

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF DES PLAINES, ILLINOIS**
Year Ended December 31, 2007

Prepared by the Finance Department

Dorothy Wisniewski
Director of Finance (Acting)

Bruce P. Raymond
Assistant to the Director of Finance

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CITY OF DES PLAINES

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INTRODUCTORY SECTION

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CITY OF DES PLAINES

1420 Miner/Northwest Highway ■ Des Plaines, Illinois 60016-4498 ■ (847) 391-5300

July 24, 2008

Honorable Mayor and Members of the City Council
Citizens of the City of Des Plaines

Introduction

The Comprehensive Annual Financial Report of the City of Des Plaines, Illinois, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report (CAFR) is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements, required supplementary information, combining and individual fund presentations, as well as the independent auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis, supplementary bond debt service schedules and continuing disclosure information in accordance with requirements under the SEC and MSRB. The CAFR also suffices as the compliance report required by subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act.

The financial statements have been prepared in accordance with Statement No. 34 (Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments) of the Governmental Accounting Standards Board (GASB). The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. GASB No. 34 requires that governments prepare entity-wide financial statements in addition to the fund-based financial statements. The entity-wide financial statements attempt to present a government's financial position and results of operations in a manner similar to a business. The MD&A is located in the Financial Section of this report.

This report includes all the funds of the City of Des Plaines (the primary government), as well as its component unit, the Des Plaines Public Library. Component units are autonomous entities for which the primary government is financially accountable

The Reporting Entity and its Services

The City was incorporated in 1857 and is a home rule municipality under the 1970 Illinois Constitution. The City is located in northwestern Cook County and covers an area of approximately 14.36 square miles. The 2007 Special Census reported a population of 58,710, an increase of approximately 3.1% from the 2000 Census population of 56,945. The Chicago Metropolitan Agency for Planning (CMAP) population projection for 2030 is 60,343. The City is located approximately 20 miles northwest of downtown Chicago



with O'Hare International Airport bordering on the south. Commuter travel to and from Chicago's downtown is available via Metra's Union Pacific Railroad's northwest line, with a commuter station located in downtown Des Plaines and the Wisconsin Central freight line which was combined into a commuter/freight rail line in 1996, connecting with O'Hare Airport and Chicago. Also easily accessible to the City are the Northwest Tollway (I-90) and the Tri-State Tollway (I-294). In addition, the close proximity of O'Hare International Airport to the City makes air travel convenient.

The City has an above average residential base that is supplemented by substantial commercial and industrial real estate development. Approximately 59% of the City's property values are comprised of diversified commercial and light industrial properties.

The City operates under a City Manager form of government approved by voter referendum on November 2, 2004. The Mayor and City Council appoint the City Manager. The Mayor and the City Clerk are elected at large for four-year terms. The City Council consists of eight aldermen elected from eight wards for staggered four-year terms. The elected City Treasurer position was eliminated by referendum in 1995 and was replaced by an appointed Treasurer in May 1997.

The City provides the full range of municipal services contemplated by statute or charter. These services include police, fire, highways and streets, community development, planning and zoning, engineering and inspection, certain social services, and general administrative services. The City operates its own water system providing Lake Michigan water purchased from the City of Chicago, with sewage treatment provided by the Metropolitan Water Reclamation District. The Des Plaines Park District, a separate governmental entity, primarily provides recreational opportunities. The Mt. Prospect Park District serves a small portion of the City.

Accounting System And Budgetary Control

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The City's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the fiscal year, the City's management makes certain adjustments to the accounting records to permit the City to present financial statements at the entity-wide level that use the accrual basis of accounting in compliance with GASB Statement No. 34. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The management of the City is responsible for establishing and maintaining a system of internal control that is designed to assure that the assets of the City are safeguarded against loss, theft, or misuse. A system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management.

In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget and appropriation ordinance approved by the City Council. The level of budgetary control is established at the fund level. However, the City maintains a control system to review monthly the status of actual expenditures compared to appropriations for each department and special purpose.

Major Initiatives and Economic Outlook

2007 saw additional redevelopment in Des Plaines, particularly in logistics/air freight. Coasters, a California-based furniture manufacturer, began construction of a 250,000 square-foot facility in the City's Tax Increment Financing (TIF) District #3. The company began operations in the new facility in early 2008. Nippon Express relocated to Des Plaines at the end of 2007, occupying a new 155,000 square-foot office/logistics building, in January 2008. Sysco Food Systems undertook expansion of their distribution facility on Wolf Road, starting construction of an additional 100,000 square feet of refrigerated storage space. Finally, several hundred thousand square feet of "spec" warehouse and logistics space is nearing completion in the southern part of the City. This renaissance of logistics space is due to the new cargo entrance for O'Hare International Airport on Mount Prospect Road. These facilities are readily adjacent to the cargo entrance, and have aided in the continued interest in the City's industrial base.

The City continued redevelopment activities in its TIF districts during 2007. An implementation plan for the Five Corners TIF District #4 began, examining redevelopment scenarios and needed infrastructure improvements. In the Mannheim/Higgins TIF District #6, the City demolished a vacant hotel building and prepared a five-acre site for redevelopment into new hotels, restaurants, retail, and a parking garage. Also in TIF District #6, Des Plaines' first Starbucks opened for business in 2007, and a redevelopment agreement for construction of two additional hotels was reached. At total build out, the district will contain approximately 750 new hotel rooms.

A new 40,000 square foot commercial strip center is slated to open in 2008 on Lee Street, with Starbuck's, Discovery Clothing, and Prestige Wine and Liquor, among the new tenants. Illinois Bone and Joint Facility is slated to complete construction of a state-of-the-art medical facility on Rand Road in fall 2008.

The final phase of the \$10 million Levee 50 project began in 2006. The project's main purpose is to alleviate flooding in Des Plaines and surrounding areas, but, when concluded, will complete the Des Plaines River trail, which will connect to the Grand Illinois trail, allowing residents and visitors alike access to hiking and biking trails, canoeing and kayaking, and other recreational activities. 85% of construction activities have been completed in 2007. Final completion is scheduled to be late summer of 2008.

Pension Trust Funds and Post Employment Benefits

Sworn police and fire personnel receive retirement and disability benefits from the Des Plaines Police Pension Fund and the Des Plaines Firefighters' Pension Fund, respectively. Both of the plans associated with these funds are single-employer plans administered by local boards of trustees. Illinois state statutes govern the defined benefits and employer and employee contribution levels. Police plan participants are required to contribute 9.91% of their base salaries and fire plan members contribute 9.455% of their base salaries. The City is required to contribute the remaining amounts necessary to finance the plans as determined by an enrolled actuary. State statutes require that each plan must be fully funded by the year 2033.

The State of Illinois Department of Insurance provides actuarial services. However, a municipality also has the option of engaging an independent actuary. The City currently contracts with Timothy W. Sharpe, an enrolled actuary, to perform an actuarial valuation for the funds. The City has annually made employer contributions to both the Police Pension Fund and the Firefighters' Pension Fund in amounts recommended by the actuary.

Full-time and part-time employees, other than sworn police officers and firefighters, who work at least 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a state-wide pension plan. IMRF acts as a common investment and administrative agent for local governments in Illinois. State statutes establish benefit provisions and funding requirements.

Employees participating in the IMRF are required to contribute 4.5% of their annual salary and the City is required to contribute the remaining amounts necessary to fund the coverage of its employees in the plan. The City's contribution rate changes annually.

The notes to the financial statements and the required supplementary information provide more information pertaining to employee pensions.

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

Cash Management

State Statute required the City to modify its investment policy in 1999 to accommodate the Illinois Public Funds Investment Act. The City Council approved an investment policy modeled after the GFOA's model policy as well as an investment procedures and internal control manual. These documents limit the Finance Department to the type of investment as well as the amount allowed in each investment type. Investments that are authorized by State Statute and City policy, and which the City utilizes, include money market funds, interest bearing checking accounts, certificates of deposit, U.S. Treasury securities and U.S. government agencies.

Risk Management and Health Insurance

The City became a member of the Municipal Insurance Cooperative Agency (MICA) on December 31, 1997. This self-insured local government insurance pool consists of 20 governmental agencies in Illinois that provide first loss coverage for the first \$1 million. The City pays a \$1,000 deductible per claim (except for workers compensation in which there is no deduction) and the pool itself has a self-insured retention per claim with any excess covered through an excess insurance policy. The City also has purchased excess insurance for up to \$2 million through MICA.

For claims that exceed \$2 million the City is a member of the High-Level Excess Liability Pool (HELP). HELP is a municipal pool consisting of fifteen municipalities who have joined to self-insure liability losses. The second HELP term began in 1998 and will last ten years. HELP coverage, depending on the year and policy period, retains excess re-insurance for up to \$12 million.

The City maintains an internal service fund, established in 1986, for risk payments. These payments consist of the MICA deductible, claims still open prior to MICA membership, annual dues payments to MICA and HELP and other risk-related matters.

The Health Benefits Fund was established to account for the financial transactions of self-insured employee and retiree health benefits. In 2003 the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 49 municipalities located primarily in the Chicago area. Through the IPBC the City retains the third-party administrative services of Blue Cross/Blue Shield of Illinois to provide the PPO, HMO, and Rx programs, and ING for life insurance. In the IPBC, the City maintains its independence in terms of plan design and benefit levels, but pools claims experience from \$25,000 to \$125,000. Within the IPBC, the City administers 4 separate funds: 1) Administrative Fund, 2) Benefit (PPO) Fund, 3) HMO Fund, and 4) Terminal Reserve Fund and maintains a fund management strategy to ensure that both short-term and long-term interests are met. The City continues to be self-insured for dental benefits on an individual contract basis outside of the IPBC.

