of Fiduciary Net Assets - Pension Trust Funds
April 30, 2009

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and investments			
Cash and equivalents	\$ 40,708	\$ 10,873	\$ 51,581
Investments			
U.S. government and agency obligations	6,701,812	7,289,653	13,991,465
Money market funds	1,791,801	279,842	2,071,643
Mutual funds	2,054,543	2,950,998	5,005,541
Common stock	2,747,798	-	2,747,798
Certificate of deposit	754,244	-	754,244
The Illinois Funds Investment Pool	188,352	470,142	658,494
	<u>14,279,258</u>	<u>11,001,508</u>	<u>25,280,766</u>
Receivables			
Pension contributions	1,150,165	498,405	1,648,570
Accrued interest	48,598	55,319	103,917
Due from other funds	-	12,000	12,000
	<u>-</u>	<u>12,000</u>	<u>12,000</u>
Net Assets			
Held in trust for pension benefits	<u>\$ 15,478,021</u>	<u>\$ 11,567,232</u>	<u>\$ 27,045,253</u>

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(e) Pension Fund Financial Statements (Continued)

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions			
Employer	\$ 1,216,121	\$ 531,083	\$ 1,747,204
Participants	375,756	172,214	547,970
	<u>1,591,877</u>	<u>703,297</u>	<u>2,295,174</u>
Investment income			
Net depreciation in fair value of investments	(2,019,808)	(1,140,134)	(3,159,942)
Interest income	436,713	397,234	833,947
Less investment expenses	(76,007)	(39,756)	(115,763)
	<u>(1,659,102)</u>	<u>(782,656)</u>	<u>(2,441,758)</u>
Other income	<u>106,905</u>	-	<u>106,905</u>
Total additions	<u>39,680</u>	<u>(79,359)</u>	<u>(39,679)</u>
Deductions			
Administration	11,602	5,844	17,446
Pension benefits and refunds	1,327,950	456,538	1,784,488
Total deductions	<u>1,339,552</u>	<u>462,382</u>	<u>1,801,934</u>
Change in net assets	(1,299,872)	(541,741)	(1,841,613)
Net assets - beginning	<u>16,777,893</u>	<u>12,108,973</u>	<u>28,886,866</u>
Net assets - ending	<u>\$ 15,478,021</u>	<u>\$ 11,567,232</u>	<u>\$ 27,045,253</u>

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Defined Benefit Pension Plans (Continued)

(f) Significant Actuarial Assumptions

The information presented in the notes and the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

	Illinois Municipal Retirement	Police Pension	Fire- fighters' Pension
Actuarial Valuation Date	December 31, 2006	May 1, 2009	May 1, 2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Five-Year Smoothed Market Value	Five-Year Smoothed Market Value	Five-Year Smoothed Market Value
Amortization Method	Level Percentage of Projected Payroll – Closed Basis	Level Percentage of Projected Payroll – Closed Basis	Level Percentage of Projected Payroll – Closed Basis
Significant Actuarial Assumptions			
(a) Remaining Amortization Period (Years)	24	24	24
(b) Rate of Return on Investment of Present and Future Assets	7.50% compounded annually	7.00% compounded annually	7.00% compounded annually
(c) Projected Salary Increases - Attributable to Inflation	4.00% compounded annually	5.50% compounded annually	5.50% compounded annually
(d) Additional Projected Salary Increases - Attributable to Seniority/Merit	0.4% to 11.6%	(Note - separate information for (b and c) not available)	
(e) Postretirement Benefit Increases	3.00%	3.00% compounded annually	3.00% compounded annually

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 8. Other Post-Employment Benefits (OPEB)

Plan Description

In addition to providing the pension benefits described in Note 8, the Village provides post-employment health care benefits (OPEB) for retired employees. The Village of Mundelein Group Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Village. The Plan provides medical and dental insurance benefits to eligible retirees and their dependents. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village Board and can only be amended by the Village Board. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established. The Village does not issue a Plan financial report.

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document and Summary Plan Description." The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2009, the Village contributed \$34,476 to the plan, including \$34,476 for current premiums (approximately 16 percent of total premiums). Plan members receiving benefits contributed \$185,988, or approximately 84 percent of the total premiums, through their required contribution of \$525 per month for retiree-only coverage, \$1,127 for retiree and dependent coverage, \$1,365 for family coverage and \$470 to retiree-only Medicare eligible coverage.

Annual OPEB Cost and Net OPEB Obligation

The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation to the Plan:

Annual required contribution (ARC)	\$ 65,859
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
	<hr/>
Annual OPEB cost	65,859
Contribution made	34,476
	<hr/>
Increase in net OPEB obligation	31,383
Net OPEB obligation beginning of year	-
	<hr/>
Net OPEB obligation end of year	<u><u>\$ 31,383</u></u>

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 9. Other Post-Employment Benefits (OPEB) (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 was as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2009	\$ 65,859	52.30%	\$ 31,383

Funded Status and Funding Progress

For fiscal year 2009, the plan was 100% unfunded. The actuarial accrued liability for benefits was \$762,942, and the actuarial value of assets was \$0 (zero), resulting in an unfunded actuarial accrued liability (UAAL) of \$762,942. The covered payroll (annual payroll of active employees covered by the plan) was \$15,015,758, and the ratio of the UAAL to the covered payroll was 5.08 percent.

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

Actuarial Methods and Assumptions

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

In the May 1, 2009 actuarial valuation (most recent available), the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 6 percent ultimately. Both rates included a 3.0 percent inflation assumption. The actuarial value of assets was determined using market value. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2009, was 30 years.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 9. Interfund Activity

Due To/From Other Funds

The composition of interfund balances as of April 30, 2009, is as follows:

Receivable Fund	Payable Fund	Amount
Firefighters' Pension Fund	General Fund	\$ 12,000
Nonmajor Special Revenue Funds	General Fund	315,377
		<u>\$ 327,377</u>

The interfund balance is the result of the obligations of the incentive agreement in terms of accrual.

In addition, amounts totaling \$1,648,570 were due from governmental activities to the Pension Trust Funds at April 30, 2009, representing pension contributions payable for which the Village has levied a property tax and will liquidate the liability as tax collections are received.

Transfers In/Transfers Out

Receiving Fund/Disbursing Fund	Detail	Amount
General Fund		
Nonmajor Special Revenue Funds	Subsidy for capital projects funding	\$ 187,406
Nonmajor Special Revenue Funds		
General Fund	Partial abatement of debt	210,000
Nonmajor Special Revenue Funds		
Nonmajor Special Revenue Funds	Subsidy for operations	11,573
		<u>\$ 408,979</u>

Note: During the year, capital assets with a net book value of \$3,551,501 were transferred from governmental activities to the Waterworks and Sewerage Fund, upon completion of the related projects. These transfers are reflected in the government-wide Statement of Activities, and in the enterprise fund statements.

Note 10. Contingent Liabilities

(a) Litigation

There are several pending lawsuits in which the Village is involved. Management believes that the potential claims against the Village resulting from such litigation will not materially affect the financial position of the Village.

(b) 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 Village expects such amounts, if any, to be immaterial.

Notes to Basic Financial Statements

Note 10. Contingent Liabilities (Continued)

(c) Central Lake County Joint Action Water Agency (CLC-JAWA)

The Village's water supply agreement with the Central Lake County Joint Action Water Agency (CLC-JAWA) provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

(d) Solid Waste Agency of Lake County (SWALCO)

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

(e) Developer Financing Agreement

One sales tax financing arrangement is in progress with a developer. Amounts are payable to the developer only from the Village's incremental sales taxes collected from the project area. Revenues collected and allocable to the agreement in the amount of \$314,915 are recorded as a liability and will be paid to the developer under the terms of the agreement.

Note 11. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village currently reports all its risk management activities in the General Fund.

The Village 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 Cooperation Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial 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 Village'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 above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village 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.

The Village has also purchased insurance from private insurance companies. Risks covered included medical and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage during the current year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 12. Joint Venture – Solid Waste Agency of Lake County

The Village is a member of the Solid Waste Agency of Lake County (the Agency) which consists of 35 municipalities. The Agency is a municipal corporation and public body politic and corporate established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). The Agency is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members. The Agency is reported as a nonequity governmental joint venture.

The members of the Agency and their percentage shares based on formulae contained in the Agency agreement are:

	<u>% Share</u>			<u>% Share</u>
Antioch	1.06	%	Lindenhurst	1.45
Beach Park	1.65		Long Grove	1.42
Deer Park	.74		Mundelein	4.12
Deerfield	4.25		North Barrington	.66
Grayslake	1.46		North Chicago	3.13
Green Oaks	.47		Park City	.86
Gurnee	3.11		Riverwoods	.94
Hawthorn Woods	1.07		Round Lake	.61
Highland Park	8.03		Round Lake Beach	2.55
Kildeer	.67		Round Lake Park	.64
Lake Barrington	1.16		Third Lake	.24
Lake Bluff	1.61		Vernon Hills	3.36
Lake County	19.88		Wadsworth	.39
Lake Forest	6.13		Wauconda	1.31
Lake Villa	.55		Waukegan	12.15
Lake Zurich	3.21		Winthrop Harbor	1.08
Libertyville	4.38		Zion	3.92
Lincolnshire	1.74			
				<u>100.00</u>
				<u>%</u>

These percentage shares are subject to change in future years based on the combination of the population and equalized assessed valuation of the municipalities.

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

The Agency is governed by a Board of Directors which consists of one appointed Mayor or President, Trustee or Chief Administrative Officer from each member municipality. Each Director has an equal vote. The officers of the Agency are appointed by the Board of Directors. The Board of Directors determines the general policy of the Agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of Bonds or Notes by Agency, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Village of Mundelein, Illinois

Notes to Basic Financial Statements

Note 12. Joint Venture – Solid Waste Agency of Lake County (Continued)

Summary Financial Information of Joint Venture

Summary of Financial Position as of November 30, 2008 (latest data available):

<u>Assets</u>		<u>Liabilities and Net Assets</u>	
Current assets	\$ 831,488	Current liabilities	\$ 353,687
Capital assets	<u>1,589,140</u>	Net assets invested in capital assets	1,589,140
		Unrestricted net assets	<u>477,801</u>
		Total Liabilities and Net Assets	<u>\$ 2,420,628</u>
Total Assets	<u>\$ 2,420,628</u>		

Summary of Revenues, Expenses and Changes in Fund Equity for the year ended November 30, 2008:

Total revenues	\$ 2,860,479
Total expenses	<u>2,843,564</u>
Change in net assets	16,915
Net assets	
Beginning of year	<u>2,050,026</u>
End of year	<u>\$ 2,066,941</u>

Complete financial statements for the Agency can be obtained from the Agency's administrative office at 1311 N. Estes St., Gurnee, Illinois 60031.

Notes to Basic Financial Statements

Note 12. Joint Venture – Solid Waste Agency of Lake County (Continued)

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 moneys; and (c) all income, fees, service charges and all grants, rents and receipts derived by the Agency from the ownership and operation of the system.

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

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

The payments required to be made by the Village under this Contract shall be required to be made solely from revenues to be derived by the Village from the operation of the Village's system. The government is not prohibited by the Contract from using other available funds to make payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture Agreement, the Village made no remittances for the Agency for 2009.

Note 13. Contractual and Other Commitments

The Village entered into contracts for the construction or renovation of various streets and facilities. The Village has entered into a contract for 2010 street renovations subsequent to April 30, 2009 for approximately \$2.1 million.

There are various other contracts totaling approximately \$3.5 million with remaining commitments of approximately \$1.5 million. No further financing is required on any of the contracts.

The Village has committed to purchase all water from the Central Lake County Joint Action Water Agency (CLC-JAWA).

The Village has committed to make payments to the Solid Waste Agency of Lake County. As of the date of this report, future minimum amounts have not been determined.

Note 14. Segment Information

The Village maintains only one enterprise fund which is intended to be self-supporting through user fees charged for services to the public.

Notes to Basic Financial Statements

Note 15. New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statement No. 51 – *Accounting and Financial Reporting for Intangible Assets*, establishes accounting and financial reporting requirements for intangible assets. All intangible assets not specifically excluded by the scope of this Statement should be classified as capital assets. All existing authoritative guidance for capital assets should be applied to these intangible assets, as applicable. The Village is required to implement this Statement for the year ending April 30, 2011.

Statement No. 53 – *Accounting and Financial Reporting for Derivative Instruments*, addresses the recognition measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. The Village is required to implement this Statement for the year ending April 30, 2011.

Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definition*. This Statement was issued to enhance the usefulness of fund balance information by providing clearer fund balance classifications and by clarifying the existing fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The Village is required to implement this Statement for the year ending April 30, 2012.

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Mundelein, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual – General Fund
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 1,000,000	\$ 1,000,000	\$ 815,853	\$ (184,147)
Licenses and permits	2,780,000	2,780,000	1,826,631	(953,369)
Grants	800,000	800,000	228,849	(571,151)
Donations	200,000	200,000	28,442	(171,558)
Fines and forfeits	850,000	850,000	680,561	(169,439)
Taxes	19,500,000	19,500,000	18,241,838	(1,258,162)
Interest	501,000	501,000	885,257	384,257
Miscellaneous	60,000	60,000	406,131	346,131
Total revenues	25,691,000	25,691,000	23,113,562	(2,577,438)
Expenditures				
Current				
General government	12,691,000	12,691,000	6,213,025	6,477,975
Public safety	13,843,000	13,843,000	13,314,299	528,701
Public works	4,999,000	4,999,000	3,175,287	1,823,713
Total expenditures	31,533,000	31,533,000	22,702,611	8,830,389
Excess (deficiency) of revenues over expenditures	(5,842,000)	(5,842,000)	410,951	6,252,951
Other financing sources (uses)				
Transfers in	-	-	187,406	187,406
Transfers out	-	-	(210,000)	(210,000)
Total other financing sources (uses)	-	-	(22,594)	(22,594)
Net change in fund balance	\$ (5,842,000)	\$ (5,842,000)	388,357	\$ 6,230,357
Fund balance - beginning			17,015,389	
Fund balance - ending			<u>\$ 17,403,746</u>	

Village of Mundelein, Illinois

Required Supplementary Information
Analysis of Funding Progress

April 30, 2009

Illinois Municipal Retirement Fund

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
12/31/03	\$ 11,866,860	\$ 13,161,373	\$ 1,294,513	90.16 %	\$ 6,018,509	21.51 %
12/31/04	12,972,580	15,650,132	2,677,552	82.89	6,532,840	40.99
12/31/05	12,124,930	15,257,018	3,132,088	79.47	6,922,903	45.24
12/31/06	13,709,612	16,909,264	3,199,652	81.08	7,059,775	45.32
12/31/07	15,830,527	19,238,323	3,407,796	82.29	7,657,927	44.50
12/31/08	14,717,730	20,747,359	6,029,629	70.94	8,148,879	73.99

Police Pension Fund

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
05/01/04	\$ 13,468,963	\$ 22,315,402	\$ 8,846,439	60.36 %	\$ 2,672,034	331.08 %
05/01/05	13,936,664	23,400,253	9,463,589	59.56	2,799,868	338.00
05/01/06	14,891,590	24,227,000	9,335,410	61.47	2,855,376	326.94
05/01/07	16,095,493	26,527,783	10,432,290	60.67	3,374,160	309.18
05/01/08	16,777,891	28,580,618	11,802,727	58.70	3,795,381	310.98
05/01/09	15,478,019	30,469,387	14,991,368	50.80	3,975,254	377.12

Firefighters' Pension Fund

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
05/01/04	\$ 8,513,831	\$ 9,941,515	\$ 1,427,684	85.64 %	\$ 1,445,779	98.75 %
05/01/05	9,227,177	11,073,537	1,846,360	83.33	1,570,875	117.54
05/01/06	10,221,149	12,221,261	2,000,112	83.63	1,577,656	126.78
05/01/07	11,291,561	13,590,907	2,299,346	83.08	1,614,959	142.38
05/01/08	12,108,973	14,474,665	2,365,692	83.66	1,729,227	136.81
05/01/09	11,567,232	15,500,056	3,932,824	74.63	1,974,594	199.17

Village of Mundelein, Illinois

Required Supplementary Information

Employer Contributions

April 30, 2009

Illinois Municipal Retirement Fund

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	
12/31/03	\$ 364,120	100	%
12/31/04	582,076	100	
12/31/05	677,752	100	
12/31/06	770,927	100	
12/31/07	850,796	100	
12/31/08	893,117	100	

Police Pension Fund

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	
05/01/04	\$ 670,250	97.96	%
05/01/05	761,261	106.97	
05/01/06	839,296	103.30	
05/01/07	894,954	101.90	
05/01/08	904,926	119.10	
05/01/09	1,056,713	115.09	

Firefighters' Pension Fund

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	
05/01/04	\$ 360,753	100.84	%
05/01/05	366,355	109.10	
05/01/06	368,121	113.80	
05/01/07	401,511	106.98	
05/01/08	401,274	115.94	
05/01/09	445,089	119.32	

Village of Mundelein, Illinois

Other Post-Employment Benefits
 Required Supplementary Information
 Year Ended April 30, 2009

Analysis of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Annual Covered Payroll ((b - a) / c)
04/30/2009	-	\$ 762,942	\$ 762,942	-	% \$ 15,015,758	5.08 %

Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
04/30/2009	\$ 65,859	52.30%

Information is presented for as many years as is available. The Village implemented GASB Statement No. 45 in fiscal year 2009.