Independent Audit

Illinois Compiled Statutes requires an annual audit of the City by independent certified public accounts selected by the City Council. This requirement has been complied with, and the auditors' opinion has been included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the twenty-seventh consecutive year the government has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

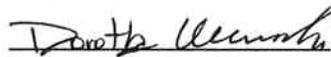
Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Timely and fairly presented financial statements and reports are essential to legislative compliance, creditors, financial analysts, the general public and others having need for government financial information. We would like to thank the Mayor, members of the City Council and Department heads for their support in planning and conducting the financial operations of the City in a professional and responsible manner.

Respectfully submitted,



Jason Bajor
City Manager



Dorothy Wisniewski
Director of Finance (Acting)

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Des Plaines
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

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**CITY OF DES PLAINES
PRINCIPAL OFFICIALS**

December 31, 1007

Legislative

Anthony W. Arredia, Mayor

Donna McAllister, City Clerk

City Council

Rosemary Argus – Eighth Ward

Martin Moylan – Second Ward

Patricia Beauvais – First Ward

Laura Murphy – Third Ward

Mark Walsten – Sixth Ward

Jean Higgason – Fourth Ward

Carla Brookman – Fifth Ward

Don Smith – Seventh Ward

Administration

Jason Bajor, City Manager

Assistant City Manager..... Vacant

City Attorney..... David R. Wiltse

Director of Finance & Administrative Services (Acting)..... Dorothy Wisniewski

Chief of Police..... Jim Prandini

Fire Chief Randy Jaeger

Director of Engineering..... Timothy Oakley

Director of Community & Economic Development Michael Conlan

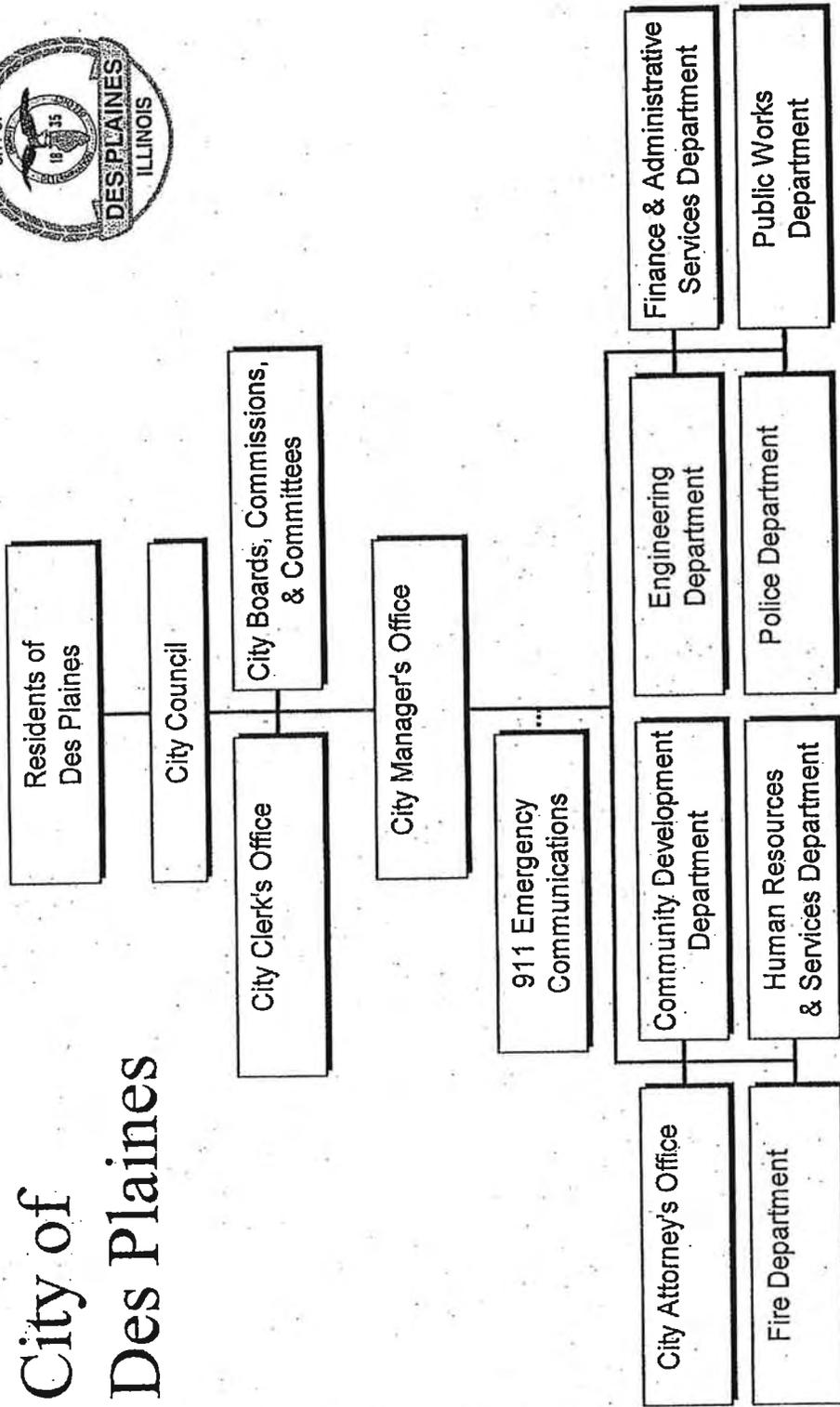
Director of Public Works Matthew Dusckett

Director of Emergency Communications Sherrill Ornberg

Library Administrator Sandra Norlin

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City of Des Plaines



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FINANCIAL SECTION

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REPORT OF INDEPENDENT AUDITORS

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INDEPENDENT AUDITORS' REPORT

City of Des Plaines
1420 Miner Street
Des Plaines, IL 60016

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois, as of and for the year ended December 31, 2007, which collectively comprise City of Des Plaines's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Des Plaines's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated July 24, 2008 on our consideration of City of Des Plaines's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis, the historical pension information and the budgetary comparison schedules as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

City of Des Plaines

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Des Plaines's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statement for the year ended December 31, 2007 taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, City of Des Plaine's basic financial statements for the year ended December 31, 2006, which are not presented with the accompanying financial statements. In our report dated January 18, 2008, we expressed unqualified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2006 information included in the individual fund financial schedules is fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2006, taken as a whole.

Vnichow, Krause & Company, LLP

Oak Brook, Illinois
July 24, 2008

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

The City of Des Plaines (the "City") Management Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the 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 City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased by \$6,861,242 (5.03%) during the fiscal year ending December 31, 2007.
- The governmental net assets increased by \$5,938,970 and the business-type activities net assets increased by \$922,272.
- The City's combined Governmental Funds ending fund balance decreased \$6,676,646 (37.3%) as of December 31, 2007, primarily due to \$8 million TIF #6 land acquisition costs for future development.
- The General Fund ending fund balance increased \$479,054 or 6.4% over prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,075,635 or 2.1% of General Fund expenditures. This was a decrease of \$2,853,874, or 72% from the previous year, mainly attributed to the land purchase discussed above.
- Total primary government general revenues decreased from \$57,925,318 to \$56,302,811, primarily due to the disposal of assets.
- General Fund revenues did not meet budgeted amounts by \$162,781 while General Fund expenditures were below budgeted amounts by \$969,793.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. 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 City's accountability.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the City as a whole begins with the statement of net assets. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question.

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement consolidates governmental funds' 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. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

The Statement of Activities presents information showing how the City's net assets changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the City's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

These two statements report the City's *net assets* and changes in them. You can think of the City's net assets, the difference between assets and liabilities, as one way to measure the City's financial health, or *financial* position. Over time, increases or decreases in the City's net assets are one indicator of whether its *financial* health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base or the condition of the city's roads, to assess the *overall health* of the City.

In the Statement of Net Assets and the Statement of Activities we divide the City into three kinds of activities:

- Governmental activities – Most of the City's basic services are reported here, including the police, fire, public works, and general administration. Taxes (property, sales, income, utility etc...), franchise fees, and state and federal grants finance most of these activities.
- Business-type activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water system, parking facilities, and emergency communications are reported here
- Component units – The Des Plaines Public Library is the City's only discretely presented component unit. Although legally separate, this "component unit" is important because the City is financially accountable for it.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than (the previous model's) fund types. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental Funds*

The Governmental Major Fund (General, TIF #1, TIF #6, and Capital Projects) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The Governmental Major Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources), which is reflected. The flow of current financial resources reflects bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligation (bond and others) into the Governmental Activities column (in the Government-Wide Statements).

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

The City maintains 22 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, TIF #1 (Downtown), TIF Tax Allocation #6, and the Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

- *Proprietary Funds*

The City maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented in Business-type Activities in the Government-Wide Financial Statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its risk management, medical insurance and compensated absences. Each internal service fund serves governmental rather than business-type functions and has been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements provide the same type of information as the Government-Wide Financial Statements, only in more detail. Each of the three propriety funds are considered major funds of the City and are presented in a separate column in the Fund Financial Statements. All three internal service funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the internal service funds is presented elsewhere in the report.

- *Fiduciary Funds*

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension Fund and Firefighters Pension Fund). While these funds represent 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 Statements.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

THE CITY AS A WHOLE

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Des Plaines, assets exceeded liabilities by \$143,143,491 as of December 31, 2007. This represents an increase of \$6,861,242 from the prior year.

The following table reflects the condensed Statement of Net Assets:

Table 1: Statement of Net Assets As of December 31, 2007

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Primary Government</u> | |
|--|--------------------------------|----------------------|---------------------------------|----------------------|---------------------------------|----------------------|
| | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> |
| Assets | | | | | | |
| Current Assets | \$ 54,330,481 | \$ 47,932,437 | \$ 8,869,456 | \$ 7,398,415 | \$ 63,199,937 | \$ 55,330,852 |
| Non Current | 1,243,004 | 444,805 | 23,343 | 29,021 | 1,266,347 | 473,826 |
| Capital Assets | 175,584,449 | 174,069,658 | 33,613,023 | 34,332,603 | 209,197,472 | 208,402,261 |
| Total Assets | <u>231,157,934</u> | <u>222,446,900</u> | <u>42,505,822</u> | <u>41,760,039</u> | <u>273,663,756</u> | <u>264,206,939</u> |
| Liabilities | | | | | | |
| Current Liabilities | 36,989,117 | 25,412,215 | 1,223,305 | 983,685 | 38,212,422 | 26,395,900 |
| Long-term Liabilities | 89,732,699 | 96,750,465 | 2,575,144 | 3,205,072 | 92,307,843 | 99,955,537 |
| Total Liabilities | <u>126,721,816</u> | <u>122,162,680</u> | <u>3,798,449</u> | <u>4,188,757</u> | <u>130,520,265</u> | <u>126,351,437</u> |
| Net Assets | | | | | | |
| Invested in Capital Assets, Net of Debt | 94,992,957 | 84,159,240 | 31,379,369 | 32,091,486 | 126,372,326 | 116,250,726 |
| Restricted | 4,848,350 | 5,730,529 | - | - | 4,848,350 | 5,730,529 |
| Unrestricted | 4,594,811 | 10,394,451 | 7,328,004 | 5,479,796 | 11,922,815 | 15,874,247 |
| Total Net Assets | <u>\$104,436,118</u> | <u>\$100,284,220</u> | <u>\$ 38,707,373</u> | <u>\$ 37,571,282</u> | <u>\$143,143,491</u> | <u>\$137,855,502</u> |

For more detailed information see the Statement of Net Assets.

The City's combined net assets increased to \$143,143,491 from \$137,855,502. Net assets of the City's governmental funds were \$104,436,118 and net assets for the City's Business-type Activities were \$38,707,373. The City's total net assets for Governmental Activities went up \$5,938,970 while total net assets for the City's Business-type Activities increased \$922,272. The City's unrestricted net assets for Governmental Activities, the part of net assets that can be used to finance day-to-day operations, were \$4,594,811. The City can use the unrestricted Business-type Activities net assets of \$7,328,004 to finance the continuing operation of its water, parking and emergency communications programs.

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.

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

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

Spending of Nonborrowed 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.

Changes in Net Assets

The following chart shows the revenue and expenses of the City's activities:

Table 2: Changes in Net Assets for the Fiscal Year Ended December 31, 2007

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total Primary Government</u> | |
|---|--------------------------------|----------------------|---------------------------------|----------------------|---------------------------------|----------------------|
| | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 11,492,965 | \$ 10,939,645 | \$ 15,155,570 | \$ 14,481,939 | \$ 26,648,535 | \$ 25,421,584 |
| Operating Grants | 3,170,781 | 599,948 | 25,546 | 309,784 | 3,196,327 | 599,948 |
| Capital Grants | 1,823,040 | 945,493 | - | - | 1,823,040 | 945,493 |
| General Revenues | | | | | | |
| Property Taxes | 23,773,249 | 22,115,583 | - | - | 23,773,249 | 22,115,583 |
| Other Taxes | 31,031,042 | 30,554,287 | - | - | 31,031,042 | 30,554,287 |
| Other Revenue | <u>1,113,898</u> | <u>5,172,208</u> | <u>384,622</u> | <u>83,240</u> | <u>1,498,520</u> | <u>5,255,448</u> |
| Total Revenues | <u>72,404,975</u> | <u>70,327,164</u> | <u>15,565,738</u> | <u>14,874,963</u> | <u>87,970,713</u> | <u>85,202,127</u> |
| Expenses | | | | | | |
| General Government | 12,376,154 | 6,752,529 | - | - | 12,376,154 | 6,752,529 |
| Public Safety | 31,161,886 | 34,102,357 | - | - | 31,161,886 | 34,102,357 |
| Public Works | 10,282,409 | 8,730,946 | - | - | 10,282,409 | 8,730,946 |
| Streets and Highways | 6,902,837 | 9,692,117 | - | - | 6,902,837 | 9,692,117 |
| Economic Development | 1,780,760 | 2,885,691 | - | - | 1,780,760 | 2,885,691 |
| Interest | 4,172,033 | 4,049,875 | - | - | 4,172,033 | 4,049,875 |
| Water | - | - | 8,693,595 | 8,706,183 | 8,693,595 | 8,706,183 |
| Parking | - | - | 1,015,561 | 1,206,169 | 1,015,561 | 1,206,169 |
| Emergency | - | - | - | - | - | - |
| Communications | - | - | <u>4,724,236</u> | <u>4,816,445</u> | <u>4,724,236</u> | <u>4,816,445</u> |
| Total Expenses | <u>66,676,079</u> | <u>66,213,515</u> | <u>14,433,392</u> | <u>14,728,797</u> | <u>81,109,471</u> | <u>80,942,312</u> |
| Excess (deficiency) | | | | | | |
| Before Transfers | 5,728,896 | 4,113,649 | 1,132,346 | 146,166 | 6,861,242 | 4,259,815 |
| Transfers | <u>210,074</u> | <u>(45,809)</u> | <u>(210,074)</u> | <u>45,809</u> | <u>-</u> | <u>-</u> |
| Changes in Net Assets | 5,938,970 | 4,067,840 | 922,272 | 191,975 | 6,861,242 | 4,259,815 |
| Beginning Net Assets - (as restated) | <u>98,497,148</u> | <u>96,216,380</u> | <u>37,785,101</u> | <u>37,379,307</u> | <u>136,282,249</u> | <u>133,595,687</u> |
| Ending Net Assets | <u>\$ 104,436,118</u> | <u>\$100,284,220</u> | <u>\$ 38,707,373</u> | <u>\$ 37,571,282</u> | <u>\$ 143,143,491</u> | <u>\$137,855,502</u> |

Normal Impacts

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

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

Revenues:

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

Increase/Decrease in City-Approved Rates - while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (property taxes, water, sewer, impact fees, building fees, home rule sales tax, prepared food 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 nonrecurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income - the City's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

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

Increase in Authorized Personnel - changes in service demand may cause the City Council to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent over 70% of the City's General Fund expenditures.

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

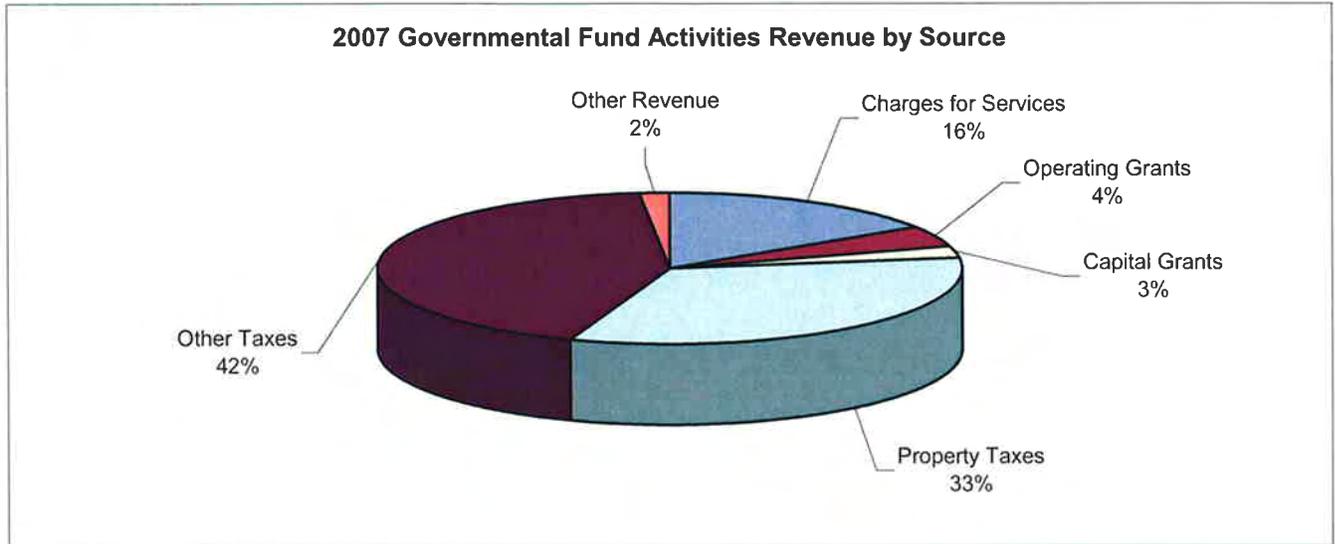
Inflation - while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels, and parts. Some functions may experience unusual commodity-specific increases.

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2007

Current Year Impacts

Governmental Activities

Revenues:



For the fiscal year ended December 31, 2007, revenues from Governmental Activities totaled \$72,404,975. During the fiscal year property taxes continue to be the City's single largest revenue source coming in at \$23,773,249 and representing 33% of total Governmental Activity revenue. Intergovernmental revenue inclusive of sales tax, and shared state income tax revenues as well as state and federal grants totals \$19,744,856 representing 28% of the total Governmental Activity revenue. Other taxes such as local utility tax, food and beverage tax, hotel motel tax and telecommunications tax represents 20% of the total revenue.

The City increased its property tax levies for general operations, police and fire pension, and debt service from a 2005 tax levy extension in 2006 of \$18,160,240 to a 2006 tax levy extension in 2007 of \$19,581,445, an increase of \$1,421,205 or 7.8%. This increase was primarily a result of an increase of the City's required contribution to its police and fire pension funds and its general operations. Debt service property tax requirements decreased by \$221,703 or 13.8%. Furthermore, the assessed value of property increased slightly at 0.51%.