Notes to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

The General Fund budget is adopted on a basis that is consistent with generally accepted accounting principles.

Note 2. Other Post-Employment Benefits

The Village adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employees for Post-Employment Benefits Other Than Pension*, during fiscal year 2009. As such, only one year of data is included in the required supplementary information.

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - To account for the general operating activities of the Village which are not accounted for in any other fund.

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -

by Function and Object

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
General government			
Executive			
Personal services	\$ 77,000	\$ 77,000	\$ 73,416
Professional development	40,000	40,000	18,884
Professional services	8,000	8,000	4,886
Property services	5,000	5,000	3,110
Other services	1,000	1,000	107
Supplies	2,000	1,000	24
Communications	1,000	2,000	212
Utilities	1,000	1,000	-
Office equipment	4,000	4,000	-
Contingent	100,000	100,000	-
Total executive	<u>239,000</u>	<u>239,000</u>	<u>100,639</u>
Board and commission			
Professional development	4,000	4,000	1,364
Professional services	138,000	138,000	111,543
Property services	24,000	24,000	18,253
Maintenance services	67,000	67,000	36,069
Community services	2,000	2,000	900
Other services	48,000	48,000	38,594
Supplies	25,000	25,000	20,895
Utilities	2,000	2,000	1,305
Maintenance materials	2,000	2,000	-
Fire apparatus	21,000	21,000	21,000
Total board and commission	<u>333,000</u>	<u>333,000</u>	<u>249,923</u>
Other general government			
Professional services	1,500,000	1,500,000	588,726
Property services	20,000	20,000	11,372
Maintenance materials	110,000	110,000	-
Maintenance services	20,000	20,000	-
Motor equipment	250,000	250,000	223,796
Other services	-	-	608
Office equipment	30,000	30,000	1,478
Other equipment	70,000	70,000	6,650
Machinery	110,000	110,000	-
Infrastructure improvement	3,000,000	3,000,000	618,074
Contingent	300,000	300,000	-
	<u>5,410,000</u>	<u>5,410,000</u>	<u>1,450,704</u>

(Continued)

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -
by Function and Object (Continued)
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
General government (Continued)			
Administration			
Personal services	\$ 1,240,000	\$ 1,240,000	\$ 1,190,437
Fringe benefits	320,000	320,000	259,616
Professional development	33,000	33,000	17,580
Professional services	94,000	94,000	125,216
Property services	70,000	70,000	51,612
Maintenance services	15,000	15,000	91,845
Community services	153,000	153,000	126,201
Other services	71,000	71,000	26,169
Supplies	78,000	78,000	53,855
Safety equipment	1,000	1,000	-
Communications	63,000	63,000	51,765
Utilities	2,000	2,000	1,167
Maintenance materials	5,000	5,000	1,451
Office equipment	92,000	92,000	28,837
Infrastructure	17,000	17,000	-
Contingent	200,000	200,000	-
Total administration	2,454,000	2,454,000	2,025,751
Finance			
Personal services	685,000	685,000	502,910
Fringe benefits	165,000	165,000	110,638
Professional development	12,000	12,000	2,266
Professional services	300,000	300,000	229,521
Property services	45,000	45,000	29,973
Maintenance services	3,000	3,000	741
Other services	20,000	20,000	1,093
Supplies	30,000	30,000	16,194
Communications	7,000	7,000	3,300
Maintenance materials	1,000	1,000	-
Office equipment	15,000	15,000	-
Contingent	131,000	131,000	-
Total finance	1,414,000	1,414,000	896,636

(Continued)

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -
by Function and Object (Continued)
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
General government (Continued)			
Community development			
Personal services	\$ 694,000	\$ 694,000	\$ 584,373
Fringe benefits	165,000	165,000	134,987
Professional development	12,000	12,000	2,824
Professional services	156,000	156,000	37,389
Property services	50,000	50,000	30,511
Maintenance services	5,000	5,000	373
Other services	6,000	6,000	2,037
Supplies	14,000	14,000	6,136
Personal safety equipment	2,000	2,000	493
Communications	15,000	15,000	4,433
Utilities	11,000	11,000	4,383
Maintenance materials	4,000	4,000	2,133
Office equipment	12,000	12,000	-
Contingent	140,000	140,000	-
Total community development	1,286,000	1,286,000	810,072
Engineering			
Personal services	585,000	585,000	496,621
Fringe benefits	105,000	105,000	94,794
Professional development	15,000	15,000	2,513
Professional services	700,000	700,000	33,745
Property services	50,000	50,000	35,608
Maintenance services	10,000	10,000	5,949
Other services	3,000	3,000	135
Supplies	7,000	7,000	2,390
Personal safety equipment	2,000	2,000	-
Communications	5,000	5,000	3,162
Utilities	5,000	5,000	3,584
Maintenance materials	4,000	4,000	640
Office equipment	6,000	6,000	159
Contingent	58,000	58,000	-
Total engineering	1,555,000	1,555,000	679,300
Total general government	12,691,000	12,691,000	6,213,025

(Continued)

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -
by Function and Object (Continued)
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Public safety			
Police			
Personal services	\$ 6,045,000	\$ 6,045,000	\$ 5,650,405
Fringe benefits	1,437,000	1,437,000	2,057,675
Professional development	110,000	110,000	75,874
Professional services	190,000	190,000	83,651
Property services	320,000	320,000	280,259
Maintenance services	110,000	110,000	70,928
Community services	35,000	35,000	32,727
Other services	52,000	52,000	49,040
Supplies	80,000	80,000	51,473
Safety equipment	85,000	85,000	49,472
Communications	120,000	120,000	81,750
Utilities	150,000	150,000	109,919
Maintenance materials	51,000	51,000	49,717
Other commodities	15,000	15,000	3,514
Motor equipment	110,000	110,000	91,741
Office equipment	55,000	55,000	42,071
Other equipment	58,000	58,000	52,361
Total police	9,023,000	9,023,000	8,832,577
Fire			
Personal services	2,938,000	2,938,000	2,613,302
Fringe benefits	680,000	680,000	884,566
Professional development	70,000	70,000	35,755
Professional services	560,000	560,000	512,035
Property services	116,000	116,000	100,347
Maintenance services	85,000	85,000	82,697
Community services	3,000	3,000	880
Other services	12,000	12,000	9,131
Supplies	38,000	38,000	25,347
Personal safety equipment	62,000	62,000	49,943
Communications	33,000	33,000	32,210

(Continued)

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -
by Function and Object (Continued)
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Public safety (Continued)			
Fire (Continued)			
Utilities	\$ 30,000	\$ 30,000	\$ 25,902
Maintenance materials	57,000	57,000	59,144
Other commodities	1,000	1,000	199
Office equipment	40,000	40,000	8,583
Other equipment	28,000	28,000	18,370
Motor equipment	25,000	25,000	23,311
Contingent	42,000	42,000	-
Total fire	4,820,000	4,820,000	4,481,722
Total public safety	13,843,000	13,843,000	13,314,299
Public works			
Public works			
Personal services	569,000	569,000	393,533
Fringe benefits	140,000	140,000	108,446
Professional development	11,000	11,000	4,230
Professional services	18,000	18,000	8,827
Property services	113,000	113,000	73,376
Maintenance services	84,000	84,000	42,638
Community services	3,000	3,000	-
Other services	11,000	11,000	4,167
Supplies	31,000	31,000	12,184
Personal safety equipment	10,000	10,000	4,445
Communications	28,000	28,000	14,598
Utilities	47,000	47,000	28,211
Maintenance materials	43,000	43,000	27,552
Other commodities	1,000	1,000	-
Motor equipment	150,000	150,000	-
Office equipment	12,000	12,000	3,510
Other equipment	25,000	25,000	1,899
Infrastructure improvement	16,000	16,000	12,413
Contingent	373,000	373,000	-
Total public works	1,685,000	1,685,000	740,029

(Continued)

Village of Mundelein, Illinois

General Fund

Schedule of Expenditures - Budget and Actual -

by Function and Object (Continued)

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Public works (Continued)			
Streets			
Personal services	\$ 1,033,000	\$ 1,033,000	\$ 943,393
Fringe benefits	245,000	245,000	186,718
Professional development	3,000	3,000	704
Professional services	20,000	20,000	2,413
Property services	191,000	191,000	112,686
Maintenance services	120,000	120,000	72,765
Community services	105,000	105,000	73,004
Other services	6,000	6,000	3,977
Supplies	25,000	25,000	11,899
Personal safety equipment	12,000	12,000	3,784
Communications	12,000	12,000	6,350
Utilities	310,000	310,000	216,726
Maintenance materials	840,000	840,000	771,976
Office equipment	1,000	1,000	70
Other equipment	40,000	40,000	28,793
Machinery	5,000	5,000	-
Infrastructure improvement	246,000	246,000	-
Contingent	100,000	100,000	-
Total streets	3,314,000	3,314,000	2,435,258
Total public works	4,999,000	4,999,000	3,175,287
Total expenditures	\$ 31,533,000	\$ 31,533,000	\$ 22,702,611

NONMAJOR GOVERNMENTAL FUNDS

Village of Mundelein, Illinois

Nonmajor Governmental Funds

Balance Sheet

April 30, 2009

	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ 9,650,311	\$ 859,206	\$ 10,509,517
Receivables			
Property taxes	3,722,878	1,159,749	4,882,627
Accrued interest	41,587	-	41,587
Due from other funds	315,377	-	315,377
Due from other governments	61,774	-	61,774
Prepays	142,804	-	142,804
	<hr/>		
Total assets	\$ 13,934,731	\$ 2,018,955	\$ 15,953,686
Liabilities			
Accounts payable	\$ 86,169	\$ -	\$ 86,169
Accrued payroll	191,492	-	191,492
Deferred property taxes	3,722,878	1,159,749	4,882,627
Other liabilities	314,915	-	314,915
	<hr/>		
Total liabilities	4,315,454	1,159,749	5,475,203
Fund Balances			
Reserved for prepaid items	142,804	-	142,804
Reserved for other improvements	625,000	-	625,000
Reserved for debt service	-	859,206	859,206
Unreserved			
Designated for capital projects	6,875,527	-	6,875,527
Undesignated	1,975,946	-	1,975,946
	<hr/>		
Total fund balances	9,619,277	859,206	10,478,483
	<hr/>		
Total liabilities and fund balances	\$ 13,934,731	\$ 2,018,955	\$ 15,953,686
	<hr/>		

Village of Mundelein, Illinois

Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 Year Ended April 30, 2009

	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Revenues			
Charges for services	\$ 395,522	\$ -	\$ 395,522
Intergovernmental	834,225	-	834,225
Grants	687,339	-	687,339
Fees	68,883	-	68,883
Taxes	4,016,285	1,361,339	5,377,624
Interest	294,742	14,808	309,550
Miscellaneous	1,650	-	1,650
Total revenues	<u>6,298,646</u>	<u>1,376,147</u>	<u>7,674,793</u>
Expenditures			
Current			
General government	1,230,591	-	1,230,591
Public safety	399,274	-	399,274
Public works	3,206,170	-	3,206,170
Pension contributions	1,671,035	-	1,671,035
Debt service			
Principal	-	885,000	885,000
Interest and fiscal charges	-	678,625	678,625
Total expenditures	<u>6,507,070</u>	<u>1,563,625</u>	<u>8,070,695</u>
Deficiency of revenues over expenditures	<u>(208,424)</u>	<u>(187,478)</u>	<u>(395,902)</u>
Other financing sources (uses)			
Transfers in	11,573	210,000	221,573
Transfers out	(198,979)	-	(198,979)
Total other financing sources (uses)	<u>(187,406)</u>	<u>210,000</u>	<u>22,594</u>
Net change in fund balances	(395,830)	22,522	(373,308)
Fund balances - beginning	<u>10,015,107</u>	<u>836,684</u>	<u>10,851,791</u>
Fund balances - ending	<u>\$ 9,619,277</u>	<u>\$ 859,206</u>	<u>\$ 10,478,483</u>

NONMAJOR SPECIAL REVENUE FUNDS

Road and Bridge Fund – To account for revenues derived from a specific annual property tax levy provided for the purpose of providing funds for the maintenance and construction of roads and bridges.

Illinois Municipal Retirement Fund – To account for revenues derived from a specific annual property tax levy provided for the purpose of providing employer contributions to the state sponsored Illinois Municipal Retirement Fund.

Social Security Fund – To account for revenues derived from a specific annual property tax levy provided for the purpose of meeting the costs associated with participation in the "Social Security Act."

Train Station Parking Fund – To account for revenues and expenditures related to the operations of the train station parking lot.

Motor Fuel Tax Fund – To account for revenues provided by the Village's share of state gasoline taxes used for the operation of certain street maintenance and improvement programs, as authorized by the Illinois Department of Transportation.

911 Surcharge Fund – To account for revenues derived from the imposition of a surcharge per network connection on the telecommunication companies for the purpose of installing and maintaining a 911 Emergency Telephone System (The Emergency Telephone System Act).

NONMAJOR SPECIAL REVENUE FUNDS (CONT.)

Mundelein Crossing Occupational Tax Special Fund – To account for the activity relating to the Development Agreement and Economic Incentive agreement dated August 11, 2003, with Mid-Northern Equities. The agreement requires that a portion of the municipal retailer occupational tax revenues attributable to the Mundelein Crossing Shopping Center be remitted to Mid-Northern Equities for a 13-year period, to a maximum of \$6,000,000.

Dive Boat Fund – To account for the revenues and expenditures related to the Village's acquisition and maintenance of a dive rescue boat.

Transportation Fund – To account for revenues derived from transportation impact fees used to fund Construction of Transportation Improvements, including intersection improvements and Metra train station facilities.

Capital Development Fund – To account for revenues derived from development fees received from contractors for the purpose of meeting the costs of various Village projects and expenditures at the Village's discretion.

Stormwater Management Fund – To account for revenues derived from Stormwater Management fees received from developers. The Village will use the funds for storm water relief projects.

Tree Fund – To account for revenues generated as a result of the landscape code ordinance, and utilized for forestry activities of public property.

Tax Increment Finance Area #2 Fund – To account for the activity relating to Tax Increment Allocation Financing for the downtown TIF Redevelopment Project Area adopted as Ord. 05-01-08 on January 10, 2005.