Equalized Assessed Valuation

| <u>Levy Year</u> | <u>Total</u> |
|------------------|----------------------|
| 2006 | \$ 2,110,069,506 |
| 2005 | \$ 2,099,449,704 |
| Increase | <u>\$ 10,619,802</u> |
| % Increase | 0.51% |

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2007

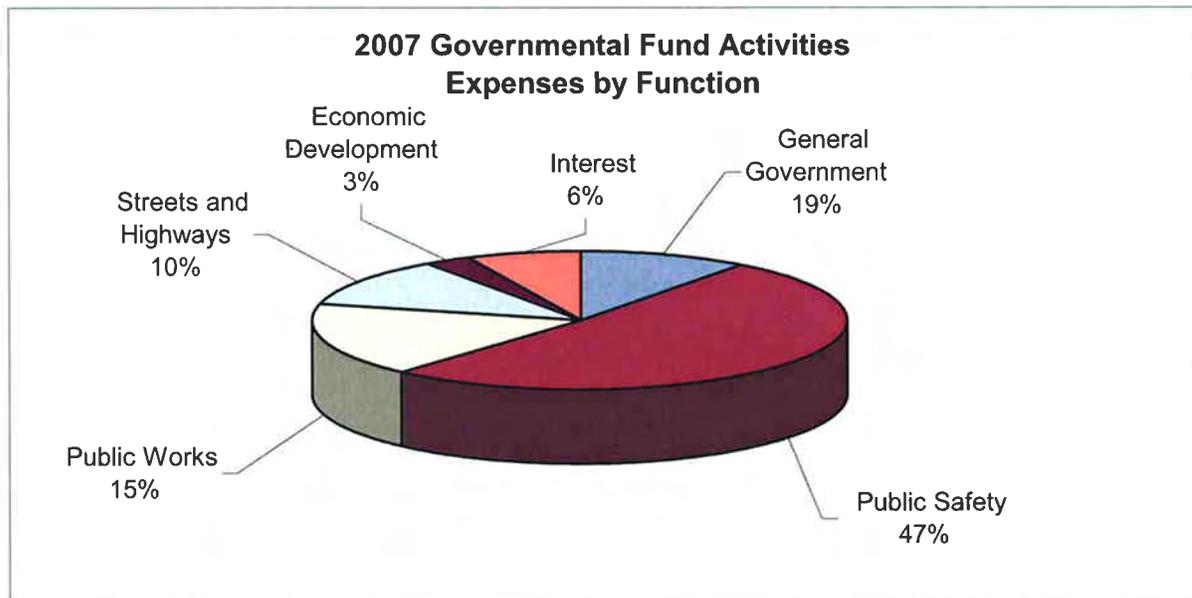
The General Fund state-per-capita shared revenues for income tax and use tax increased by \$539,376 or 9.1%.

| <u>State-Shared Tax</u> | <u>Fiscal Year 2007</u> | <u>Fiscal Year 2006</u> | <u>Increase / (Decrease)</u> |
|-------------------------|-----------------------------|-----------------------------|----------------------------------|
| State Income Tax | \$ 5,177,900 | \$ 4,665,694 | \$ 512,206 |
| Use Tax | 773,085 | 745,915 | 27,170 |
| Total | <u>\$ 5,950,985</u> | <u>\$ 5,411,609</u> | <u>\$ 539,376</u> |

The City's sales tax revenue (one percent share of the State collected tax) increased 0.5% during the fiscal year.

| <u>Fiscal Year</u> | <u>Amount Received</u> | <u>Change</u> | <u>Percent Change</u> |
|------------------------|----------------------------|---------------|---------------------------|
| 2002 | \$ 7,442,544 | \$ (59,024) | -0.8% |
| 2003 | \$ 7,745,881 | \$ 303,337 | 4.1% |
| 2004 | \$ 7,806,132 | \$ 60,251 | 0.8% |
| 2005 | \$ 8,104,425 | \$ 298,293 | 3.8% |
| 2006 | \$ 9,220,053 | \$ 1,115,628 | 13.8% |
| 2007 | \$ 9,265,270 | \$ 45,217 | 0.5% |

Expenses:



For the fiscal year ended December 31, 2007, expenses from Governmental Activities totaled \$66,676,079. Public safety expenses represented 47% of the total, with streets and highways activity accounting for 10%. General government expenses were higher than prior years due to the loss on sale of land relating to TIF #3 for approximately \$6 million.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

Business-Type Activities

- ❖ There was no water rate increase in 2007. The current water rate charge per City of Chicago is \$2.907 per 100 cubic feet. Water revenue increased by \$251,713 and operating expenses decreased by \$25,696. The changes to net assets were \$1,287,574 or 6.2% greater.
- ❖ There are four municipalities (Park Ridge, Morton Grove, Niles, Des Plaines) that share the costs of the Emergency Communications Fund. Revenues increased by \$508,793 or 11.1% from prior year, and the total operating expenses decreased by \$15,762. In addition net assets increased by 27% to \$757,996 from the prior year.
- ❖ The Metro lots revenues decreased by \$216,507 primarily due to a one-time grant received in the prior year. Net assets also decreased by \$691,275, from \$16,172,232 in 2006 to \$15,480,957 in the current year primarily due to the current year depreciation expense.

FINANCIAL HIGHLIGHTS

Governmental Funds

For the fiscal year ended December 31, 2007; the Governmental Funds reflect a combined fund balance of \$11,114,021. This was a decrease of \$6,676,646, or 37.5% primarily due to the TIF #6 Fund. However, the General Fund increased by 6.4% to \$7,956,822.

Of the total fund balance, a negative \$915,574 is unreserved. The negative impact to the 2007 fiscal year is primarily due to a negative fund balance of \$4,293,929 in TIF #6 related to the purchase of land in 2007 for a redevelopment project agreement executed in 2007. The TIF #6 Project is expected to be developed in the near future bringing in four major hotels.

Proprietary Funds

At December 31, 2007 the Proprietary Funds total net assets increased by \$1,036,737 or 2.8%. This is mainly due to increased charges for services, higher interest rates than the previous year and a one-time reimbursement of water line improvements.

GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: 2007 General Fund Budgetary Highlights

| | Original and Final <u>Budget</u> | <u>Actual</u> |
|---|---|----------------------|
| Revenues | \$ 52,855,003 | \$ 52,692,222 |
| Expenditures | <u>51,516,831</u> | <u>50,818,168</u> |
| Excess of Revenues Over Expenditures | <u>1,338,172</u> | <u>1,874,054</u> |
| Other Financing Sources (Uses) | <u>(1,395,000)</u> | <u>(1,395,000)</u> |
| Net Changes in Fund Balance | <u>\$ (56,828)</u> | <u>\$ 479,054</u> |

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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General Fund actual revenues were \$162,781 or 0.3% lower than the budgeted amount. In addition, General Fund actual expenditures \$969,793 or 1.9% lower than the budgeted amount. The City continues to use conservative estimates of revenue based upon trend information.

CAPITAL ASSETS

Table 4: Capital Assets (net of depreciation)

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---------------------|-------------------------|-----------------------|--------------------------|----------------------|--------------------------|-----------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Land | \$ 19,242,205 | \$ 19,249,025 | \$ 1,891,770 | \$ 1,891,770 | \$ 21,133,975 | \$ 21,140,795 |
| Land Right of Way | 53,059,649 | 52,880,180 | - | - | 53,059,649 | 52,880,180 |
| Buildings | 21,792,634 | 21,792,634 | 18,966,509 | 18,966,509 | 40,759,143 | 40,759,143 |
| Improvements | 36,889,641 | 35,238,717 | 28,388,381 | 27,638,761 | 65,278,022 | 62,877,478 |
| Equipment | 2,648,823 | 2,765,998 | 2,070,046 | 2,179,750 | 4,718,869 | 4,945,748 |
| Vehicles | 8,111,122 | 7,211,242 | 209,294 | 247,791 | 8,320,416 | 7,459,033 |
| Infrastructure | 103,649,524 | 100,121,252 | - | - | 103,649,524 | 100,121,252 |
| Less: | | | | | | |
| Accum. Depreciation | (69,809,149) | (66,672,391) | (17,912,977) | (16,591,978) | (87,722,126) | (83,264,369) |
| Total | \$ 175,584,449 | \$ 172,586,657 | \$ 33,613,023 | \$ 34,332,603 | \$ 209,197,472 | \$ 206,919,260 |

The City's investment in capital assets for its Governmental and Business-type Activities as of December 31, 2007, amounts to \$209,197,472 (net of accumulated depreciation). The investment in capital assets includes land, buildings, equipment, improvements, vehicles and infrastructure. This amount represents a net increase (including additions and deductions) of \$2,278,212 or 1.1%.

The Governmental Activities net capital assets increased from last year by \$2,997,792. Included in capital spending was \$3.0 million in street and utility improvements, \$920 thousand for the East River Road lift station replacement and force main and \$405 thousand for a fire truck. Business-type activities capital spending included \$525 thousand in water main replacements. Depreciation expense in the governmental and business-type activities totaled \$4,063,681 and \$1,469,200, respectively, in the current fiscal year. Detailed information regarding the change in capital assets for Governmental and Business-type Activities is included in the Notes to the Financial Statements.

DEBT OUTSTANDING

The City, under its home rule authority, does not have a legal debt limit. The City's current Debt Rating is Aa3 as rated by Moody's Investors Service. The City continues to plan to issue bonds for economic development purposes.

Existing Debt

The City's total debt outstanding at year-end is \$90,670,966. The general obligations bonded debt is \$89,530,000, of which only 7.4% is supported by property tax. There are two TIF development notes in the amount of \$778,455 and one equipment note in the amount of \$362,511. The net direct debt ratio to equalized assessed value (EAV) is less than 1%.

Additional information of the City's long-term debt can be found in Note III-E to the Financial Statements.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2007

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In 2006, the City created TIF District #4, referred to as "Five Corners." This TIF district is a 70 acre area including portions of the Rand Road, Des Plaines River Road, Lee Street and Golf Road commercial corridors. The district also connects with TIF District #5, which is located in the City's downtown, and provides a seamless development pathway between the Five Corners area and the downtown business district. In 2007, an implementation plan for the Five Corners TIF district began, examining redevelopment scenarios and needed infrastructure improvements.

The City will continue economic development in TIF District #6 where a four unit retail development presently has a Starbucks and Potbelly Sandwich store. In the southern portion of this TIF, four major hotels have been proposed and are anticipated. This area is adjacent to O'Hare International Airport.

In TIF #3, Phase I was completed and occupied in 2006, featuring 420,000 square feet of warehouse/distribution, occupied by four tenants: Bombardier, McNichols, Hellman and Catapillar. Phase II was constructed and occupied in early 2008. This logistics facility features 250,000 square feet of warehouse/distribution occupied by Coasters, California based furniture manufacturer.

The City conducted a special census in 2007 for specific areas that have been redeveloped. This will increase the State per-capita revenues for income tax, use tax and motor fuel tax.

The unemployment rate for the City of Des Plaines was 4.1% in 2007.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Director of Finance, City of Des Plaines, 1420 Miner Street, Des Plaines, IL 60016.

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BASIC FINANCIAL STATEMENTS

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CITY OF DES PLAINES

STATEMENT OF NET ASSETS December 31, 2007

| | Primary Government | | | Component Unit (Library) |
|--|----------------------------|-----------------------------|-----------------------|-----------------------------|
| | Governmental Activities | Business-type Activities | Total Governmental | |
| ASSETS | | | | |
| Cash and investments | \$ 15,736,253 | \$ 5,448,696 | \$ 21,184,949 | \$ 1,244,429 |
| Receivables (net) | | | | |
| Property taxes | 27,682,916 | - | 27,682,916 | 6,864,572 |
| Accounts | 1,310,872 | 2,474,471 | 3,785,343 | - |
| Accrued interest | 7,327 | - | 7,327 | - |
| Other taxes | 972,284 | - | 972,284 | - |
| Other | 225,058 | 687,171 | 912,229 | - |
| Prepaid items | 642,821 | - | 642,821 | 53,273 |
| Inventories | - | 125,544 | 125,544 | - |
| Due from other governmental units | 7,128,591 | - | 7,128,591 | - |
| Pension refund receivable | 757,933 | - | 757,933 | - |
| Internal balances | (133,574) | 133,574 | - | - |
| Deferred charges | 488,631 | 23,343 | 511,974 | - |
| Net pension asset | 754,373 | - | 754,373 | - |
| Capital assets (net of accumulated depreciation) | | | | |
| Capital assets not being depreciated | 72,301,854 | 1,891,770 | 74,193,624 | - |
| Capital assets, being depreciated | <u>103,282,595</u> | <u>31,721,253</u> | <u>135,003,848</u> | <u>254,678</u> |
| Total Assets | <u>231,157,934</u> | <u>42,505,822</u> | <u>273,663,756</u> | <u>8,416,952</u> |
| LIABILITIES | | | | |
| Accounts payable | 2,982,236 | 973,810 | 3,956,046 | 189,010 |
| Accrued liabilities | 1,651,060 | 221,251 | 1,872,311 | 101,936 |
| Accrued interest payable | 344,664 | 7,834 | 352,498 | - |
| Accrued pension contributions | 496,186 | - | 496,186 | - |
| Unearned revenue | 25,867,503 | - | 25,867,503 | 6,366,968 |
| Deposits payable | 147,468 | 20,410 | 167,878 | - |
| Short term notes payable | 5,500,000 | - | 5,500,000 | - |
| Noncurrent liabilities | | | | |
| Due within one year | 8,016,910 | 642,127 | 8,659,037 | 64,381 |
| Due in more than one year | <u>81,715,789</u> | <u>1,933,017</u> | <u>83,648,806</u> | <u>138,738</u> |
| Total Liabilities | <u>126,721,816</u> | <u>3,798,449</u> | <u>130,520,265</u> | <u>6,861,033</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 94,992,957 | 31,379,369 | 126,372,326 | 254,678 |
| Restricted for | | | | |
| Public safety | 1,731,918 | - | 1,731,918 | - |
| Economic development | 3,076,575 | - | 3,076,575 | - |
| Debt service | 39,857 | - | 39,857 | - |
| Culture and recreation | - | - | - | 1,301,241 |
| Unrestricted | <u>4,594,811</u> | <u>7,328,004</u> | <u>11,922,815</u> | <u>-</u> |
| TOTAL NET ASSETS | <u>\$ 104,436,118</u> | <u>\$ 38,707,373</u> | <u>\$ 143,143,491</u> | <u>\$ 1,555,919</u> |

See accompanying notes to financial statements.

CITY OF DES PLAINES

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2007

| <u>Functions/Programs</u> | Program Revenues | | | |
|--------------------------------|---------------------------------|---|---|--------------|
| <u>Expenses</u> | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Primary Government | | | | |
| Governmental Activities | | | | |
| General government | \$ 12,376,154 | \$ 3,417,462 | \$ 1,377,724 | \$ - |
| Public safety | 31,161,886 | 3,135,477 | 91,293 | - |
| Public works | 10,282,409 | 3,187,494 | - | - |
| Streets and highways | 6,902,837 | 1,752,532 | 1,687,130 | 1,823,040 |
| Economic development | 1,780,760 | - | 14,634 | - |
| Interest and fiscal charges | 4,172,033 | - | - | - |
| Total Governmental Activities | 66,676,079 | 11,492,965 | 3,170,781 | 1,823,040 |
| Business-type Activities | | | | |
| Water | 8,693,595 | 9,736,135 | - | - |
| Parking system | 1,015,561 | 329,478 | 25,546 | - |
| Emergency communications | 4,724,236 | 5,089,957 | - | - |
| Total Business-type Activities | 14,433,392 | 15,155,570 | 25,546 | - |
| Total Primary Government | \$ 81,109,471 | \$ 26,648,535 | \$ 3,196,327 | \$ 1,823,040 |
| Component Unit | | | | |
| Library | \$ 6,041,020 | \$ 152,787 | \$ 108,801 | \$ - |

General Revenues

Taxes

- Property
- Replacement taxes
- Sales taxes
- Utility taxes
- Income taxes
- Home rule sales
- Food and beverage
- Hotel/motel
- Real estate transfer
- Other taxes

Investment income

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in net assets

NET ASSETS - Beginning of Year (as restated)

NET ASSETS - END OF YEAR

Net (Expenses) Revenues and Changes in Net Assets

| <u>Primary Government</u> | | | <u>Component Unit</u> |
|--------------------------------|---------------------------------|---------------------------------|-----------------------|
| <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total Primary Government</u> | <u>Library</u> |
| \$ (7,580,968) | \$ - | \$ (7,580,968) | \$ - |
| (27,935,116) | - | (27,935,116) | - |
| (7,094,915) | - | (7,094,915) | - |
| (1,640,135) | - | (1,640,135) | - |
| (1,766,126) | - | (1,766,126) | - |
| (4,172,033) | - | (4,172,033) | - |
| <u>(50,189,293)</u> | <u>-</u> | <u>(50,189,293)</u> | <u>-</u> |
| - | 1,042,540 | 1,042,540 | - |
| - | (660,537) | (660,537) | - |
| - | <u>365,721</u> | <u>365,721</u> | - |
| - | <u>747,724</u> | <u>747,724</u> | - |
| <u>(50,189,293)</u> | <u>747,724</u> | <u>(49,441,569)</u> | - |
| - | - | - | (5,779,432) |
| 23,773,249 | - | 23,773,249 | 5,970,175 |
| 1,530,070 | - | 1,530,070 | 92,988 |
| 9,265,270 | - | 9,265,270 | - |
| 2,510,644 | - | 2,510,644 | - |
| 5,296,209 | - | 5,296,209 | - |
| 5,735,928 | - | 5,735,928 | - |
| 964,590 | - | 964,590 | - |
| 1,298,403 | - | 1,298,403 | - |
| 975,339 | - | 975,339 | - |
| 3,454,589 | - | 3,454,589 | - |
| 816,908 | 223,390 | 1,040,298 | 52,417 |
| 296,990 | <u>161,232</u> | <u>458,222</u> | <u>25,675</u> |
| <u>55,918,189</u> | <u>384,622</u> | <u>56,302,811</u> | <u>6,141,255</u> |
| <u>210,074</u> | <u>(210,074)</u> | <u>-</u> | <u>-</u> |
| <u>56,128,263</u> | <u>174,548</u> | <u>56,302,811</u> | <u>6,141,255</u> |
| 5,938,970 | 922,272 | 6,861,242 | 361,823 |
| <u>98,497,148</u> | <u>37,785,101</u> | <u>136,282,249</u> | <u>1,194,096</u> |
| <u>\$ 104,436,118</u> | <u>\$ 38,707,373</u> | <u>\$ 143,143,491</u> | <u>\$ 1,555,919</u> |

CITY OF DES PLAINES

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2007

| | General | TIF #1 (Downtown) | TIF # 6 (Mannheim/Higgins) |
|--|-----------------------------|----------------------------|-------------------------------|
| ASSETS | | | |
| Cash and investments | \$ 4,330,902 | \$ 2,611,098 | \$ 280,957 |
| Receivables (net) | | | |
| Property taxes | 20,514,568 | 5,252,336 | 80,762 |
| Other taxes | 891,651 | - | - |
| Accounts receivable | 879,919 | - | - |
| Accrued interest | 460 | - | 929 |
| Other | 183,530 | 15,942 | - |
| Accrued pension contributions | 757,933 | - | - |
| Due from other governments | 5,473,114 | - | 14,634 |
| Due from other funds | <u>7,028,745</u> | <u>-</u> | <u>-</u> |
| TOTAL ASSETS | <u>\$ 40,060,822</u> | <u>\$ 7,879,376</u> | <u>\$ 377,282</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 1,551,048 | \$ 57,711 | \$ 47,950 |
| Accrued liabilities | 1,321,971 | - | - |
| Accrued pension contributions | 496,186 | - | - |
| Deposits payable | 100,000 | 18,737 | - |
| Unearned revenues | 21,258,115 | 4,939,463 | 86,632 |
| Due to other funds | 1,876,680 | - | 4,536,629 |
| Short-term notes payable | <u>5,500,000</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>32,104,000</u> | <u>5,015,911</u> | <u>4,671,211</u> |
| Fund Balances | | | |
| Reserved | | | |
| Reserved for long-term receivable | 6,881,187 | - | - |
| Reserved for public safety | - | - | - |
| Reserved for economic development | - | 2,863,465 | - |
| Reserved for debt service | - | - | - |
| Unreserved, reported in: | | | |
| General fund undesignated | 1,075,635 | - | - |
| Special revenue funds undesignated | - | - | - |
| Capital projects funds undesignated | - | - | (4,293,929) |
| Total Fund Balances | <u>7,956,822</u> | <u>2,863,465</u> | <u>(4,293,929)</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 40,060,822</u> | <u>\$ 7,879,376</u> | <u>\$ 377,282</u> |