Village of Mundelein, Illinois

**Nonmajor Special Revenue Funds
Combining Balance Sheet
April 30, 2009**

	Road and Bridge	Illinois Municipal Retirement	Social Security	Train Station Parking	Motor Fuel Tax	911 Surcharge
Assets						
Cash and investments	\$ 839,334	\$ 197,711	\$ 372,812	\$ 524,760	\$ 1,667,068	\$ 357,559
Receivables						
Property taxes	1,088,599	853,039	1,073,487	-	-	-
Accrued Interest	4,190	-	-	3,350	8,395	-
Due from other funds	-	-	-	-	462	-
Due from other governments	-	-	-	-	61,774	-
Prepaid items	-	-	-	-	-	-
Total assets	\$ 1,932,123	\$ 1,050,750	\$ 1,446,299	\$ 528,110	\$ 1,737,699	\$ 357,559
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 1,484	\$ 26,505	\$ 38,213
Accrued payroll	32,470	121,592	34,472	-	-	2,958
Deferred property taxes	1,088,599	853,039	1,073,487	-	-	-
Other liabilities	-	-	-	-	-	-
Total liabilities	1,121,069	974,631	1,107,959	1,484	26,505	41,171
Fund Balances						
Reserved for prepaid items	-	-	-	-	-	-
Reserved for other improvements	-	-	-	-	-	-
Unreserved - designated for capital and other improvements	-	-	-	-	1,711,194	316,388
Unreserved, undesignated	811,054	76,119	338,340	526,626	-	-
	811,054	76,119	338,340	526,626	1,711,194	316,388
Total liabilities and fund balances	\$ 1,932,123	\$ 1,050,750	\$ 1,446,299	\$ 528,110	\$ 1,737,699	\$ 357,559

Mundelein Crossing Occupational Tax Special	Dive Boat	Trans- portation	Capital Develop- ment	Stormwater Management	Tree	Tax Increment Finance Area #2	Totals
\$ -	\$ 1,861	\$ 1,434,546	\$ 3,869,336	\$ 155,236	\$ 230,088	\$ -	\$ 9,650,311
-	-	-	-	-	-	707,753	3,722,878
-	-	-	25,652	-	-	-	41,587
314,915	-	-	-	-	-	-	315,377
-	-	-	-	-	-	-	61,774
-	-	-	142,804	-	-	-	142,804
<u>\$ 314,915</u>	<u>\$ 1,861</u>	<u>\$ 1,434,546</u>	<u>\$ 4,037,792</u>	<u>\$ 155,236</u>	<u>\$ 230,088</u>	<u>\$ 707,753</u>	<u>\$ 13,934,731</u>
\$ -	\$ -	\$ 4,389	\$ -	\$ 7,436	\$ 8,142	\$ -	\$ 86,169
-	-	-	-	-	-	-	191,492
-	-	-	-	-	-	707,753	3,722,878
314,915	-	-	-	-	-	-	314,915
<u>314,915</u>	<u>-</u>	<u>4,389</u>	<u>-</u>	<u>7,436</u>	<u>8,142</u>	<u>707,753</u>	<u>4,315,454</u>
-	-	-	142,804	-	-	-	142,804
-	-	625,000	-	-	-	-	625,000
-	-	805,157	3,894,988	147,800	-	-	6,875,527
-	1,861	-	-	-	221,946	-	1,975,946
<u>-</u>	<u>1,861</u>	<u>1,430,157</u>	<u>4,037,792</u>	<u>147,800</u>	<u>221,946</u>	<u>-</u>	<u>9,619,277</u>
<u>\$ 314,915</u>	<u>\$ 1,861</u>	<u>\$ 1,434,546</u>	<u>\$ 4,037,792</u>	<u>\$ 155,236</u>	<u>\$ 230,088</u>	<u>\$ 707,753</u>	<u>\$ 13,934,731</u>

Village of Mundelein, Illinois

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended April 30, 2009

	Road and Bridge	Illinois Municipal Retirement	Social Security	Train Station Parking	Motor Fuel Tax	911 Surcharge	Mundelein Crossing Occupational Tax Special
Revenues							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 1,848	\$ -	\$ -
Intergovernmental	-	-	-	-	834,225	-	-
Grants	-	-	-	-	-	-	-
Fees	-	-	-	68,883	-	-	-
Taxes	989,747	743,369	1,023,177	-	-	303,609	826,838
Interest	27,207	2,499	6,318	17,206	62,669	4,134	545
Other	-	-	-	-	-	-	-
Total revenues	1,016,954	745,868	1,029,495	86,089	898,742	307,743	827,383
Expenditures							
Current							
General government	-	-	-	-	-	-	827,383
Public safety	-	-	-	-	-	399,229	-
Public works							
Highways and streets	893,603	-	-	-	2,022,292	-	-
Buildings and grounds	-	-	-	30,095	-	-	-
Pension contributions	-	693,309	977,726	-	-	-	-
Total expenditures	893,603	693,309	977,726	30,095	2,022,292	399,229	827,383
Excess (deficiency) of revenues over expenditures	123,351	52,559	51,769	55,994	(1,123,550)	(91,486)	-
Other financing sources (uses)							
Transfers in	11,573	-	-	-	-	-	-
Transfers out	-	-	-	-	(198,979)	-	-
Total other financing sources (uses)	11,573	-	-	-	(198,979)	-	-
Net change in fund balances	134,924	52,559	51,769	55,994	(1,322,529)	(91,486)	-
Fund balances - beginning	676,130	23,560	286,571	470,632	3,033,723	407,874	-
Fund balances - ending	\$ 811,054	\$ 76,119	\$ 338,340	\$ 526,626	\$ 1,711,194	\$ 316,388	\$ -

Dive Boat	Trans- portation	Capital Develop- ment	Stormwater Management	Tree	Tax Increment Finance Area #2	Totals
\$ -	\$ 166,740	\$ 195,924	\$ 6,210	\$ 24,800	\$ -	\$ 395,522
-	-	-	-	-	-	834,225
-	687,339	-	-	-	-	687,339
-	-	-	-	-	-	68,883
-	-	-	-	-	129,545	4,016,285
25	9,917	155,951	3,188	4,626	457	294,742
-	-	-	-	1,650	-	1,650
25	863,996	351,875	9,398	31,076	130,002	6,298,646
-	100,420	-	169,632	-	133,156	1,230,591
45	-	-	-	-	-	399,274
-	70,286	-	19,655	170,239	-	3,176,075
-	-	-	-	-	-	30,095
-	-	-	-	-	-	1,671,035
45	170,706	-	189,287	170,239	133,156	6,507,070
(20)	693,290	351,875	(179,889)	(139,163)	(3,154)	(208,424)
-	-	-	-	-	-	11,573
-	-	-	-	-	-	(198,979)
-	-	-	-	-	-	(187,406)
(20)	693,290	351,875	(179,889)	(139,163)	(3,154)	(395,830)
1,881	736,867	3,685,917	327,689	361,109	3,154	10,015,107
\$ 1,861	\$ 1,430,157	\$ 4,037,792	\$ 147,800	\$ 221,946	\$ -	\$ 9,619,277

Village of Mundelein, Illinois

Road and Bridge Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 1,200,000	\$ 1,200,000	\$ 989,747
Interest	18,000	18,000	27,207
Total revenues	<u>1,218,000</u>	<u>1,218,000</u>	<u>1,016,954</u>
Expenditures			
Highways and streets			
Professional services	-	-	539,862
Streets	1,680,000	1,680,000	353,741
Total expenditures	<u>1,680,000</u>	<u>1,680,000</u>	<u>893,603</u>
Excess (deficiency) of revenues over expenditures	(462,000)	(462,000)	123,351
Other financing sources			
Transfers in	-	-	11,573
Net change in fund balance	<u>\$ (462,000)</u>	<u>\$ (462,000)</u>	134,924
Fund balance - beginning			<u>676,130</u>
Fund balance - ending			<u>\$ 811,054</u>

Village of Mundelein, Illinois

Illinois Municipal Retirement Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 900,000	\$ 900,000	\$ 743,369
Interest	10,000	10,000	2,499
Total revenues	<u>910,000</u>	<u>910,000</u>	<u>745,868</u>
Expenditures			
Pension Contributions			
Administration	148,338	148,338	114,271
Finance	61,145	61,145	47,103
Water	3,074	3,074	2,368
Village Clerk	8,823	8,823	6,797
Building Inspection	86,998	86,998	67,018
Engineering	70,108	70,108	54,007
Executive	41,907	41,907	32,283
Police Department	196,508	196,508	151,379
Fire Department	8,199	8,199	6,316
Public Works Administration	62,206	62,206	47,920
Building and Grounds	28,062	28,062	21,617
Motor Vehicle	50,182	50,182	38,657
Streets	134,450	134,450	103,573
Total expenditures	<u>900,000</u>	<u>900,000</u>	<u>693,309</u>
Net change in fund balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	52,559
Fund balance - beginning			<u>23,560</u>
Fund balance - ending			<u>\$ 76,119</u>

Village of Mundelein, Illinois

Social Security Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,023,177
Interest	14,000	14,000	6,318
Total revenues	<u>1,414,000</u>	<u>1,414,000</u>	<u>1,029,495</u>
Expenditures			
Pension contributions			
Executive	34,138	34,138	23,841
Administration	110,622	110,622	77,256
Administration finance	43,292	43,292	30,234
Water finance	5,312	5,312	3,710
Village clerk	4,350	4,350	3,038
Building inspection	65,170	65,170	45,513
Engineering	52,215	52,215	36,466
Police	610,512	610,512	426,367
Fire	266,024	266,024	185,785
Public works administration	45,053	45,053	31,464
Buildings and grounds	23,560	23,560	16,454
Motor vehicle	38,001	38,001	26,539
Streets	101,749	101,749	71,059
Total expenditures	<u>1,400,000</u>	<u>1,400,000</u>	<u>977,726</u>
Net change in fund balance	<u>\$ 14,000</u>	<u>\$ 14,000</u>	51,769
Fund balance - beginning			<u>286,571</u>
Fund balance - ending			<u>\$ 338,340</u>

Village of Mundelein, Illinois

Train Station Parking Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Fees	\$ 100,000	\$ 100,000	\$ 68,883
Interest	8,000	8,000	17,206
Total revenues	<u>108,000</u>	<u>108,000</u>	<u>86,089</u>
Expenditures			
Buildings and grounds	<u>500,000</u>	<u>500,000</u>	<u>30,095</u>
Net change in fund balance	<u>\$ (392,000)</u>	<u>\$ (392,000)</u>	55,994
Fund balance - beginning			<u>470,632</u>
Fund balance - ending			<u>\$ 526,626</u>

Village of Mundelein, Illinois

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ 4,000	\$ 4,000	\$ 1,848
Intergovernmental			
Allotments - State of Illinois	1,100,000	1,100,000	834,225
Interest	12,000	12,000	62,669
Total revenues	<u>1,116,000</u>	<u>1,116,000</u>	<u>898,742</u>
Expenditures			
Highways and streets			
Streets	<u>3,500,000</u>	<u>3,500,000</u>	<u>2,022,292</u>
Deficiency of revenues over expenditures	(2,384,000)	(2,384,000)	(1,123,550)
Other financing uses			
Transfers out	<u>-</u>	<u>-</u>	<u>(198,979)</u>
Net change in fund balance	<u>\$ (2,384,000)</u>	<u>\$ (2,384,000)</u>	(1,322,529)
Fund balance - beginning			<u>3,033,723</u>
Fund balance - ending			<u>\$ 1,711,194</u>

Village of Mundelein, Illinois

911 Surcharge Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 300,000	\$ 300,000	\$ 303,609
Interest	3,000	3,000	4,134
Total revenues	<u>303,000</u>	<u>303,000</u>	<u>307,743</u>
Expenditures			
Public safety			
Police	<u>730,000</u>	<u>730,000</u>	<u>399,229</u>
Net change in fund balance	<u>\$ (427,000)</u>	<u>\$ (427,000)</u>	(91,486)
Fund balance - beginning			<u>407,874</u>
Fund balance - ending			<u>\$ 316,388</u>

Village of Mundelein, Illinois

**Mundelein Crossing Occupational Tax Special Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 826,838
Interest	-	-	545
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>827,383</u>
Expenditures			
General government			
Economic Incentive Agreement	1,000,000	1,000,000	827,383
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance - beginning			<u>-</u>
Fund balance - ending			<u>\$ -</u>

Village of Mundelein, Illinois

Dive Boat Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Interest	\$ 1,000	\$ 1,000	\$ 25
Expenditures			
Public safety			
Fire	2,000	2,000	45
Net change in fund balance	<u>\$ (1,000)</u>	<u>\$ (1,000)</u>	(20)
Fund balance - beginning			<u>1,881</u>
Fund balance - ending			<u>\$ 1,861</u>

Village of Mundelein, Illinois

Transportation Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ 100,000	\$ 100,000	\$ 166,740
Grants	-	-	687,339
Interest	8,000	8,000	9,917
Total revenues	<u>108,000</u>	<u>108,000</u>	<u>863,996</u>
Expenditures			
General government			
Engineering	400,000	400,000	100,420
Public works			
Infrastructure improvements	400,000	400,000	70,286
Total expenditures	<u>800,000</u>	<u>800,000</u>	<u>170,706</u>
Net change in fund balance	<u>\$ (292,000)</u>	<u>\$ (292,000)</u>	693,290
Fund balance - beginning			<u>736,867</u>
Fund balance - ending			<u>\$ 1,430,157</u>

Village of Mundelein, Illinois

Capital Development Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ 100,000	\$ 100,000	\$ 195,924
Interest	100,000	100,000	155,951
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>351,875</u>
Expenditures			
Public safety			
Fire	1,000,000	1,000,000	-
Public works			
Buildings and grounds	2,000,000	2,000,000	-
Total expenditures	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,800,000)</u>	<u>\$ (2,800,000)</u>	351,875
Fund balance - beginning			<u>3,685,917</u>
Fund balance - ending			<u>\$ 4,037,792</u>

Village of Mundelein, Illinois

Stormwater Management Fund
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ 100,000	\$ 100,000	\$ 6,210
Interest	3,000	3,000	3,188
Total revenues	<u>103,000</u>	<u>103,000</u>	<u>9,398</u>
Expenditures			
General government			
Engineering	375,000	375,000	169,632
Public works			
Highways and streets	-	-	19,655
Total expenditures	<u>375,000</u>	<u>375,000</u>	<u>189,287</u>
Net change in fund balance	<u>\$ (272,000)</u>	<u>\$ (272,000)</u>	(179,889)
Fund balance - beginning			<u>327,689</u>
Fund balance - ending			<u>\$ 147,800</u>

Village of Mundelein, Illinois

Tree Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ -	\$ -	\$ 24,800
Interest	2,000	2,000	4,626
Miscellaneous	-	-	1,650
Total revenues	<u>2,000</u>	<u>2,000</u>	31,076
Expenditures			
Highways and streets			
Streets	365,000	365,000	170,239
Net change in fund balance	<u>\$ (363,000)</u>	<u>\$ (363,000)</u>	(139,163)
Fund balance - beginning			<u>361,109</u>
Fund balance - ending			<u><u>\$ 221,946</u></u>

Village of Mundelein, Illinois

Tax Increment Finance Area #2 Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 150,000	\$ 150,000	\$ 129,545
Interest	-	-	457
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>130,002</u>
Expenditures			
General government			
Contingent	<u>150,000</u>	<u>150,000</u>	<u>133,156</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(3,154)
Fund balance - beginning			<u>3,154</u>
Fund balance - ending			<u>\$ -</u>

NONMAJOR DEBT SERVICE FUND

General Obligation Bond Fund – To accumulate monies for the payment of the \$5,000,000 General Obligation bonds Series 1998, which are due in annual installments, plus interest until maturity in 2018; to accumulate monies for the payment of the \$7,000,000 General Obligation bonds Series 1999, which are due in annual installments plus interest until maturity in 2019; and to accumulate monies for the payment of the \$5,000,000 General Obligation bonds Series 2005, which are due in annual installments plus interest until maturity in 2025. Financing is provided by specific annual property tax levies. Property taxes levied in excess of actual requirements are legally restricted to servicing this debt. The 1998 bonds were issued to pay the cost of the construction of a satellite fire station and headquarters fire station. The 1999 bonds were issued to pay the final cost of the headquarters fire station, the cost of land acquisition and constructing a new police station. The 2005 bonds were issued to pay for land acquisition and capital improvements.

Village of Mundelein, Illinois

General Obligation Bond Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 1,600,000	\$ 1,600,000	\$ 1,361,339
Interest	20,000	20,000	14,808
Total revenues	<u>1,620,000</u>	<u>1,620,000</u>	<u>1,376,147</u>
Expenditures			
Debt service			
Principal	900,000	900,000	885,000
Interest	900,000	900,000	676,970
Fiscal charges	200,000	200,000	1,655
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,563,625</u>
Deficiency of revenues over expenditures before other financing sources	(380,000)	(380,000)	(187,478)
Other financing sources			
Transfer from other funds	220,000	220,000	210,000
Net change in fund balance	<u>\$ (160,000)</u>	<u>\$ (160,000)</u>	22,522
Fund balance - beginning			<u>836,684</u>
Fund balance - ending			<u>\$ 859,206</u>

ENTERPRISE FUND

Waterworks and Sewerage Fund – To account for the provision of water and sewer services to the residents of the Village and some residents of the County. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Village of Mundelein, Illinois

Enterprise Fund - Waterworks and Sewerage Fund

Schedule of Net Assets - By Department

April 30, 2009

	Operations and Maintenance	Sewer Additions and Expansions	Water Additions and Expansion	Depreciation	Totals
Assets					
Current					
Cash and investments	\$ 468,321	\$ 3,236,582	\$ 1,823,416	\$ 1,733,887	\$ 7,262,206
Accounts receivable	1,182,190	-	-	13,376	1,195,566
Accrued interest receivable	-	21,362	5,246	-	26,608
Prepaid expenses	91,830	-	-	-	91,830
	<u>1,742,341</u>	<u>3,257,944</u>	<u>1,828,662</u>	<u>1,747,263</u>	<u>8,576,210</u>
Noncurrent					
Capital assets - net	<u>35,992,607</u>	-	-	-	<u>35,992,607</u>
	<u>37,734,948</u>	<u>3,257,944</u>	<u>1,828,662</u>	<u>1,747,263</u>	<u>44,568,817</u>
Liabilities					
Current					
Accounts payable	218,941	-	-	350,624	569,565
Accrued payroll	94,200	-	-	-	94,200
Deposits payable	91,218	-	-	-	91,218
Compensated absences	86,605	-	-	-	86,605
IEPA loan payable	269,017	-	-	-	269,017
	<u>759,981</u>	<u>-</u>	<u>-</u>	<u>350,624</u>	<u>1,110,605</u>
Noncurrent					
IEPA loan payable	<u>2,626,940</u>	-	-	-	<u>2,626,940</u>
	<u>3,386,921</u>	<u>-</u>	<u>-</u>	<u>350,624</u>	<u>3,737,545</u>
Net Assets					
Invested in capital assets, net					
of related debt	33,096,650	-	-	-	33,096,650
Restricted for capital					
improvements	-	3,257,944	1,828,662	1,396,639	6,483,245
Unrestricted	<u>1,251,377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,251,377</u>
Total net assets	<u>\$ 34,348,027</u>	<u>\$ 3,257,944</u>	<u>\$ 1,828,662</u>	<u>\$ 1,396,639</u>	<u>\$ 40,831,272</u>

Village of Mundelein, Illinois

Enterprise Fund - Waterworks and Sewerage Fund

Schedule of Revenues, Expenses and Changes in Net Assets - By Department

Year Ended April 30, 2009

	Operations and Maintenance	Sewer Additions and Expansions	Water Additions and Expansion	Depreciation	Totals
Operating revenues					
Charges for services					
Water and sewer sales	\$ 6,589,571	\$ -	\$ -	\$ -	\$ 6,589,571
Operating expenses (excluding depreciation)	6,483,428	-	-	-	6,483,428
Operating income before depreciation	106,143	-	-	-	106,143
Depreciation	2,099,338	-	-	-	2,099,338
Operating loss	(1,993,195)	-	-	-	(1,993,195)
Nonoperating revenues (expenses)					
Expansion fees	-	102,420	11,975	-	114,395
Escrow transfer	-	-	-	250,000	250,000
Developer donations	-	-	-	13,376	13,376
Interest income	12,221	138,844	75,917	23,692	250,674
Interest expense	(89,372)	-	-	-	(89,372)
	(77,151)	241,264	87,892	287,068	539,073
Income (loss) before capital contributions and transfers	(2,070,346)	241,264	87,892	287,068	(1,454,122)
Capital contributions - developer donation of capital assets	139,804	-	-	-	139,804
Transfer of capital assets from governmental activities	3,551,501	-	-	-	3,551,501
Intra-fund transfers in/out	703,010	(188,237)	(186,177)	(328,596)	-
Change in net assets	2,323,969	53,027	(98,285)	(41,528)	2,237,183
Net assets - beginning	32,024,058	3,204,917	1,926,947	1,438,167	38,594,089
Net assets - ending	\$ 34,348,027	\$ 3,257,944	\$ 1,828,662	\$ 1,396,639	\$ 40,831,272

Village of Mundelein, Illinois

Waterworks and Sewerage Fund

Schedule of Operating Revenues and Expenses and Nonoperating Revenues and Expenses

- Budget and Actual (Budgetary Basis)

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
<hr/>			
Operating revenues			
Charges for services			
Water and sewer sales	\$ 7,931,000	\$ 7,931,000	\$ 6,589,571
<hr/>			
Operating expenses (excluding depreciation)	8,576,000	8,576,000	6,483,428
<hr/>			
Nonoperating revenues/expenses			
Expansion fees	750,000	750,000	114,395
Escrow transfer	-	-	250,000
Developer donations	-	-	13,376
Interest income	115,000	115,000	250,674
Principal retirement	(265,000)	(265,000)	(261,407)
Interest expense	(95,000)	(95,000)	(89,372)
	<hr/> 505,000	<hr/> 505,000	<hr/> 277,666

Village of Mundelein, Illinois

Waterworks and Sewerage Fund
 Schedule of Operating Expenses - Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Sewerage			
Administration			
Personal services	\$ 192,227	\$ 192,227	\$ 181,968
Fringe benefits	66,368	66,368	66,353
Professional development	2,823	2,823	1,495
Professional services	264,794	264,794	43,035
Property services	82,604	82,604	61,535
Maintenance services	11,527	11,527	3,994
Community services	1,000	1,000	-
Other services	666	666	350
Supplies	732	732	426
Safety equipment	778	778	362
Communications	6,593	6,593	4,479
Utilities	1,508	1,508	1,288
Contingent	330,000	330,000	187,041
Maintenance materials	940	940	1,728
Other commodities	-	-	90
	<u>962,560</u>	<u>962,560</u>	<u>554,144</u>
Uptown			
Personal services	368,800	368,800	349,118
Fringe benefits	161,525	161,525	161,488
Professional development	1,229	1,229	651
Professional services	173,527	173,527	30,902
Maintenance services	13,323	13,323	4,616
Other services	1,404	1,404	738
Supplies	2,168	2,168	1,262
Personal safety equipment	4,646	4,646	2,161
Communications	5,957	5,957	4,047
Utilities	12,372	12,372	10,568
Maintenance materials	8,568	8,568	15,748
Infrastructure improvement	2,940,917	4,417,000	275,000
	<u>3,694,436</u>	<u>5,170,519</u>	<u>856,299</u>

(Continued)

Village of Mundelein, Illinois

Waterworks and Sewerage Fund

Schedule of Operating Expenses - Budget and Actual (Continued)

Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Sewerage (Continued)			
Sewer treatment plant			
Personal services	\$ 463,973	\$ 463,973	\$ 439,212
Fringe benefits	182,107	182,107	182,065
Professional development	1,948	1,948	1,032
Professional services	386,679	386,679	60,144
Property services	396	396	295
Maintenance services	356,150	356,150	118,854
Other services	3,930	3,930	2,065
Supplies	91,100	91,100	53,020
Personal safety equipment	6,575	6,575	3,058
Communications	1,450	1,450	524
Utilities	436,121	436,121	372,542
Maintenance materials	24,492	24,492	45,019
Other commodities	1,000	1,000	-
Infrastructure improvement	1,476,083	1,476,083	138,026
	<u>3,432,004</u>	<u>3,432,004</u>	<u>1,415,856</u>
Total sewerage	8,089,000	9,565,083	2,826,299
Less fixed assets capitalized	<u>(4,417,000)</u>	<u>(5,893,083)</u>	<u>(518,131)</u>
Net sewerage	<u>\$ 3,672,000</u>	<u>\$ 3,672,000</u>	<u>\$ 2,308,168</u>
Waterworks			
Administration			
Personal services	\$ 366,874	\$ 366,874	\$ 354,670
Fringe benefits	154,030	154,030	151,316
Professional development	6,221	6,221	3,134
Property services	63,650	63,650	48,537
Maintenance services	5,718	5,718	2,918
Other services	18,764	18,764	12,683
Supplies	44,468	44,468	28,440
Safety equipment	655	655	209
Communications	3,422	3,422	2,321
Utilities	779	779	727

(Continued)

Village of Mundelein, Illinois

Waterworks and Sewerage Fund
 Schedule of Operating Expenses - Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Waterworks (Continued)			
Administration (Continued)			
Maintenance materials	\$ 720	\$ 720	\$ 567
Other equipment	94	94	70
Other commodities	1,000	1,000	-
Contingent	125,000	125,000	125,000
	<u>791,395</u>	<u>791,395</u>	<u>730,592</u>
Maintenance			
Personal services	646,644	646,644	625,134
Fringe benefits	238,507	238,507	234,304
Professional development	1,779	1,779	896
Professional services	221,000	221,000	57,014
Property services	7,350	7,350	5,605
Maintenance services	74,667	74,667	47,037
Community service	8,000	8,000	4,066
Other services	2,236	2,236	1,511
Supplies	9,532	9,532	6,069
Personal safety equipment	7,078	7,078	2,257
Communications	14,578	14,578	9,888
Utilities	174,221	174,221	161,269
Maintenance materials	103,627	103,627	81,633
Other equipment	-	-	971
Public improvements	1,617,000	1,617,000	179,667
	<u>3,126,219</u>	<u>3,126,219</u>	<u>1,417,321</u>
Meter reading			
Personal services	68,482	68,482	66,204
Fringe benefits	7,463	7,463	7,331
Maintenance services	8,615	8,615	4,396
Personal safety equipment	267	267	85
Other equipment	199,906	199,906	149,614
Utilities	-	-	1,344
Supplies	-	-	27
Maintenance materials	18,653	18,653	14,694
	<u>303,386</u>	<u>303,386</u>	<u>243,695</u>

(Continued)

Village of Mundelein, Illinois

Waterworks and Sewerage Fund
Schedule of Operating Expenses - Budget and Actual (Continued)
Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Waterworks (Continued)			
JAWA water project			
Maintenance			
Utilities	\$ 2,300,000	\$ 2,300,000	\$ 1,984,711
Total waterworks	6,521,000	6,521,000	4,376,319
Less fixed assets capitalized	(1,617,000)	(1,617,000)	(201,059)
Net waterworks	\$ 4,904,000	\$ 4,904,000	\$ 4,175,260
Total expenses	\$ 8,576,000	\$ 8,576,000	\$ 6,483,428

TRUST AND AGENCY FUNDS

Pension Trust

Police Pension Fund – To account for the accumulation of resources to be used for disability and retirement annuity payments to uniformed police department personnel at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by laws and by the Village at amounts determined by the Department of Insurance of the State of Illinois from a specific annual property tax levy.

Firefighters' Pension Fund – To account for the accumulation of resources to be used for disability and retirement annuity payments to uniformed fire department personnel at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by laws and by the Village at amounts determined by the Department of Insurance of the State of Illinois from a specific annual property tax levy.

Agency

Special Assessments Fund – An agency fund used to account for the collection of special assessments from property owners and payments of related special assessment liabilities.

Deposits Fund – An agency fund used to account for the collection of security from property owners and developers to assure compliance with municipal codes.

Reimbursement Escrow Fund – An agency fund used to account for the collection of security from prospective developers to assure payment of third party review process costs according to municipal ordinance.

Village of Mundelein, Illinois

Fiduciary Funds

Combining Statement of Fiduciary Net Assets - Pension Trust Funds

April 30, 2009

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and investments			
Cash and equivalents	\$ 40,708	\$ 10,873	\$ 51,581
Investments			
U.S. government and agency obligations	6,701,812	7,289,653	13,991,465
Money market funds	1,791,801	279,842	2,071,643
Mutual funds	2,054,543	2,950,998	5,005,541
Common stock	2,747,798	-	2,747,798
Certificate of deposit	754,244	-	754,244
The Illinois Funds Investment Pool	188,352	470,142	658,494
	<u>14,279,258</u>	<u>11,001,508</u>	<u>25,280,766</u>
Receivables			
Pension contributions	1,150,165	498,405	1,648,570
Accrued interest	48,598	55,319	103,917
Due from other funds	-	12,000	12,000
	<u>-</u>	<u>12,000</u>	<u>12,000</u>
Net Assets			
Held in trust for pension benefits	<u>\$ 15,478,021</u>	<u>\$ 11,567,232</u>	<u>\$ 27,045,253</u>

Village of Mundelein, Illinois

Fiduciary Funds

Combining Statement of Changes in Fiduciary Net Assets - Pension Trust Funds

Year Ended April 30, 2009

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions			
Employer	\$ 1,216,121	\$ 531,083	\$ 1,747,204
Participants	375,756	172,214	547,970
	<u>1,591,877</u>	<u>703,297</u>	<u>2,295,174</u>
Investment income			
Net depreciation in fair value of investments	(2,019,808)	(1,140,134)	(3,159,942)
Interest income	436,713	397,234	833,947
Less investment expenses	(76,007)	(39,756)	(115,763)
	<u>(1,659,102)</u>	<u>(782,656)</u>	<u>(2,441,758)</u>
Other income	<u>106,905</u>	-	<u>106,905</u>
Total additions	<u>39,680</u>	<u>(79,359)</u>	<u>(39,679)</u>
Deductions			
Administration	11,602	5,844	17,446
Pension benefits and refunds	1,327,950	456,538	1,784,488
Total deductions	<u>1,339,552</u>	<u>462,382</u>	<u>1,801,934</u>
Change in net assets	(1,299,872)	(541,741)	(1,841,613)
Net assets - beginning	<u>16,777,893</u>	<u>12,108,973</u>	<u>28,886,866</u>
Net assets - ending	<u>\$ 15,478,021</u>	<u>\$ 11,567,232</u>	<u>\$ 27,045,253</u>

Village of Mundelein, Illinois

Police Pension Fund
 Schedule of Changes in Fiduciary Net Assets - Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Additions			
Contributions			
Employer	\$ 1,580,000	\$ 1,580,000	\$ 1,216,121
Participants	500,000	500,000	375,756
	<u>2,080,000</u>	<u>2,080,000</u>	<u>1,591,877</u>
Investment income			
Net depreciation in fair value of investments	-	-	(2,019,808)
Interest income	500,000	500,000	436,713
Less investment expenses	-	-	(76,007)
	<u>500,000</u>	<u>500,000</u>	<u>(1,659,102)</u>
Other income	-	-	106,905
	<u>-</u>	<u>-</u>	<u>106,905</u>
Total additions	<u>2,580,000</u>	<u>2,580,000</u>	<u>39,680</u>
Deductions			
Administration	-	-	11,602
Pension benefits and refunds	2,500,000	2,500,000	1,327,950
Total deductions	<u>2,500,000</u>	<u>2,500,000</u>	<u>1,339,552</u>
Change in net assets	<u>\$ 80,000</u>	<u>\$ 80,000</u>	(1,299,872)
Net assets - beginning			<u>16,777,893</u>
Net assets - ending			<u>\$ 15,478,021</u>