See accompanying notes to financial statements.

| Capital Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|---------------------|-----------------------------------|--------------------------------|
| \$ 786,674 | \$ 5,610,086 | \$ 13,619,717 |
| 28,214 | 1,807,036 | 27,682,916 |
| 80,633 | - | 972,284 |
| 430,953 | - | 1,310,872 |
| - | 5,938 | 7,327 |
| 448 | 24,012 | 223,932 |
| - | - | 757,933 |
| 1,443,809 | 197,034 | 7,128,591 |
| <u>-</u> | <u>-</u> | <u>7,028,745</u> |
| <u>\$ 2,770,731</u> | <u>\$ 7,644,106</u> | <u>\$ 58,732,317</u> |

| | | |
|----------------|------------------|-------------------|
| \$ 282,423 | \$ 1,030,817 | \$ 2,969,949 |
| 8,905 | 1,288 | 1,332,164 |
| - | - | 496,186 |
| 5,337 | 23,394 | 147,468 |
| 388,989 | 1,702,859 | 28,376,058 |
| 34,283 | 2,348,879 | 8,796,471 |
| <u>-</u> | <u>-</u> | <u>5,500,000</u> |
| <u>719,937</u> | <u>5,107,237</u> | <u>47,618,296</u> |

| | | |
|------------------|------------------|-------------------|
| - | - | 6,881,187 |
| - | 1,731,918 | 1,731,918 |
| - | 168,504 | 3,031,969 |
| - | 384,521 | 384,521 |
| - | - | 1,075,635 |
| - | (2,122,274) | (2,122,274) |
| <u>2,050,794</u> | <u>2,374,200</u> | <u>131,065</u> |
| <u>2,050,794</u> | <u>2,536,869</u> | <u>11,114,021</u> |

| | | |
|---------------------|---------------------|----------------------|
| <u>\$ 2,770,731</u> | <u>\$ 7,644,106</u> | <u>\$ 58,732,317</u> |
|---------------------|---------------------|----------------------|

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CITY OF DES PLAINES

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS December 31, 2007

| | |
|---|------------------------------|
| Total Fund Balances - Governmental Funds | \$ 11,114,021 |
| Amounts reported for governmental activities in the statement of net assets are different because: | |
| Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. | 175,584,449 |
| Some receivables that are not currently available are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. | 2,508,555 |
| Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. | (344,664) |
| The net pension assets of the police and firefighter's funds are included in the governmental activities in the statement of net assets. | 754,373 |
| Internal service funds are reported in the statement of net assets as governmental activities. | 2,152,192 |
| Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets. | 488,631 |
| Some liabilities, including long-term debt, are not due and payable in the current period, and therefore, are not reported in the funds. | <u>(87,821,439)</u> |
| NET ASSETS OF GOVERNMENTAL ACTIVITIES | <u>\$ 104,436,118</u> |

CITY OF DES PLAINES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2007

| | <u>General</u> | <u>TIF #1 (Downtown)</u> | <u>TIF #6 (Mannheim/Higgins)</u> |
|---|---------------------|------------------------------|--------------------------------------|
| REVENUES | | | |
| Property taxes | \$ 17,378,019 | \$ 4,643,501 | \$ 37,143 |
| Other taxes | 9,366,932 | - | - |
| Licenses and permits | 3,837,256 | - | - |
| Intergovernmental | 16,361,110 | - | - |
| Public charges for services | 4,352,399 | - | - |
| Fines, forfeitures and penalties | 985,254 | - | - |
| Investment income | 188,976 | 178,783 | 25,957 |
| Miscellaneous | <u>222,276</u> | <u>7,592</u> | <u>-</u> |
| Total Revenues | <u>52,692,222</u> | <u>4,829,876</u> | <u>63,100</u> |
| EXPENDITURES | | | |
| Current | | | |
| General government | 7,122,961 | - | - |
| Public safety | 30,342,120 | - | - |
| Public works | 7,201,918 | - | - |
| Streets and highways | 5,259,528 | - | - |
| Economic development | 692,330 | 267,173 | 256,635 |
| Debt Service | | | |
| Principal | - | 1,936,097 | 355,000 |
| Interest and fiscal charges | - | 979,369 | 524,948 |
| Capital Outlay | <u>199,311</u> | <u>296,790</u> | <u>8,426,161</u> |
| Total Expenditures | <u>50,818,168</u> | <u>3,479,429</u> | <u>9,562,744</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,874,054</u> | <u>1,350,447</u> | <u>(9,499,644)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from sale of capital assets | - | - | - |
| Transfer in | 180,000 | - | - |
| Transfer out | (1,575,000) | - | - |
| Debt issued | - | - | - |
| Proceeds of refunding debt | - | - | - |
| Transfer to escrow | - | - | - |
| Total Other Financing Sources (Uses) | <u>(1,395,000)</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 479,054 | 1,350,447 | (9,499,644) |
| FUND BALANCES - Beginning of Year (as restated) | <u>7,477,768</u> | <u>1,513,018</u> | <u>5,205,715</u> |
| FUND BALANCES (DEFICIT) - END OF YEAR | <u>\$ 7,956,822</u> | <u>\$ 2,863,465</u> | <u>\$ (4,293,929)</u> |

See accompanying notes to financial statements.

| Capital Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|---------------------|-----------------------------------|--------------------------------|
| \$ 26,857 | \$ 1,764,044 | \$ 23,849,564 |
| 5,192,412 | - | 14,559,344 |
| - | - | 3,837,256 |
| 522,585 | 2,861,161 | 19,744,856 |
| 1,752,532 | 10,850 | 6,115,781 |
| - | 446,337 | 1,431,591 |
| 197,030 | 226,162 | 816,908 |
| 9,608 | 224,399 | 463,875 |
| <u>7,701,024</u> | <u>5,532,953</u> | <u>70,819,175</u> |
| - | 462,683 | 7,585,644 |
| - | 275,895 | 30,618,015 |
| - | 629,807 | 7,831,725 |
| - | - | 5,259,528 |
| 645,111 | 101,135 | 1,962,384 |
| 2,590,000 | 1,768,733 | 6,649,830 |
| 1,480,869 | 1,149,863 | 4,135,049 |
| <u>3,883,747</u> | <u>4,245,151</u> | <u>17,051,160</u> |
| <u>8,599,727</u> | <u>8,633,267</u> | <u>81,093,335</u> |
| <u>(898,703)</u> | <u>(3,100,314)</u> | <u>(10,274,160)</u> |
| - | 2,292,098 | 2,292,098 |
| - | 2,424,792 | 2,604,792 |
| (180,000) | (35,143) | (1,790,143) |
| - | 400,000 | 400,000 |
| - | 7,725,000 | 7,725,000 |
| - | (7,634,233) | (7,634,233) |
| <u>(180,000)</u> | <u>5,172,514</u> | <u>3,597,514</u> |
| (1,078,703) | 2,072,200 | (6,676,646) |
| <u>3,129,497</u> | <u>464,669</u> | <u>17,790,667</u> |
| <u>\$ 2,050,794</u> | <u>\$ 2,536,869</u> | <u>\$ 11,114,021</u> |

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CITY OF DES PLAINES

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2007

| | | |
|--|----|-------------|
| Net change in fund balances - total governmental funds | \$ | (6,676,646) |
|--|----|-------------|

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

Governmental funds report capital outlays as expenditures. However, in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

| | | |
|--|--|-------------|
| Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements | | 15,462,168 |
| Depreciation is reported in the government-wide financial statements | | (4,063,681) |
| Net book value of assets retired | | (8,400,696) |

| | | |
|---|--|-----------|
| Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. | | 1,586,300 |
|---|--|-----------|

| | | |
|---|--|-------------|
| Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. | | |
| Debt issued | | (8,125,000) |
| Principal repaid | | 6,649,830 |

| | | |
|---|--|-----------|
| Advance refundings of bond issuances are reported as an other financing use in the governmental funds. However, advance refundings are considered a change in long-term liabilities in the Statement of Net Assets. | | 7,355,000 |
|---|--|-----------|

| | | |
|---|--|---------|
| Governmental funds report debt premiums, discounts and issuance costs as other financing sources (uses) or expenditures. However, in the statement of net assets, these are deferred and reported as other assets or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense. | | |
| Issuance cost | | 43,826 |
| Debt discount, issuance premium and refunding loss | | 172,514 |

| | | |
|--|--|-----------|
| Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. | | |
| Adjustments to net pension obligations | | 1,146,096 |
| Accrued interest on debt | | 25,909 |
| Change in retirement incentive | | 132,918 |

| | | |
|--|--|---------|
| Internal service funds are used by management to charge self insurance costs to individual funds. The change in net assets of the internal service fund (net of current look back adjustment) reported with governmental activities. | | 630,432 |
|--|--|---------|

| | | |
|--|-----------|-------------------------|
| CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES | \$ | <u>5,938,970</u> |
|--|-----------|-------------------------|