Village of Mundelein, Illinois

Firefighters' Pension Fund
 Schedule of Changes in Fiduciary Net Assets - Budget and Actual
 Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
Additions			
Contributions			
Employer	\$ 774,012	\$ 774,012	\$ 531,083
Participants	250,988	250,988	172,214
	<u>1,025,000</u>	<u>1,025,000</u>	<u>703,297</u>
Investment income			
Net depreciation in fair value of investments	-	-	(1,140,134)
Interest income	500,000	500,000	397,234
Less investment expenses	-	-	(39,756)
	<u>500,000</u>	<u>500,000</u>	<u>(782,656)</u>
Total additions	<u>1,525,000</u>	<u>1,525,000</u>	<u>(79,359)</u>
Deductions			
Administration	-	-	5,844
Pension benefits and refunds	1,000,000	1,000,000	456,538
Total deductions	<u>1,000,000</u>	<u>1,000,000</u>	<u>462,382</u>
Change in net assets	<u>\$ 525,000</u>	<u>\$ 525,000</u>	(541,741)
Net assets - beginning			<u>12,108,973</u>
Net assets - ending			<u>\$ 11,567,232</u>

Village of Mundelein, Illinois

Agency Funds

Combining Statement of Assets and Liabilities
Year Ended April 30, 2009

	Special Assessments Fund	Deposits Fund	Reimbursement Escrow Fund	Totals
All Funds				
Assets				
Cash and equivalents	\$ 799,202	\$ 151,238	\$ 236,925	\$ 1,187,365
Total assets	<u>\$ 799,202</u>	<u>\$ 151,238</u>	<u>\$ 236,925</u>	<u>\$ 1,187,365</u>
Liabilities				
Deposits payable	\$ -	\$ 151,238	\$ 236,925	\$ 388,163
Other liabilities	799,202	-	-	799,202
Total liabilities	<u>\$ 799,202</u>	<u>\$ 151,238</u>	<u>\$ 236,925</u>	<u>\$ 1,187,365</u>

Village of Mundelein, Illinois

Agency Funds

Combining Statement of Changes in Fiduciary Assets and Liabilities
Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
All Funds				
Assets				
Cash and equivalents	\$ 1,175,392	\$ 49,525	\$ 37,552	\$ 1,187,365
Total assets	\$ 1,175,392	\$ 49,525	\$ 37,552	\$ 1,187,365
Liabilities				
Deposits payable	\$ 379,808	\$ 45,907	\$ 37,552	\$ 388,163
Other liabilities	795,584	3,618	-	799,202
Total liabilities	\$ 1,175,392	\$ 49,525	\$ 37,552	\$ 1,187,365
Special Assessments Fund				
Assets				
Cash and equivalents	\$ 795,584	\$ 3,618	\$ -	\$ 799,202
Liabilities				
Other liabilities	\$ 795,584	\$ 3,618	\$ -	\$ 799,202
Total liabilities	\$ 795,584	\$ 3,618	\$ -	\$ 799,202

(Continued)

Village of Mundelein, Illinois

Agency Funds

Combining Statement of Changes in Fiduciary Assets and Liabilities (Continued)
Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
Deposits Fund				
Assets				
Cash and equivalents	\$ 109,984	\$ 45,907	\$ 4,653	\$ 151,238
Liabilities				
Deposits payable	\$ 109,984	\$ 45,907	\$ 4,653	\$ 151,238
 Reimbursement Escrow Fund				
Assets				
Cash and equivalents	\$ 269,824	\$ -	\$ 32,899	\$ 236,925
Total assets	\$ 269,824	\$ -	\$ 32,899	\$ 236,925
Liabilities				
Deposits payable	\$ 269,824	\$ -	\$ 32,899	\$ 236,925
Total assets	\$ 269,824	\$ -	\$ 32,899	\$ 236,925

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

Village of Mundelein, Illinois

Capital Assets Used in the Operation of Governmental Funds

Schedule of Capital Assets by Type

April 30, 2009

Assets

Governmental funds capital assets

Land	\$	41,112,439
Buildings		19,989,772
Land improvements		2,631,260
Machinery and equipment		7,153,173
Sidewalks		5,835,770
Streets, curbs and gutters		32,851,666
Traffic signals		310,488
Storm sewers		13,608,959
Construction in process		1,182,735

Total governmental funds capital assets \$ 124,676,262

Investment in Governmental Funds Capital Assets By Type

General Fund	\$	97,814,663
Special Revenue Fund		5,078,885
Capital Project Fund		21,782,714

Total governmental funds capital assets \$ 124,676,262

Village of Mundelein, Illinois

Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 April 30, 2009

	Land	Buildings	Land Improvements	Machinery and Equipment	Sidewalks	Streets, Curbs and Gutters	Traffic Signals	Storm Sewers	Construction in Process	Total
General government	\$ 38,877,155	\$ 5,120,980	\$ 1,521,515	\$ 613,222	\$ -	\$ -	\$ -	\$ -	\$ -	46,132,872
Public safety	2,235,284	13,378,774	-	4,065,169	-	-	-	-	-	19,679,227
Public works	-	1,490,018	1,109,745	2,474,782	5,835,770	32,851,666	310,488	13,608,959	1,182,735	58,864,163
	<u>\$ 41,112,439</u>	<u>\$ 19,989,772</u>	<u>\$ 2,631,260</u>	<u>\$ 7,153,173</u>	<u>\$ 5,835,770</u>	<u>\$ 32,851,666</u>	<u>\$ 310,488</u>	<u>\$ 13,608,959</u>	<u>\$ 1,182,735</u>	<u>\$ 124,676,262</u>

Village of Mundelein, Illinois

Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 Year Ended April 30, 2009

	Balance May 1, 2008	Additions	Deletions and Transfers	Balance April 30, 2009
General government	\$ 46,013,316	\$ 119,556	\$ -	\$ 46,132,872
Public safety	19,539,542	161,466	21,781	19,679,227
Public works	58,762,044	7,352,193	7,250,074	58,864,163
	<u>\$ 124,314,902</u>	<u>\$ 7,633,215</u>	<u>\$ 7,271,855</u>	<u>\$ 124,676,262</u>

OTHER SUPPLEMENTAL DATA

Village of Mundelein, Illinois

Long-Term Debt Requirements
 General Obligation Bond Series of 1998

April 30, 2009

Date of Issue	August 1, 1998
Date of Maturity	December 1, 2018
Authorized Issue	\$5,000,000
Denomination of Bonds	\$ 5,000
Interest Rates	Varies from 4.6% to 4.625%
Interest Dates	June 1 and December 1
Call Date	December 1, 2007

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2008	\$ 345,000	\$ 193,210	\$ 538,210	2009	\$ 96,605	2009	\$ 96,605
2009	365,000	176,792	541,792	2010	88,396	2010	88,396
2010	380,000	159,564	539,564	2011	79,782	2011	79,782
2011	400,000	141,526	541,526	2012	70,763	2012	70,763
2012	420,000	122,564	542,564	2013	61,282	2013	61,282
2013	440,000	102,676	542,676	2014	51,338	2014	51,338
2014	465,000	81,748	546,748	2015	40,874	2015	40,874
2015	485,000	59,778	544,778	2016	29,889	2016	29,889
2016	510,000	36,770	546,770	2017	18,385	2017	18,385
2017	540,000	12,488	552,488	2018	6,244	2018	6,244
	<u>\$ 4,350,000</u>	<u>\$ 1,087,116</u>	<u>\$ 5,437,116</u>		<u>\$ 543,558</u>		<u>\$ 543,558</u>

Village of Mundelein, Illinois

Long-Term Debt Requirements
 General Obligation Bond Series of 1999

April 30, 2009

Date of Issue	January 15, 1999
Date of Maturity	December 1, 2019
Authorized Issue	\$7,000,000
Denomination of Bonds	\$ 5,000
Interest Rates	Varies from 4.4% to 4.5%
Interest Dates	June 1 and December 1
Call Date	December 1, 2010

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy	Requirements			Interest Due on		
	Principal	Interest	Totals	June 1	Amount Dec. 1	Amount
2008	\$ 385,000	\$ 252,920	\$ 637,920	2009	\$ 126,460	2009 \$ 126,460
2009	395,000	235,760	630,760	2010	117,880	2010 117,880
2010	415,000	217,940	632,940	2011	108,970	2011 108,970
2011	435,000	199,240	634,240	2012	99,620	2012 99,620
2012	455,000	179,660	634,660	2013	89,830	2013 89,830
2013	475,000	158,962	633,962	2014	79,481	2014 79,481
2014	495,000	137,138	632,138	2015	68,569	2015 68,569
2015	520,000	114,300	634,300	2016	57,150	2016 57,150
2016	545,000	90,338	635,338	2017	45,169	2017 45,169
2017	570,000	65,260	635,260	2018	32,630	2018 32,630
2018	1,165,000	26,212	1,191,212	2019	13,106	2019 13,106
	<u>\$ 5,855,000</u>	<u>\$ 1,677,730</u>	<u>\$ 7,532,730</u>		<u>\$ 838,865</u>	<u>\$ 838,865</u>

Village of Mundelein, Illinois

Long-Term Debt Requirements
General Obligation Bond Series of 2005

April 30, 2009

Date of Issue	June 15, 2005
Date of Maturity	December 1, 2025
Authorized Issue	\$5,000,000
Denomination of Bonds	\$ 5,000
Interest Rates	Varies from 3.5% to 4.2%
Interest Dates	June 1 and December 1
Call Date	December 1, 2015

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy	Requirements			Interest Due on			
	Principal	Interest	Totals	Dec. 1	Amount	June 1	Amount
2008	\$ 195,000	\$ 173,008	\$ 368,008	2009	\$ 86,504	2010	\$ 86,504
2009	205,000	166,008	371,008	2010	83,004	2011	83,004
2010	210,000	158,745	368,745	2011	79,372	2012	79,373
2011	215,000	151,307	366,307	2012	75,653	2013	75,654
2012	225,000	143,608	368,608	2013	71,804	2014	71,804
2013	235,000	135,558	370,558	2014	67,779	2015	67,779
2014	240,000	127,245	367,245	2015	63,622	2016	63,623
2015	250,000	118,045	368,045	2016	59,022	2017	59,023
2016	260,000	107,844	367,844	2017	53,921	2018	53,923
2017	270,000	97,245	367,245	2018	48,622	2019	48,623
2018	280,000	86,245	366,245	2019	43,122	2020	43,123
2019	290,000	74,845	364,845	2020	37,422	2021	37,423
2020	305,000	62,754	367,754	2021	31,377	2022	31,377
2021	315,000	49,967	364,967	2022	24,984	2023	24,983
2022	330,000	36,540	366,540	2023	18,270	2024	18,270
2023	345,000	22,365	367,365	2024	11,182	2025	11,183
2024	360,000	7,560	367,560	2025	7,560		-
	<u>\$ 4,530,000</u>	<u>\$ 1,718,889</u>	<u>\$ 6,248,889</u>		<u>\$ 863,220</u>		<u>\$ 855,669</u>

Village of Mundelein, Illinois

Long-Term Debt Requirements

Illinois Environmental Protection Agency Loan

April 30, 2009

Date of Issue	October 1, 1998
Date of Maturity	October 1, 2018
Authorized Issue	\$5,300,000
Interest Rate	2.89%
Interest Dates	April 1 and October 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Oct. 1	Amount	April 1	Amount
2010	\$ 269,017	\$ 81,763	\$ 350,780	2009	\$ 41,847	2010	\$ 39,917
2011	276,847	73,932	350,779	2010	37,959	2011	35,973
2012	284,906	65,874	350,780	2011	33,959	2012	31,915
2013	293,199	57,581	350,780	2012	29,842	2013	27,739
2014	301,734	49,046	350,780	2013	25,605	2014	23,441
2015	310,517	40,263	350,780	2014	21,245	2015	19,018
2016	319,556	31,224	350,780	2015	16,758	2016	14,466
2017	328,858	21,922	350,780	2016	12,141	2017	9,782
2018	338,430	12,350	350,780	2017	7,389	2018	4,961
2019	172,893	2,498	175,391	2018	2,498	2019	-
	<u>\$ 2,895,957</u>	<u>\$ 436,453</u>	<u>\$ 3,332,410</u>		<u>\$ 229,242</u>		<u>\$ 207,212</u>

Village of Mundelein, Illinois

Schedule of Insurance in Force

April 30, 2009

The Village 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 Cooperation's Statute to pool their 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.

Policy	Coverage/Limits of Liability
General Liability	\$ 10,000,000
Police Professional	
Employee Benefits	
Professional liability (Fire/Paramedic)	
Auto Liability	10,000,000
Uninsured/under-insured Motorist	500,000
Public Officials Liability	10,000,000
Worker's Compensation	101,500,000
Employer's Liability	1,000,000
First Party Property - All Risk	\$ 250,000,000 per occurrence
Flood Zone A	3,500,000
Scheduled Emergency Vehicles-Agreed Value	Scheduled
Boiler Machinery	50,000,000
Crime	
Employee Theft	5,000,000
Forgery or Alteration	5,000,000
Credit Card Forgery	5,000,000
Computer Fraud	5,000,000
Inside Theft, Robbery, & Safe Burglary	2,500,000
Public Officials Bonds	
Mayor/President, Treasurer, Clerk	Blanket: Statutory Limits
Special District Trustees	

**STATISTICAL SECTION
(Unaudited)**

Statistical Section

This part of the Village's 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 Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	111-115
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the Village's ability to generate its property and sales taxes.	116-123
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	124-127
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place and to help make comparisons over time and with other governments.	128-130
Operating Information These schedules contain information about the Village's operations and resources to help the reader understand how the Village's financial information relates to the services the Village provides and the activities it performs.	131-133
Equalized Assessed Valuation These schedules contain information that reflects land parcel information for the Village.	134-138
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village implemented Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.	

Village of Mundelein, Illinois

Net Assets by Component
Last Six Fiscal Years
April 30, 2009

Fiscal Year	2004	2005	2006	2007	2008	2009
Governmental Activities						
Invested in Capital Assets Net of Related Debt	\$ 69,385,858	\$ 68,739,066	\$ 70,557,352	\$ 74,021,280	\$ 78,151,940	\$ 77,757,715
Restricted	6,725,984	7,489,991	8,446,938	8,625,537	9,044,346	8,924,754
Unrestricted	9,197,838	9,499,158	8,653,398	14,310,307	17,235,812	17,375,252
Total Governmental Activities	\$ 85,309,680	\$ 85,728,215	\$ 87,657,688	\$ 96,957,124	\$ 104,432,098	\$ 104,057,721
Business-type Activities						
Invested in Capital Assets Net of Related Debt	\$ 32,004,584	\$ 31,907,537	\$ 31,067,204	\$ 30,629,063	\$ 30,757,119	\$ 33,096,650
Restricted	8,782,384	6,992,040	7,367,181	6,043,153	6,570,031	6,483,245
Unrestricted	828,958	1,139,053	1,269,479	2,168,838	1,266,939	1,251,377
Total Business-type Activities	\$ 41,615,926	\$ 40,038,630	\$ 39,703,864	\$ 38,841,054	\$ 38,594,089	\$ 40,831,272
Primary Government						
Invested in Capital Assets Net of Related Debt	\$ 101,390,442	\$ 100,646,603	\$ 101,624,556	\$ 104,650,343	\$ 108,909,059	\$ 110,854,365
Restricted	15,508,368	14,482,031	15,814,119	14,668,690	15,614,377	15,407,999
Unrestricted	10,026,796	10,638,211	9,922,877	16,479,145	18,502,751	18,626,629
Total Primary Government	\$ 126,925,606	\$ 125,766,845	\$ 127,361,552	\$ 135,798,178	\$ 143,026,187	\$ 144,888,993

Data Source

Audited Financial Statements

Village of Mundelein, Illinois

Change in Net Assets
Last Six Fiscal Years
Year Ended April 30, 2009

Fiscal Year	2004	2005	2006	2007	2008	2009
Expenses						
Governmental Activities						
General Government	\$ 5,380,331	\$ 6,863,715	\$ 2,839,261	\$ 6,809,545	\$ 7,471,651	\$ 6,956,476
Public Safety	9,646,621	10,312,722	12,610,092	12,265,903	13,672,253	14,399,607
Public Works	4,110,388	5,230,007	7,213,414	5,346,434	6,360,218	6,218,320
Interest	664,691	626,021	731,873	828,148	673,953	660,929
Total Governmental Activities Expenses	19,802,031	23,032,465	23,394,640	25,250,030	28,178,075	28,235,332
Business-type Activities						
Waterworks and Sewerage	7,244,536	8,228,617	8,161,102	8,049,192	8,343,929	8,672,138
Total Primary Government Expenses	\$ 39,604,062	\$ 31,261,082	\$ 31,555,742	\$ 33,299,222	\$ 36,522,004	\$ 36,907,470
Program Revenues						
Governmental Activities						
Charges for Services						
General Government	\$ 1,216,263	\$ 1,694,539	\$ 1,877,263	\$ 2,889,357	\$ 2,725,362	\$ 1,713,508
Public Safety	1,442,958	1,521,082	1,264,894	1,615,014	1,602,824	1,572,135
Public Works	646,862	935,363	319,937	3,297,684	2,161,959	1,336,032
Operating Grants and Contributions	185,476	419,928	1,153,965	139,488	398,592	944,630
Capital Grants and Contributions	-	-	-	2,782,928	2,625,848	624,101
Total Governmental Activities Program Revenues	3,491,559	4,570,912	4,616,059	10,724,471	9,514,585	6,190,406
Business-type Activities						
Charges for Services						
Public Works	5,358,998	5,617,299	6,352,770	6,015,578	6,760,060	6,589,571
Operating Grants and Contributions	-	-	-	100,000	665,926	13,376
Capital Grants and Contributions	-	-	-	-	139,804	139,804
Total Business-type Activities Program Revenues	5,358,998	5,617,299	6,352,770	6,115,578	7,565,790	6,742,751
Total Primary Government Program Revenues	\$ 8,850,557	\$ 10,188,211	\$ 10,968,829	\$ 16,840,049	\$ 17,080,375	\$ 12,933,157
Net (Expense) Revenue						
Governmental Activities	\$ (16,310,472)	\$ (18,461,553)	\$ (18,778,581)	\$ (14,525,559)	\$ (18,663,490)	\$ (22,044,926)
Business-type Activities	(2,009,848)	(2,611,318)	(1,556,230)	(1,933,614)	(778,139)	(1,929,387)
Total Primary Government Net (Expense) Revenue	\$ (18,320,320)	\$ (21,072,871)	\$ (20,334,811)	\$ (16,459,173)	\$ (19,441,629)	\$ (23,974,313)

Village of Mundelein, Illinois

Change in Net Assets (Continued)
 Last Six Fiscal Years
 Year Ended April 30, 2009

Fiscal Year	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Taxes						
Property tax	\$ 7,441,759	\$ 7,976,742	\$ 8,493,265	\$ 8,493,265	\$ 9,596,488	\$ 10,122,301
Sales tax	4,019,122	4,262,645	4,950,814	4,950,814	5,160,880	4,805,750
Home rule sales tax	2,172,446	2,397,425	2,760,846	2,760,846	3,967,036	3,461,615
Income tax	1,866,136	2,155,577	2,392,870	2,392,870	3,166,335	2,785,702
Motor Fuel tax	915,727	936,472	-	-	-	-
Use tax	321,626	325,559	378,753	378,753	422,602	459,832
Hotel occupation tax	255,814	280,831	318,703	318,703	356,935	301,135
911 surcharge tax	198,805	228,595	206,329	206,329	261,260	303,609
Road and bridge tax	142,927	147,840	135,492	135,492	149,537	144,877
Replacement tax	47,029	50,577	110,046	110,046	124,166	85,516
Telecommunications tax	-	-	-	-	1,043,307	1,017,584
Other tax	647	1,883	136,125	136,125	142,758	131,541
Investment income	146,194	306,741	655,041	655,041	1,645,258	1,194,807
Miscellaneous	178,877	141,150	169,770	169,770	101,902	407,781
Transfers (out)	(618,398)	(331,949)	-	-	-	(3,551,501)
Total Governmental Activities	17,088,711	18,880,088	20,708,054	20,708,054	26,138,464	21,670,549
Business-type Activities						
Investment earnings	\$ 105,543	\$ 140,913	\$ 280,857	\$ 280,857	\$ 471,791	\$ 250,674
Miscellaneous	144,180	561,160	940,607	940,607	199,187	364,395
Transfers in	618,398	331,949	-	-	-	3,551,501
Total Business-type Activities	868,121	1,034,022	1,221,464	1,221,464	670,978	4,166,570
Total Primary Government	\$ 17,956,832	\$ 19,914,110	\$ 21,929,518	\$ 21,929,518	\$ 26,809,442	\$ 25,837,119
Change in Net Assets						
Governmental Activities	\$ 778,239	\$ 418,535	\$ 1,929,473	\$ 6,182,495	\$ 7,474,974	\$ (374,377)
Business-type Activities	(1,141,727)	(1,577,296)	(334,766)	(712,150)	(107,161)	2,237,183
Total Primary Government Change in Net Assets	\$ (363,488)	\$ (1,158,761)	\$ 1,594,707	\$ 5,470,345	\$ 7,367,813	\$ 1,862,806

Data Source

Audited Financial Statements

Village of Mundelein, Illinois

Fund Balances of Governmental Funds
 Last Six Fiscal Years
 April 30, 2009

Fiscal Year	2004	2005	2006	2007	2008	2009
General Fund						
Reserved	\$ 284,883	\$ 291,345	\$ 324,284	\$ 350,676	\$ 419,750	\$ 474,948
Unreserved	8,995,411	9,478,224	8,713,788	13,764,784	16,595,639	16,928,798
Total General Fund	<u>\$ 9,280,294</u>	<u>\$ 9,769,569</u>	<u>\$ 9,038,072</u>	<u>\$ 14,115,460</u>	<u>\$ 17,015,389</u>	<u>\$ 17,403,746</u>
All Other Governmental Funds						
Reserved - Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 767,804
Unreserved - designated - Special Revenue Funds	-	-	-	7,694,888	8,081,160	6,875,527
Unreserved, reported in:						
Special Revenue Funds	6,294,208	6,919,886	6,533,532	1,729,125	1,933,947	1,975,946
Capital Project Funds	-	-	2,492,993	-	-	-
Debt Service Funds	683,824	565,828	622,723	769,900	836,684	859,206
Total All Other Governmental Funds	<u>\$ 6,978,032</u>	<u>\$ 7,485,714</u>	<u>\$ 9,649,248</u>	<u>\$ 10,193,913</u>	<u>\$ 10,851,791</u>	<u>\$ 10,478,483</u>

Data Source

Audited Financial Statements

Village of Mundelein, Illinois

Changes in Fund Balances of Governmental Funds

Last Six Fiscal Years

Year Ended April 30, 2009

Fiscal Year	2004	2005	2006	2007	2008	2009
Revenues						
Taxes	\$ 16,466,311	\$ 17,827,674	\$ 19,883,243	\$ 22,380,014	\$ 24,391,304	\$ 23,619,462
Licenses and Permits	1,874,781	2,197,568	1,753,408	3,304,643	3,071,865	1,826,631
Intergovernmental	915,727	936,472	1,023,254	926,555	891,099	834,225
Fines and Forfeitures	641,884	728,147	701,062	730,693	662,667	680,561
Charges for Services	719,922	1,198,916	955,692	2,782,449	1,801,845	1,211,375
Investment Income	146,194	306,741	655,041	1,207,127	1,645,258	1,194,807
Fees	55,394	48,894	61,629	57,717	62,669	68,883
Grants	185,476	419,928	130,711	139,488	216,365	916,188
Donations	-	-	-	2,782,939	1,326,249	28,442
Miscellaneous	181,734	141,150	169,770	283,915	101,902	407,781
Total Revenues	21,187,423	23,805,490	25,333,810	34,595,540	34,171,223	30,788,355
Expenditures						
General Government	4,325,073	5,768,445	7,480,468	6,252,362	6,776,452	7,443,616
Public Safety	9,701,138	10,021,962	11,621,835	11,657,029	12,939,878	13,713,573
Public Works	4,399,037	4,533,487	8,307,805	7,774,020	8,010,321	6,381,457
Capital Outlay	45,936	-	-	-	-	-
Pension Contributions	1,016,993	1,110,127	1,298,481	1,451,616	1,591,238	1,671,035
Debt Service						
Principal	690,000	735,000	755,000	730,000	850,000	885,000
Interest and Fiscal Charges	677,184	639,512	599,399	838,460	715,527	678,625
Total Expenditures	20,855,361	22,808,533	30,062,988	28,703,487	30,883,416	30,773,306
Excess of Revenues over (under) Expenditures	332,062	996,957	(4,729,178)	5,892,053	3,287,807	15,049
Other Financing Sources (Uses)						
Transfers In	1,379,938	-	-	1,867,764	210,000	408,979
Transfers Out	(1,379,938)	-	-	(1,867,764)	(210,000)	(408,979)
Bonds Issued	-	-	5,000,000	-	-	-
Discount on Bonds Issued	-	-	(23,257)	-	-	-
Total Other Financing Sources (Uses)	-	-	4,976,743	-	-	-
Net Change in Fund Balances	\$ 332,062	\$ 996,957	\$ 247,565	\$ 5,892,053	\$ 3,287,807	\$ 15,049
Total Expenditures	20,855,361	22,808,533	30,062,988	28,703,487	30,883,416	30,773,306
Less Capital Outlay	(2,287,558)	(910,695)	(8,042,581)	(4,699,974)	(3,894,643)	(3,659,875)
Total Noncapital Expenditures	18,567,803	21,897,838	22,020,407	24,003,513	26,988,773	27,113,431
Debt Service as a Percentage of Noncapital Expenditures	3.72%	3.36%	3.43%	3.04%	3.15%	3.26%

Data Source

Audited Financial Statements

Village of Mundelein, Illinois

Assessed Value and Actual Value of Taxable Property

Last Ten Levy Years

April 30, 2009

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Equalized Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Equalization Factor
1999	\$ 448,095,741	\$ 77,148,085	\$ 52,939,867	\$ -	\$ 546,309,205	\$ 8.288	\$ 1,820,848,580	33.33
2000	436,858,352	81,519,602	54,394,487	-	572,772,441	8.483	1,909,050,546	33.33
2001	462,862,110	87,375,045	59,802,795	-	610,039,950	8.495	2,033,263,153	33.33
2002	505,392,357	87,617,788	61,007,000	-	654,017,145	8.719	2,179,839,144	33.33
2003	553,108,822	91,477,583	63,747,112	-	708,333,517	9.125	2,360,875,612	33.33
2004	589,554,567	102,876,133	64,806,772	-	757,237,472	8.947	2,524,124,906	33.33
2005	627,440,518	110,339,786	67,716,040	-	805,496,344	8.328	2,684,987,813	33.33
2006	666,466,905	119,492,701	6,629,829	-	852,237,899	8.050	2,840,792,996	33.33
2007	713,873,678	129,976,362	64,896,091	-	908,746,131	7.887	3,029,153,770	33.33
2008	817,807,674	96,908,601	53,441,759	-	968,152,034	7.890	3,227,173,446	33.33

Data Source

Lake County Aggregate Property Tax Information Database

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

(1) Fremont Township

Village of Mundelein, Illinois

Property Tax Rates - Direct and Overlapping Governments

Last Ten Levy Years

April 30, 2009

Tax Levy Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tax Rates per \$100 of EAV										
Direct Rates										
Village of Mundelein										
In Libertyville Township	\$ 1.180	1.164	1.146	1.142	1.131	1.137	1.134	1.123	1.110	1.143
In Fremont Township	1.173	1.158	1.142	1.138	1.127	1.140	1.137	1.127	1.118	1.143
In Vernon Township	1.186	1.171	1.155	1.151	1.139	1.146	1.143	1.132	1.120	1.143
Overlapping Rates										
Lake County	0.521	0.521	0.516	0.502	0.490	0.465	0.454	0.450	0.444	0.453
Lake County Forest Preserve District	0.187	0.231	0.221	0.232	0.225	0.219	0.210	0.204	0.201	0.199
Central Lake County Joint										
Water Action Water Agency	0.077	0.072	0.066	0.064	0.058	0.054	0.049	0.046	0.042	0.042
Libertyville Township	0.244	0.229	0.214	0.200	0.060	0.058	0.057	0.057	0.057	0.058
Libertyville Township Road and Bridge	0.044	0.043	0.042	0.042	0.042	0.043	0.042	0.042	0.043	0.044
Fremont Township	0.133	0.132	0.130	0.124	0.119	0.115	0.113	0.113	0.111	0.110
Fremont Township Road and Bridge	0.050	0.050	0.049	0.048	0.046	0.035	0.034	0.033	0.027	0.026
Fremont Gravel	0.100	0.100	0.100	0.094	0.090	0.096	0.095	0.095	0.098	0.096
Vernon Township	0.071	0.065	0.062	0.063	0.060	0.053	0.051	0.051	0.050	0.049
Vernon Township Road and Bridge	0.024	0.024	0.023	0.022	0.022	0.022	0.022	0.022	0.022	0.022
Vernon Gravel	0.020	0.020	0.020	0.020	0.019	0.020	0.020	0.021	0.020	0.021
Cook Memorial Library District	0.257	0.257	0.254	0.247	0.236	0.231	0.225	0.222	0.219	0.222
Fremont Library District	0.368	0.377	0.374	0.362	0.349	0.336	0.328	0.323	0.312	0.317
Vernon Area Library District	0.280	0.281	0.275	0.267	0.265	0.264	0.223	0.222	0.219	0.222
Mundelein Park and Rec. District	0.389	0.384	0.357	0.347	0.481	0.488	0.371	0.370	0.364	0.366
Vernon Hills Park District	0.380	0.360	0.352	0.340	0.373	0.346	0.334	0.351	0.343	0.344
School District #70	2.965	2.932	2.870	2.792	2.581	2.499	2.378	2.297	2.247	2.278
School District #73	3.480	3.401	3.292	3.201	3.086	2.990	2.922	2.887	2.842	2.878
School District #75	2.978	3.031	3.173	3.523	3.679	3.601	3.520	3.346	3.277	3.207
School District #76	3.477	3.763	3.686	3.542	3.617	3.550	3.452	3.375	3.381	3.378
School District #79	2.709	2.689	2.670	2.582	2.635	2.572	2.565	2.529	2.379	2.435
High School District #120	2.099	2.192	2.156	2.077	2.260	2.198	1.820	1.748	1.701	1.735
High School District #125	1.835	1.904	1.864	1.890	1.940	2.062	2.112	2.134	2.114	2.139
High School District #128	1.886	2.203	2.344	2.391	2.359	2.291	2.225	2.179	2.136	2.163
Community College District #532	0.213	0.235	0.211	0.208	0.201	0.200	0.197	0.195	0.192	0.196
Representative Tax Rate (Fremont Township)	8.288	8.483	8.495	8.719	9.125	8.947	8.328	8.050	7.887	7.890