CITY OF DES PLAINES
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

| ASSETS | Business-type Activities - Enterprise Funds | | |
|--------------------------------------|---|----------------|-----------------------------|
| | Water | Parking System | Emergency Communications |
| CURRENT ASSETS | | | |
| Cash and investments | \$ 4,691,868 | \$ 138,338 | \$ 618,490 |
| Receivables | | | |
| Accounts receivable | 2,474,471 | - | - |
| Receivables - other | 161,232 | 74,024 | 451,915 |
| Prepaid items | - | - | - |
| Due from other funds | - | - | - |
| Inventories | 125,544 | - | - |
| Total Current Assets | 7,453,115 | 212,362 | 1,070,405 |
| NONCURRENT ASSETS | | | |
| Capital assets | | | |
| Capital assets not being depreciated | 233,828 | 1,657,942 | - |
| Capital assets being depreciated | 29,029,387 | 18,376,448 | 2,228,395 |
| Less: accumulated depreciation | (11,465,313) | (4,578,995) | (1,868,669) |
| Other assets | | | |
| Deferred charges | 23,343 | - | - |
| Total Non-Current Assets | 17,821,245 | 15,455,395 | 359,726 |
| Total Assets | 25,274,360 | 15,667,757 | 1,430,131 |

See accompanying notes to financial statements.

| <u>Totals</u> | <u>Governmental Activities - Internal Service Funds</u> |
|-------------------|---|
| \$ 5,448,696 | \$ 2,116,536 |
| 2,474,471 | - |
| 687,171 | 1,126 |
| - | 642,821 |
| - | 1,911,260 |
| <u>125,544</u> | <u>-</u> |
| <u>8,735,882</u> | <u>4,671,743</u> |
| 1,891,770 | - |
| 49,634,230 | - |
| (17,912,977) | - |
| <u>23,343</u> | <u>-</u> |
| <u>33,636,366</u> | <u>-</u> |
| <u>42,372,248</u> | <u>4,671,743</u> |

CITY OF DES PLAINES
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

| | <u>Business-type Activities - Enterprise Funds</u> | | |
|--|--|-----------------------|---|
| | <u>Water</u> | <u>Parking System</u> | <u>Emergency Communications (911)</u> |
| LIABILITIES AND NET ASSETS | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable | \$ 586,184 | \$ 43,266 | \$ 344,360 |
| Accrued liabilities | 85,681 | - | 135,570 |
| Accrued interest payable | 7,834 | - | - |
| Deposits payable | - | - | 20,410 |
| Due to other funds | - | 143,534 | - |
| Compensated absences | 53,106 | - | 66,006 |
| General obligation debt payable - current | <u>523,014</u> | <u>-</u> | <u>-</u> |
| Total Current Liabilities | <u>1,255,819</u> | <u>186,800</u> | <u>566,346</u> |
| NON-CURRENT LIABILITIES | | | |
| Long-term debt | | | |
| Compensated absences | 93,246 | - | 105,789 |
| General obligation debt payable (net of unamortized discount, premium, and deferred loss on refunding) | <u>1,733,983</u> | <u>-</u> | <u>-</u> |
| Total Non-Current Liabilities | <u>1,827,229</u> | <u>-</u> | <u>105,789</u> |
| Total Liabilities | <u>3,083,048</u> | <u>186,800</u> | <u>672,135</u> |
| NET ASSETS | | | |
| Investment in capital assets, net of related debt | 15,564,248 | 15,455,395 | 359,726 |
| Unrestricted | <u>6,627,064</u> | <u>25,562</u> | <u>398,270</u> |
| TOTAL NET ASSETS | <u>\$ 22,191,312</u> | <u>\$ 15,480,957</u> | <u>\$ 757,996</u> |

Adjustments to reflect the consolidation of internal
service funds activities related to enterprise funds.
Net Assets Business-type Activities
Net internal service funds reported in the statement of
net assets as governmental activities

| Totals | Governmental Activities - Internal Service Funds |
|----------------------|---|
| \$ 973,810 | \$ 12,287 |
| 221,251 | 318,896 |
| 7,834 | - |
| 20,410 | - |
| 143,534 | - |
| 119,112 | 713,915 |
| <u>523,014</u> | <u>-</u> |
| <u>2,008,965</u> | <u>1,045,098</u> |
| 199,035 | 1,197,345 |
| <u>1,733,983</u> | <u>-</u> |
| <u>1,933,018</u> | <u>1,197,345</u> |
| <u>3,941,983</u> | <u>2,242,443</u> |
| 31,379,369 | - |
| <u>7,050,896</u> | <u>2,429,300</u> |
| 38,430,265 | 2,429,300 |
| <u>277,108</u> | <u>(277,108)</u> |
| <u>\$ 38,707,373</u> | <u>\$ 2,152,192</u> |

CITY OF DES PLAINES

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2007

| | <u>Business-type Activities - Enterprise Funds</u> | | |
|--|--|---------------------------|-------------------------------------|
| | <u>Water</u> | <u>Parking System</u> | <u>Emergency Communications</u> |
| OPERATING REVENUES | | | |
| Charges for services | \$ 9,736,135 | \$ 329,478 | \$ 5,089,957 |
| Intergovernmental | - | 25,546 | - |
| Miscellaneous | <u>161,232</u> | - | - |
| Total Operating Revenues | <u>9,897,367</u> | <u>355,024</u> | <u>5,089,957</u> |
| OPERATING EXPENSES | | | |
| Salaries | 2,102,260 | - | 3,110,965 |
| Benefits | 886,036 | - | 1,092,116 |
| Contractual services | 554,158 | 145,632 | 506,787 |
| Commodities | 4,354,390 | 179,446 | 32,400 |
| Claim expenses | - | - | - |
| Insurance and processing fees | - | - | - |
| Miscellaneous | - | - | - |
| Depreciation | <u>720,223</u> | <u>690,562</u> | <u>58,415</u> |
| Total Operating Expenses | <u>8,617,067</u> | <u>1,015,640</u> | <u>4,800,683</u> |
| Operating Income (Loss) | <u>1,280,300</u> | <u>(660,616)</u> | <u>289,274</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment income | 215,344 | 1,721 | 6,325 |
| Interest expense | <u>(162,645)</u> | - | - |
| Total Nonoperating Revenues (Expenses) | <u>52,699</u> | <u>1,721</u> | <u>6,325</u> |
| Income (Loss) Before Contributions and Transfers | <u>1,332,999</u> | <u>(658,895)</u> | <u>295,599</u> |
| CONTRIBUTIONS AND TRANSFERS | | | |
| Capital contributions | 104,575 | - | - |
| Transfer out | <u>(150,000)</u> | <u>(32,380)</u> | <u>(132,269)</u> |
| Total Contributions and Transfers | <u>(45,425)</u> | <u>(32,380)</u> | <u>(132,269)</u> |
| Change in net assets | 1,287,574 | (691,275) | 163,330 |
| NET ASSETS - Beginning of Year (as restated) | <u>20,903,738</u> | <u>16,172,232</u> | <u>594,666</u> |
| NET ASSETS - END OF YEAR | <u>\$ 22,191,312</u> | <u>\$ 15,480,957</u> | <u>\$ 757,996</u> |
| Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds | | | |
| Change in Net Assets of Business-type Activities | | | |

See accompanying notes to financial statements.

| <u>Total Enterprise Funds</u> | <u>Governmental Activities - Internal Service Funds</u> |
|-----------------------------------|---|
| \$ 15,155,570 | \$ 10,851,791 |
| 25,546 | - |
| <u>161,232</u> | <u>203,619</u> |
| <u>15,342,348</u> | <u>11,055,410</u> |
| 5,213,225 | - |
| 1,978,152 | - |
| 1,206,577 | - |
| 4,566,236 | - |
| - | 7,174,497 |
| - | 2,503,989 |
| - | 82,849 |
| <u>1,469,200</u> | <u>-</u> |
| <u>14,433,390</u> | <u>9,761,335</u> |
| <u>908,958</u> | <u>1,294,075</u> |
| 223,390 | - |
| <u>(162,645)</u> | <u>-</u> |
| <u>60,745</u> | <u>-</u> |
| <u>969,703</u> | <u>1,294,075</u> |
| 104,575 | - |
| <u>(314,649)</u> | <u>(500,000)</u> |
| <u>(210,074)</u> | <u>(500,000)</u> |
| 759,629 | 794,075 |
| | <u>1,635,225</u> |
| | <u>\$ 2,429,300</u> |
| <u>162,643</u> | |
| <u>\$ 922,272</u> | |