Data Source

Lake County Clerk's Office

Village of Mundelein, Illinois

Principal Property Taxpayers
Last Two Tax Years
April 30, 2009

Taxpayer	Type of Business	2007			2008		
		Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Park Butterfield Apartment Assoc, LLC	Commercial Property - Apartments	\$ 8,641,127	1	0.95 %	\$ 9,001,463	1	0.93 %
Mundelein 83	Commercial Properties - Strip Malls Restaurants, Stores	-	-	-	8,385,010	2	0.87
1200 Town Line Road Assoc.	Medline Industries - Hospital Supplies	7,249,133	2	0.80	7,174,015	3	0.74
Centro Bradley Long Meadow LLC	Dominicks Supermarket	4,852,340	5	0.53	4,852,340	4	0.50
Target Corporation	Discount Department Store	4,637,423	6	0.51	4,637,423	5	0.48
Oak Creek Plaza, LLC	Strip Mall	4,038,109	7	0.44	4,186,134	6	0.43
Apex Investment Assn., Inc.	Retail Shopping Center Jewel Supermarket	3,360,470	8	0.37	3,479,431	7	0.36
JEH Ltd. Partnership	Retail Shopping Centers (2 Locations- Butterfield Rd and Seymour Ave)	2,635,705	9	0.29	2,697,573	8	0.28
Home Depot USA, Inc.	Home Improvement Center	2,609,739	10	0.29	2,609,739	9	0.27
Wintrust Asset Mgmt Co.	Financial Services Holding Company	-	-	-	2,588,917	10	0.27
WAS Creekside Associates, LLC and WAS Creekside II, LLC	Commercial Properties on W. Route 60	5,931,630	3	0.65	-	-	-
Pulte Home Corporation	Vacant Residential Property	4,938,349	4	0.54	-	-	-
		<u>\$ 48,894,025</u>		<u>5.37</u>	<u>\$ 49,612,045</u>		<u>5.13</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Data Source

Lake County Clerk's Office

Village of Mundelein, Illinois

Property Tax Levies and Collections

Last Ten Levy Years

April 30, 2009

Fiscal Year End	Tax Levy Year	Tax Extension	Collected within the Fiscal Year after the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1998	\$ 6,741,268	\$ 6,739,615	99.98 %	\$ -	\$ 6,739,615	99.98 %
2001	1999	6,428,481	6,436,377	100.12	-	6,436,377	100.12
2002	2000	6,651,699	6,644,652	99.89	-	6,644,652	99.89
2003	2001	6,982,396	6,972,383	99.86	-	6,972,383	99.86
2004	2002	7,459,496	7,441,760	99.76	-	7,441,760	99.76
2005	2003	8,000,338	7,974,870	99.68	-	7,974,870	99.68
2006	2004	8,627,947	8,616,911	99.87	-	8,616,911	99.87
2007	2005	9,153,561	9,146,160	99.92	-	9,146,160	99.92
2008	2006	9,595,879	9,596,489	100.01	-	9,596,489	100.01
2009	2007	10,135,539	10,122,229	99.87	-	10,122,229	99.87

Data Source

Lake County Tax Extension Office

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

Village of Mundelein, Illinois

Taxable Sales by Category
Last Ten Calendar Years
April 30, 2009

Municipal Sales Taxes

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Merchandise	\$ 133,105	\$ 89,045	\$ *	\$ *	\$ 17,060	\$ 151,865	\$ 543,433	\$ 609,120	\$ 712,779	\$ 716,131
Food	625,607	720,110	813,326	876,450	905,672	942,365	917,276	900,145	867,700	921,928
Drinking and Eating Places	316,501	335,254	333,621	366,423	362,057	387,481	416,629	447,447	474,984	466,801
Apparel	30,673	29,351	*	*	57,519	80,820	81,095	80,397	76,064	73,250
Furniture & H.H. & Radio	233,243	214,509	189,419	146,129	129,073	126,813	155,414	167,091	280,685	281,482
Lumber, Building Hardware	521,083	487,811	333,231	330,907	327,788	328,083	356,122	424,667	437,311	382,672
Automobile and Filling Stations	309,339	375,232	398,959	367,702	370,141	358,391	420,017	470,265	498,781	690,098
Drugs and Miscellaneous Retail	539,994	519,191	573,701	605,226	620,879	619,096	597,039	650,266	668,960	650,280
Agriculture and All Others	694,664	806,115	848,786	826,277	828,828	806,753	965,731	921,156	827,135	771,036
Manufacturers	270,650	256,315	247,654	231,077	258,005	278,588	268,106	335,057	268,080	162,658
Total	\$ 3,674,860	\$ 3,832,934	\$ 3,738,698	\$ 3,750,191	\$ 3,877,022	\$ 4,080,253	\$ 4,720,863	\$ 5,005,611	\$ 5,112,479	\$ 5,116,336

Homerule Sales Taxes

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Merchandise	\$ -	\$ 60,902	\$ *	\$ *	\$ 10,349	\$ 88,017	\$ 296,306	\$ 372,585	\$ 480,030	\$ 469,045
Food	-	138,942	151,073	176,603	175,229	196,030	181,422	205,642	217,619	203,746
Drinking and Eating Places	-	248,632	245,442	269,112	264,630	277,452	300,533	377,583	454,353	445,794
Apparel	-	21,949	*	*	43,116	60,542	60,734	71,355	75,796	73,490
Furniture & H.H. & Radio	-	154,982	140,953	109,024	96,095	94,925	116,476	145,825	280,466	281,225
Lumber, Building Hardware	-	329,308	248,685	247,224	244,634	244,756	265,570	369,047	434,884	380,369
Automobile and Filling Stations	-	237,928	245,893	218,476	217,316	211,496	261,514	345,581	401,740	474,618
Drugs and Miscellaneous Retail	-	263,361	271,057	288,711	307,150	319,301	299,972	380,527	421,832	415,121
Agriculture and All Others	-	550,259	616,674	592,873	597,527	584,150	705,505	787,246	813,599	766,140
Manufacturers	-	178,703	185,054	171,144	189,585	205,590	199,261	283,430	265,562	160,527
Total	\$ -	\$ 2,184,964	\$ 2,104,831	\$ 2,073,167	\$ 2,145,631	\$ 2,282,260	\$ 2,687,294	\$ 3,338,821	\$ 3,845,881	\$ 3,670,075

Village Direct Sales Tax Rate	1.173%	1.158%	1.142%	1.138%	1.127%	1.140%	1.137%	1.127%	1.118%	1.143%
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Source: Illinois Department of Revenue

* Blank categories have less than 4 taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers. Totals include censored data.

Data Source

Illinois Department of Revenue

Village of Mundelein, Illinois

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

April 30, 2008

Tax Rate per \$100 of EAV

Fiscal Year		Village Direct Rate*		Overlap Rate
2000	\$	1.173	\$	8.288
2001		1.158		8.483
2002		1.142		8.495
2003		1.138		8.719
2004		1.127		9.125
2005		1.140		8.947
2006		1.137		8.328
2007		1.127		8.061
2008		1.118		7.887
2009		1.143		7.890

*Fremont Township

Data Source

Lake County Clerk's Office

Village of Mundelein, Illinois

Property Tax Assessed Valuations, Rates and Extensions

Last Ten Levy Years

April 30, 2009

Tax Levy Year	1999		2000		2001		2002		2003	
Assessed Valuations	\$546,309,205		\$572,772,441		\$610,039,950		\$654,017,145		\$708,333,517	
Percentage Increase from Prior Year	2.4862%		4.8440%		6.5065%		7.2089%		8.3050%	
	Rate	Amount								
Tax Extensions										
General	\$ 0.6860	3,747,681	0.6330	3,625,649	0.6290	3,837,151	\$ 0.6270	4,100,687	\$ 0.5930	4,200,418
Road and Bridge -										
Libertyville Township	0.0560	112,559	0.0770	160,678	0.0790	176,497	0.0800	188,963	0.0760	198,973
Fremont Township	0.0490	145,819	0.0710	223,152	0.0750	250,720	0.0760	274,669	0.0720	279,814
Vernon Hills Township	0.0620	29,588	0.0840	41,834	0.0880	46,053	0.0890	50,203	0.0840	48,633
Illinois Municipal Retirement	0.0450	245,839	0.0430	246,292	0.0350	213,514	0.0340	222,366	0.0450	318,750
Social Security	0.0990	540,846	0.1110	635,777	0.1090	664,943	0.1080	706,338	0.0990	701,250
Debt Service	0.1840	1,005,209	0.1870	1,071,084	0.1720	1,049,269	0.1580	1,033,347	0.1760	1,246,667
Police Pension	0.0760	415,195	0.0740	423,852	0.0830	506,333	0.0900	588,615	0.0930	658,750
Firefighters' Pension	0.0340	185,745	0.0390	223,381	0.0390	237,916	0.0450	294,308	0.0490	347,083
Total Extension	6,428,481		6,651,699		6,982,396		7,459,496		8,000,338	
Libertyville Township	1.1800		1.1640		1.1460		1.1420		1.1310	
Fremont Township	1.1730		1.1580		1.1420		1.1380		1.1270	
Vernon Hills Township	1.1860		1.1710		1.1550		1.1510		1.1390	
Uncollectible Provision	<u>1%</u>									

The Illinois Department of Revenue has established a multiplier for the 1999 tax year of 1.000 for Lake County.

Village of Mundelein, Illinois

Property Tax Assessed Valuations, Rates and Extensions (Continued)

Last Ten Levy Years

April 30, 2009

Tax Levy Year	2004		2005		2006		2007		2008	
Assessed Valuations	\$757,237,472		\$805,496,344		\$852,237,899		\$908,746,131		\$968,152,034	
Percentage Increase from Prior Year	6.9041%		6.3730%		5.8028%		6.6306%		6.5371%	
	Rate	Amount								
Tax Extensions										
General	\$ 0.5480	4,149,661	0.5410	4,357,735	0.5390	4,593,562	0.5240	4,761,830	0.5510	5,334,518
Road and Bridge -										
Libertyville Township	0.0780	214,854	0.0810	236,543	0.0600	262,658	0.0870	279,411	0.0980	323,937
Fremont Township	0.0810	341,627	0.0840	377,717	0.0900	431,399	0.0950	489,303	0.0980	551,451
Vernon Hills Township	0.0870	52,322	0.0900	57,424	0.0950	64,115	0.0970	70,352	0.0980	73,401
Illinois Municipal Retirement	0.0730	552,783	0.0710	571,902	0.0710	605,089	0.0780	708,822	0.0890	861,655
Social Security	0.0980	742,093	0.1130	910,211	0.1120	954,506	0.1080	981,446	0.1120	1,084,330
Debt Service	0.1820	1,378,172	0.1710	1,377,399	0.1620	1,380,625	0.1500	1,363,119	0.1210	1,171,484
Police Pension	0.1080	817,816	0.1070	861,881	0.1040	886,327	0.1140	1,035,971	0.1200	1,161,782
Firefighters' Pension	0.0500	378,619	0.0500	402,748	0.0490	417,597	0.0490	445,286	0.0520	503,439
Total Extension	8,627,947		9,153,561		9,595,878		10,135,540		11,065,997	
Libertyville Township	1.1370		1.1340		1.1230		1.1100		1.1430	
Fremont Township	1.1400		1.1370		1.1270		1.1180		1.1430	
Vernon Hills Township	1.1460		1.1430		1.1320		1.1200		1.1430	
Uncollectible Provision	<u>1%</u>									

The Illinois Department of Revenue has established a multiplier for the 1999 tax year of 1.000 for Lake County.

Data Source:

Lake County Tax Extension Office

Village of Mundelein, Illinois

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

April 30, 2009

Fiscal Year Ended	Governmental	Business-Type	Total Primary Government	Percentage	Debt Per Capita*	Population	Per Capita Personal Income	Personal Income
	Activities	Activities		of				
	General Obligation Bonds	IEPA Note Payable		Personal Income*				
2000	\$ 16,265,000	\$ 4,999,281	\$ 21,264,281	3.63 %	\$ 759	28,012	\$ 20,887	\$ 585,086,644
2001	15,670,000	4,791,490	20,461,490	2.98	661	30,935	22,230	687,685,050
2002	15,050,000	4,577,650	19,627,650	3.12	634	30,935	20,342	629,279,770
2003	14,380,000	4,357,586	18,737,586	2.88	606	30,935	21,010	649,944,350
2004	13,690,000	4,131,115	17,821,115	2.19	576	30,935	26,280	812,971,800
2005	12,955,000	3,898,052	16,853,052	2.07	545	30,935	26,280	812,971,800
2006	17,200,000	3,658,206	20,858,206	2.12	556	30,935	26,280	812,971,800
2007	16,470,000	3,411,377	19,881,377	2.45	643	30,935	26,280	812,971,800
2008	15,620,000	3,285,282	18,905,282	2.33	611	30,935	26,280	812,971,800
2009	14,735,000	2,895,957	17,630,957	2.17	570	30,935	26,280	812,971,800

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

* See the Schedule of Demographic and Economic Statistics on page 128 for personal income and population data.

Village of Mundelein, Illinois

Ratios of General Bonded Debt Outstanding

Last Five Fiscal Years

April 30, 2009

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Debt Per Capita	Equalized Assessed Value
2005	\$ 12,955,000	\$ 565,828	\$ 12,389,172	1.71 %	400 \$	757,237,472
2006	17,200,000	622,723	16,577,277	2.14	536	805,496,344
2007	16,470,000	769,900	15,700,100	1.93	508	852,237,899
2008	15,620,000	836,684	14,783,316	1.72	478	908,746,131
2009	14,735,000	859,206	13,875,794	1.52	449	968,152,034

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

Information has been presented for as many years as is available.

* See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

Village of Mundelein, Illinois

Direct and Overlapping Governmental Bonded Debt

April 30, 2009

Governmental Unit	Equalized Assessed Value	Net Bonded Debt	Percentage of Debt Applicable to the Village of Mundelein	Village of Mundelein Share of Debt
Overlapping Debt:				
Lake County ⁽¹⁾	\$ 30,486,373,229	\$ -	3.173 %	\$ -
Lake County Forest Preserve District ⁽²⁾	30,486,373,229	252,435,000	3.173	8,009,763
Central Lake County Joint Action Water Agency	7,992,734,223	24,360,000	12.102	2,948,047
Mundelein Park District	1,096,084,600	3,590,000	88.296	3,169,826
Vernon Hills Park District ⁽¹⁾	1,282,820,951	884,000	0.001	9
Fremont Public Library District	1,332,059,768	7,050,000	50.913	3,589,367
School Districts:				
#70 ^{(1) (2)}	1,111,129,148	9,129,172	0.039	3,560
#73 ⁽²⁾	1,427,096,908	33,813,922	14.862	5,025,425
#75 ⁽²⁾	427,510,436	13,478,730	98.809	13,318,198
#76 ⁽²⁾	334,311,979	5,263,326	35.206	1,853,007
#79	919,726,397	29,705,000	23.408	6,953,346
High School District #120 ⁽²⁾	1,540,174,854	8,847,688	61.130	5,408,592
High School District #125 ⁽²⁾	3,890,901,575	32,160,000	0.622	200,035
High School District #128 ⁽³⁾	3,200,615,082	36,365,000	0.072	26,183
Community College #532 ^{(1) (2)}	28,967,804,148	8,340,229	3.339	278,480
		465,422,067		50,783,838
Direct Debt:				
Village of Mundelein	\$ 968,152,034	\$ 14,735,000	100.00 %	\$ 14,735,000
		\$ 480,157,067		\$ 65,518,838
Total Direct and Overlapping Debt				
Direct and overlapping bonded debt per capita				\$ 2,156
Population				30,395

(1) Excludes outstanding principal amounts of General Obligation Alternate Revenue Source Bonds.

(2) Includes outstanding original principal amounts of Capital Appreciation bonds.

(3) Excludes Certificates

Data Source

Lake County Clerk's Office

Village of Mundelein, Illinois

Schedule of Legal Debt Margin

April 30, 2009

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be 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 General Assembly has set no limits for home rule municipalities.

Village of Mundelein, Illinois

Demographic and Economic Information

Last Ten Fiscal Years

April 30, 2008

Fiscal Year	Population	Personal Income* (thousands of dollars)	Per Capita Personal Income	Median Age	Unemployment Rate
2000	28,012	\$ 585,087	\$ 20,887	31.80	3.6 %
2001	30,935	687,685	22,230	31.70	4.8
2002	30,935	629,280	20,342	31.70	5.9
2003	30,935	649,944	21,010	31.70	6.5
2004	30,935	812,972	26,280	31.70	5.9
2005	30,935	812,972	26,280	31.70	6.3
2006	30,935	812,972	26,280	31.70	5.0
2007	30,935	812,972	26,280	31.70	4.2
2008	30,935	812,972	26,280	31.70	5.0
2009	30,935	812,972	26,280	33.20	6.6

Data Source

Village Records

U.S. Census Bureau

Village of Mundelein, Illinois

Principal Employers
Last Two Fiscal Years
April 30, 2009

Employer	Type of Business	2008			2009		
		Rank	Employees	Percentage of Total City Population	Rank	Employees	Percentage of Total City Population
Medline Industries	Hospital Supplies	1	2,085	6.74 %	1	2,200	7.11 %
Mundelein Park District	Public Recreating Facilities	-	-	-	2	400	1.29
Amcor Flexibles Healthcare, Inc.	Flexible Polyethylene Packaging	2	300	0.97	3	300	0.97
Mundelein Elementary School #75	Public Elementary School	3	267	0.86	4	247	0.80
Fremont School District #79	Public Elementary School	-	-	-	5	245	0.79
Mundelein High School #120	Public High School	4	206	0.67	6	213	0.69
University of St. Mary of the Lake	Seminary / School for the Priesthood	5	202	0.65	7	204	0.66
Village of Mundelein	Village Government	7	194	0.63	8	195	0.63
Diamond Lake School District #76	Public Elementary School	-	-	-	9	179	0.58
McLean -Fogg Co.	Industrial Fasteners (Plant and Offices)	6	200	0.65	10	150	0.48
ETX Transmissions Inc.*	Rebuilt Transmissions	8	140	0.45	-	-	-
US Music Corporation	Musical Instruments and Sound Equipment	9	140	0.45	-	-	-
Carter Hoffman Co.	Food Service Equipment	10	115	0.37	-	-	-
Total			<u>3,849</u>			<u>4,333</u>	
Population		30,935			30,935		

*ETX Transmissions acquired the assets of Accurate Transmissions during FYE08

Data Sources

2008 Municipal Research

Village of Mundelein, Illinois

Full-Time Equivalent Employees

Last Ten Budget Years

April 30, 2009

Function/Program	Full-time Equivalent as of April 30th									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Administration	12	12	11	11	13	13	13	12	17	16
Community Development	7	7	8	8	12	12	13	13	9	9
Engineering	5	5	5	5	5	5	6	6	6	6
Finance	7	7	7	7	7	7	9	10	10	10
Public Safety										
Police										
Officers	45	45	45	45	45	45	48	51	54	54
Civilians	14	15	17	17	17	17	17	18	18	18
Fire										
Firefighters/Paramedics and Officers	24	24	24	24	24	22	23	23	23	26
Civilians	2	2	2	2	2	2	2	2	2	2
Contractual	0	0	0	0	0	2	2	4	4	7
Public Works										
Administration	6	6	6	6	6	6	6	6	6	6
Facility	4	4	4	4	3	4	4	4	4	4.5
Vehicle	4	4	4	4	4	4	4	4	4	4
Street	11	11	11	11	12	11	11	12	12	12
Water	12	12	12	12	12	12	12	12	12	12
Wastewater	13	13	13	13	13	13	13	13	13	13.5
Total	166	167	169	169	175	175	183	190	194	200

Data Source

Village Records

Village of Mundelein, Illinois

Operating Indicators
Last Five Calendar Years
April 30, 2009

Function/Program	2004	2005	2006	2007	2008
General Government					
Administration					
Registered Voters ⁽¹⁾	14,128	14,252	15,725	16,726	19,516
Votes Cast in Last Election	3,961	4,746	8,319	1,385	3,879
Public Safety					
Police					
CALEA Accreditation	Yes	Yes	Yes	Yes	Yes
Arrests	2,246	1,686	1,969	1,954	2,003
Ordinance Citations	6,026	5,301	4,204	3,901	3,275
Traffic Citations	12,248	10,778	12,144	12,446	9,729
Part I Incidents ⁽²⁾	489	522	615	533	450
Part II Incidents ⁽²⁾	2,728	2,210	3,348	3,725	3,960
Service Incidents	14,249	14,986	14,954	15,410	15,293
Fire					
Emergency Responses	1,550	1,690	3,135	3,259	2,963
Fire Responses	1,379	1,359	1,335	1,402	1,279
Patients Transported	1,360	1,455	1,515	1,734	1,709
Public Works					
Streets					
Street Resurfaced (Sq. Yds.)	N/A*	33,598	60,581	27,252	17,985
Sidewalk Replaced (Sq. Ft.)	4,507	12,087	10,687	1,432	-
Work Orders Processed	6,222	4,518	6,396	7,357	5,943
Water					
Average Daily Demand (MGD)	2.600	2.821	2.670	2.733	2.610
Highest Daily Demand (MGD)	3.950	5.304	4.550	4.444	4.154
Date of Highest Daily Demand	08/01/04	06/23/05	07/16/06	06/17/07	09/01/08
Lake Water Allocation	3.000	3.071	3.133	3.195	3.250
Average Residential Usage	16.5	17.2	14.6	14.8	16.8
Watermain Breaks	24	43	16	22	38
Meters Converted to RF	979	890	1,330	1,456	1,131
Wastewater					
Total Volume (MG)	1297.63	1,202.32	1,438.87	1,427.90	1,530.55
Biological Oxygen Demand (lbs)	1,234,424	1,333,838	1,226,882	1,463,223	1,878,099
Suspended Solids (lbs)	1,553,460	1,533,778	1,443,308	1,247,519	2,205,297
Average Daily Flow	3.550	3.290	3.940	3.910	4.280
Average Dry Weather Flow (MGD)	2.76	2.55	3.08	2.90	3.05
Highest Daily Flow	11.95	12.10	14.80	18.53	18.50
Date of Highest Daily Flow	05/22/04	01/12/05	03/12/06	08/19/07	09/13/08
Work Orders Processed	4,963	5,649	4,768	5,929	8,612

(MGD) Million gallons per day.

(1) Municipal elections occur every two years.

(2) Categorized based upon I-UCR Crime Index where Part I includes: murder, criminal sexual assault, robbery, aggravated assault/battery, burglary, theft, motor vehicle theft, and arson. Part II includes all other activities.

* Information not available due to implementation of GASB 34 in this year

Data Source

Various Village Departments

Village of Mundelein, Illinois

Capital Asset Statistics

Last Five Fiscal Years

April 30, 2008

Function/Program	2005	2006	2007	2008	2009
General Government					
Metra Stations	1	1	1	1	1
Metra Parking Spots	295	522	522	522	522
Public Safety					
Police					
Stations	1	1	1	1	1
Patrol Districts	4	4	4	4	5
Patrol Units	16	16	16	16	16
Fire					
Stations	2	2	2	2	2
ISO Rating	3	3	3	3	3
Fire Apparatus	5	5	5	5	5
Rescue Apparatus	4	4	4	4	4
Public Works					
Streets					
Streets (miles)	80.9	80.9	82.3	84.3	85.5
Streetlights	1400	1400	1400	1400	1,400
Traffic Signals*	5	5	5	5	5
Curbs (Miles)	132.1	132.2	133.2	138.3	140.8
Sidewalks (Miles)	109.9	110.2	110.2	114.6	115.6
Water					
Water Mains (miles)	100.2	100.2	100.2	101.7	101.9
Fire Hydrants	1500	1500	1405	1430	1,792
Buster Pump Stations	1	1	1	1	1
Ground Storage	3	3	4	4	4
Elevated Storage***	4	4	3	4	4
Storage Capacity**	5.75	5.75	5.5	6.75	6.75
Wastewater					
Sanitary Sewers (miles)	166.2	166.2	166.2	167.5	167.6
Storm Sewers (miles)	87.1	87.1	87.1	87.8	88.3
Treatment Capacity**	4.95	4.95	4.95	4.95	4.95

* Village Owned

** Millions of Gallons

*** Winchester Tower being replaced and out of service during 2007

Information has been presented for as many years as is available.

Data Source

Various Village Departments

Village of Mundelein, Illinois

Miscellaneous Statistics
Waterworks and Sewerage Fund
April 30, 2009

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009
Number of Users									
Water Users	9,415	9,495	9,545	9,572	9,629	9,765	9,777	10,109	10,259
Water and Sewer Users	9,422	9,502	9,553	9,580	9,637	9,774	9,786	10,113	10,264
Increase in Users	111	80	51	27	57	137	12	327	151
Users by Class									
Residential	7,344	7,451	7,473	7,477	7,562	7,670	7,687	7,867	7,862
Senior Citizen	915	897	922	923	916	915	901	958	1,109
Commercial	836	846	849	867	893	921	920	761	757
Apartment Buildings	145	143	143	144	142	143	142	144	145
Industrial	72	71	71	72	72	70	71	62	63
Other	110	94	95	97	52	55	65	321	328
Total Users by Class	9,422	9,502	9,553	9,580	9,637	9,774	9,786	10,113	10,264
Billing Units by Class ⁽¹⁾									
Residential ⁽²⁾	822,394	816,334	857,069	809,960	802,138	854,644	781,173	788,802	777,182
Business ⁽³⁾	408,450	368,035	371,498	344,843	344,334	360,990	343,973	350,969	330,036
Industrial	37,158	39,702	46,362	40,839	38,323	39,389	36,490	55,433	39,937
Other	33,473	38,745	20,729	20,555	18,207	27,817	21,308	29,745	29,055
Total Billing Units	1,301,475	1,262,816	1,295,658	1,216,197	1,203,002	1,282,840	1,182,944	1,224,949	1,176,210
Rate History Per Billing Unit ⁽⁴⁾									
Ordinance Number	00-4-17	01-06-29	02-05-22	03-04-12	04-04-17	05-04-25	06-05-43	07-05-28	08-04-19
Effective Date	07/01/00	07/01/01	07/01/02	06/01/03	06/01/04	06/01/2005	06/01/2006	06/01/2007	06/01/2008
Water	1.215	1.241	1.200	1.288	1.442	1.376	1.472	1.598	1.682
Watermain	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sewer	1.232	1.448	1.423	1.491	1.600	1.629	1.73	1.993	2.101
CLCJAWA	1.473	1.232	1.565	1.595	1.519	1.754	1.685	1.701	1.750
Combined Rate	3.92	3.92	4.19	4.37	4.56	4.759	4.95	5.29	5.53
Pumped vs. Billed									
Total Gallons of Water									
Pumped	996,665,000	1,007,150,000	1,014,587,000	956,103,000	954,241,000	1,051,235,000	972,699,000	992,388,000	935,098,000
Total Gallons of Water Billed	976,106,250	947,112,000	971,743,500	912,147,750	902,597,250	965,131,500	887,208,000	918,711,750	842,309,250
Gallons Pumped but not Billed	20,558,750	60,038,000	42,843,500	43,955,250	51,643,750	86,103,500	85,491,000	73,676,250	92,788,750
Percentage of Unbilled	2.1%	6.0%	4.2%	4.6%	5.4%	8.2%	8.8%	7.4%	9.9%

(1) Billing unit equals 100 cubic feet, or 750 gallons

(2) Residential includes residential and senior citizen classes

(3) Business includes commercial and apartment building classes

(4) Annualized inside the Village rates only

Data Source

Village Records

Village of Mundelein, Illinois

Number of Residential Units and Equalized Assessed Value - By Subdivision
April 30, 2009

Subdivision	Number of Residential Units	2008 Equalized Assessed Value	
		Total	Average
Hampton Reserve	93	\$ 15,172,904	\$ 163,150
Woodlands	64	9,147,429	142,929
Concord	99	13,351,688	134,866
Ambria	242	32,366,636	133,746
Town & Country	470	61,536,832	130,929
Cambridge Country Side	158	20,039,072	126,830
Cambridge North	358	38,125,332	106,495 *
Tullamore	181	19,052,017	105,260 *
Grand Dominion	435	44,468,446	102,226 *
Pasquinelli - Cardinal Terrace	147	14,889,378	101,288 *
Cardinal Square	89	8,318,922	93,471 *
Loch Lomond	568	51,870,961	91,322 *
Cambridge West	535	48,800,641	91,216 *
Cambridge Country	1,111	100,676,456	90,618 **
Mundelein Heights	146	11,140,483	76,305 *
Lakewood Village	386	28,752,544	74,488 *
Insignia Ridge	74	5,480,237	74,057 *
Mundelein Home Crest	285	20,663,573	72,504 ***
Other Miscellaneous	2,450	156,673,296	63,948 *
FairHaven	148	10,637,161	71,873 *
Mundelein Station	247	17,073,888	69,125 *
Mundelein Gardens	166	11,176,949	67,331 *
Western Slope	350	23,479,300	67,084 *
LakeWood Heights	411	27,479,374	66,860 *
Cardinal Terrace	133	8,832,903	66,413 *
Superior Homes	137	8,847,011	64,577 *
Woodhaven	206	12,771,550	61,998 *
North Shore Park	196	12,000,661	61,228 *
Mundelein Manor	205	12,500,664	60,979 *
Diamond Lake	217	11,463,369	52,827 *
	<u>10,307</u>	<u>\$ 856,789,677</u>	<u>\$ 89,531</u>

* Relevant Range

** Average

*** Median

Note: Includes R1, R2 and R3 County Residential Zoning Classifications.

Data Source

Village of Mundelein, Illinois

Equalized Assessed Value Per Township
By General Zoning Classification
April 30, 2009

General Zoning Classification	All Townships		Fremont Township		Libertyville Township		Vernon Township	
	Equalized Assessed Value	Percent of Total						
Residential	\$ 817,801,674	84.5 %	\$ 532,793,757	94.7 %	\$ 251,267,798	76.0 %	\$ 33,740,119	45.0 %
Commercial	96,908,601	10.0	29,911,436	5.3	38,271,839	11.6	28,725,326	38.4
Industrial	53,441,759	5.5	-	0.0	41,007,839	12.4	12,433,920	16.6
	<u>\$ 968,152,034</u>	<u>100.0 %</u>	<u>\$ 562,705,193</u>	<u>100.0 %</u>	<u>\$ 330,547,476</u>	<u>100.0 %</u>	<u>\$ 74,899,365</u>	<u>100.0 %</u>
Percent of Total		<u>100.0 %</u>		<u>58.1 %</u>		<u>34.1 %</u>		<u>7.7 %</u>

Note: Prior to 2001, the Total EAV of All Townships did not include exemptions.

Data Source

Lake County Aggregate Property Tax Information Database

Village of Mundelein, Illinois

Property Value and Construction
Last Ten Calendar Years

Calendar Year	Multi-Family Construction		Residential Construction		Total Value of all Building Permits	Estimated Actual Property Value
	Number Of Units	Value (1)	Number of Units	Value (1)		
1999	-	\$ -	120	\$ 13,723,108	\$ 36,726,183	\$ 1,820,848,580
2000	56	4,367,164	62	8,695,154	43,661,946	1,909,050,546
2001	42	3,405,848	12	2,416,900	29,345,235	2,033,263,153
2002	15	1,218,411	11	1,149,001	15,763,235	2,179,839,144
2003	2	160,000	13	1,764,050	46,900,653	2,360,875,612
2004	6	480,000	42	7,634,300	33,718,676	2,524,124,906
2005	12	1,680,000	72	14,773,873	22,233,913	2,684,987,813
2006	84	19,003,000	19	3,166,732	63,571,993	2,840,792,996
2007	-	-	403	47,989,249	83,179,214	3,029,153,770
2008	-	-	111	13,806,040	40,073,508	3,227,173,446

(1) Exclusive of Land Values.

Data Source

Village Records

Village of Mundelein, Illinois

Mundelein Tax Increment Finance Area #2

TIF Incremental Increase

Last Six Levy Years

April 30, 2009

Levy Year	EAV TIF Base	Annual EAV Incremental Increase	Total EAV TIF	Extension
2003	\$ 8,313,815	\$ -	\$ 8,313,815	\$ -
2004	-	117,306	8,431,121	10,309
2005	-	2,237,311	10,668,432	182,621
2006	-	1,792,419	10,106,234	147,060
2007	-	1,690,995	10,004,810	130,933
2008	-	9,212,662	17,526,477	714,903

Data Source

Lake County Clerk's Office