CITY OF DES PLAINES
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2007

| | Business-type Activities | | |
|---|--------------------------|-------------------|--------------------------------------|
| | Water | Parking System | Emergency Communications (911) |
| Cash flows from operating activities | | | |
| Receipts from customers and users | \$ 9,798,980 | \$ 407,468 | \$ 5,059,917 |
| Receipts from miscellaneous revenues | - | 235,761 | - |
| Payments to suppliers | (4,806,704) | (310,809) | (529,995) |
| Payments to employees | (2,907,360) | - | (4,112,246) |
| Payments for interfund services used | - | (163,423) | - |
| Net cash provided by (used for) operating activities | <u>2,084,916</u> | <u>168,997</u> | <u>417,676</u> |
| Cash flows from non-capital financing activities | | | |
| Transfers (out) | (150,000) | (32,380) | (132,269) |
| Net Cash provided by (used for) noncapital financing activities | <u>(150,000)</u> | <u>(32,380)</u> | <u>(132,269)</u> |
| Cash flows from capital and related financing activities | | | |
| Capital assets purchased | (645,045) | - | - |
| Bond and note principal payments | (718,756) | - | - |
| Bond and note interest and bank fee payments | (140,523) | - | - |
| Net cash provided by (used for) capital and related financing activities | <u>(1,504,324)</u> | <u>-</u> | <u>-</u> |
| Cash flows from investing activities | | | |
| Interest received | 215,344 | 1,721 | 6,325 |
| Net cash provided by (used for) investing activities | <u>215,344</u> | <u>1,721</u> | <u>6,325</u> |
| Net increase (decrease) in cash and cash equivalents | <u>645,936</u> | <u>138,338</u> | <u>291,732</u> |
| Cash and cash equivalents, beginning of year | <u>4,045,932</u> | <u>-</u> | <u>326,758</u> |
| Cash and cash equivalents, end of year | <u>\$ 4,691,868</u> | <u>\$ 138,338</u> | <u>\$ 618,490</u> |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities: | | | |
| Operating income (loss) | 1,280,300 | (660,616) | 289,274 |
| Adjustment to reconcile operating income (loss) to Net cash provided by operating activities | | | |
| Depreciation expense | 720,223 | 690,562 | 58,415 |
| (Increase) decrease in | | | |
| Receivables | (98,387) | 288,205 | (30,040) |
| Prepaid expenses | - | - | 292 |
| Inventories | (14,928) | - | - |
| Increase (decrease) in | | | |
| Accounts payable | 116,772 | 14,269 | 8,900 |
| Accrued salaries | 33,001 | - | 69,318 |
| Due to other funds | - | (163,423) | - |
| Compensated absences payable | 47,935 | - | 21,517 |
| Net cash provided by (used for) operating activities | <u>\$ 2,084,916</u> | <u>\$ 168,997</u> | <u>\$ 417,676</u> |
| Non-cash transactions | | | |
| Contributions of capital assets by other funds | <u>\$ 104,575</u> | <u>\$ -</u> | <u>\$ -</u> |

See accompanying notes to financial statements.

| Total | Governmental | |
|---------------------|---------------------|------------------|
| | Enterprise | Internal Service |
| Funds | Funds | Funds |
| \$ 15,266,365 | \$ 10,851,791 | |
| 235,761 | 203,489 | |
| (5,647,508) | (9,772,937) | |
| (7,019,606) | - | |
| (163,423) | - | |
| <u>2,671,589</u> | <u>1,282,343</u> | |
| <u>(314,649)</u> | <u>(500,000)</u> | |
| <u>(314,649)</u> | <u>(500,000)</u> | |
| (645,045) | - | |
| (718,756) | - | |
| (140,523) | - | |
| <u>(1,504,324)</u> | <u>-</u> | |
| <u>223,390</u> | <u>-</u> | |
| <u>223,390</u> | <u>-</u> | |
| <u>1,076,006</u> | <u>782,343</u> | |
| <u>4,372,690</u> | <u>1,334,193</u> | |
| <u>\$ 5,448,696</u> | <u>\$ 2,116,536</u> | |
| 908,958 | 1,294,075 | |
| 1,469,200 | - | |
| 159,778 | (130) | |
| 292 | (95,638) | |
| (14,928) | - | |
| 139,941 | (9,802) | |
| 102,319 | 93,838 | |
| (163,423) | - | |
| 69,452 | - | |
| <u>\$ 2,671,589</u> | <u>\$ 1,282,343</u> | |
| <u>\$ 104,575</u> | <u>\$ -</u> | |

CITY OF DES PLAINES

STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
December 31, 2007

| | Pension Trusts | Agency Funds |
|--|----------------|--------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 4,894,430 | \$ 452,098 |
| Investments | | |
| U.S. treasuries | 22,786,770 | - |
| Mortgage backed securities | 33,305,487 | - |
| Mutual funds | 11,794,061 | - |
| Stocks | 32,058,374 | - |
| Insurance contracts | 1,551,925 | - |
| Receivables - (net) | | |
| Accrued interest | 558,692 | - |
| Other | - | 24,421 |
| Contributions | 496,186 | - |
| Prepays | 268 | - |
| Total Assets | 107,446,193 | 476,519 |
| LIABILITIES | | |
| Accounts payable | \$ 27,328 | \$ 4,113 |
| Accrued liabilities | - | 13,747 |
| Deposits payable | - | 458,648 |
| Due to participants | - | 11 |
| Accrued pension payments | 757,933 | - |
| Total Liabilities | 785,261 | 476,519 |
| NET ASSETS | | |
| Held in trust for pension benefits (a schedule of funding progress is presented in the required supplementary information) | \$ 106,660,932 | \$ - |

CITY OF DES PLAINES

STATEMENT OF CHANGES IN NET ASSETS FIDUCIARY FUNDS For the Year Ended December 31, 2007

| | <u>Pension Trusts</u> |
|-------------------------------------|----------------------------------|
| ADDITIONS | |
| Contributions | |
| Employer | \$ 3,671,933 |
| Plan members | <u>1,487,278</u> |
| Total Contributions | <u>5,159,211</u> |
| Investment income | |
| Investment income | 8,675,528 |
| Miscellaneous | <u>10,785</u> |
| Total Investment Income | 8,686,313 |
| Less Investment expenses | <u>313,785</u> |
| Net Investment Income | <u>8,372,528</u> |
| Total Additions | <u>13,531,739</u> |
| DEDUCTIONS | |
| Benefits | 7,894,016 |
| Administration | <u>194,957</u> |
| Total Deductions | <u>8,088,973</u> |
| Change in Net Assets | 5,442,766 |
| NET ASSETS - Beginning of Year | <u>101,218,166</u> |
| NET ASSETS - END OF YEAR | <u><u>\$ 106,660,932</u></u> |

See accompanying notes to financial statements.

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CITY OF DES PLAINES

INDEX TO NOTES TO FINANCIAL STATEMENTS

December 31, 2007

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CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Des Plaines, Illinois (the "City") was incorporated in 1857. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The City operates under a City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, civic and cultural, and general administrative services.

The accounting policies of the City of Des Plaines, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the City of Des Plaines. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Blended Component Units

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. No separate annual financial report is issued for the component unit.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two firefighter employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. No separate annual financial report is issued for the FPERS.

Discretely Presented Component Unit

Des Plaines Public Library

The government-wide financial statements include the Des Plaines Public Library (Library) as a component unit. The Library is a legally separate organization. The board of the Library is appointed by the City Council. Illinois Statutes provide for circumstances whereby the City can impose its will on the Library, and also create a potential financial benefit to or burden on the City. See Note III.I. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

The City reports the following major governmental funds:

General Fund - accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

TIF #1 (Downtown) special revenue fund - accounts for resources legally restricted to supporting expenditures for the Downtown Redevelopment program.

TIF #6 (Mannheim/Higgins) special revenue fund - accounts for resources legally restricted to supporting expenditures for the Mannheim/Higgins Redevelopment program.

Capital Projects - accounts for resources legally restricted to supporting expenditures for the capital projects program.

The City reports the following major enterprise funds:

Water - accounts for operations of the Water system. The fund accounts for the provision of water to the residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance, debt service, financing, billing and collection.

Parking System - accounts for operations of the Parking System system. The fund accounts for provision of parking in the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance and related debt service, billing and collection.

Emergency Communications - accounts for the operations of the 911 Emergency system. The fund accounts for the operations of the City's Enhanced Emergency Communication Center. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance, billing and collection.

The City reports the following non-major governmental funds:

Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Motor Fuel Tax
Community Development Block Grant
Asset Seizure
Foreign Fire Insurance Tax
TIF #3 (Wille Road)
TIF #4 (Five Corners)
TIF #5 (Perry/Lee)

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The City reports the following non-major governmental and enterprise funds: (cont.)

Debt Service Funds - used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

- 1996A
- 2001 (Risk Management)
- 2001B (Fire Station)
- 2002A (Partial Refunding 1993)
- 2003A (Fire Station)
- 2003B (Partial Refunding 1993)
- 2007A (Partial Refunding 2001A)
- 2007B (Partial Refunding 2001B)

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

- Building Replacement
- Equipment Replacement
- Computer Replacement

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis.

- Risk Management
- Health Benefits
- Compensated Absences

Pension (and other employee benefit) trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

- Firefighters' Pension
- Police Pension

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Compliance Bond
Section 125 Plan

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of sales taxes, which they consider revenues to be available if they are collected within 90 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, inspection fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The City reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The enterprise funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Parking System, and 911 Emergency funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

All Financial Statements

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

Illinois Statutes authorize the City to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds and equity securities. The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

The Police and Firefighter's Pension Trust Fund's policies is to maintain long-term focus on its investment decision-making process. Specifically, the Fund's benefit liabilities extend many years into the future. As such, the investment focus should be on long-term results.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Interest Rate Risk

The City's and pensions' investment policies seek to ensure preservation of capital in the City's and pensions' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The City's, police and firefighter's pension's policy does not limit investment maturities except as part of statutory requirements, as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all of the policies requires the City's and Pensions' investment portfolio to be sufficiently liquid to enable the City and pensions to meet all operating requirements as they come due.

The City will minimize interest risk that the market value of securities in the portfolio will fall due to changes in general interest rates by: (1) structuring the investment portfolio so that securities mature meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and (2) investing operating funds primarily in short-term securities or investment pools.

Credit Risk

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The City's and pension's investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

The City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The City's investment policy minimizes credit risk by: (1) limiting investments to the safest type of securities; (2) pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business, and (3) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Police and Firefighters' Pension Trust Fund's policies requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Concentration of Credit Risk

The City's and pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The City's and police pension's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 5% of the portfolio as of December 31, 2007.

Per the investment policy, no financial institution shall have more than 50% of the City's investment portfolio. No more than 33% of the City's investments may be commercial paper. No more than 25% of the City's investment portfolio may be brokered in certificates of deposit. Illinois funds and money market mutual funds shall not exceed 25% and IMET 15% of the City's investment portfolio. As of December 31, 2007, the City had Illinois funds money market funds of \$7,996,056 or 35% of total investments.

The Police Pension Trust Fund places no limit on the amount that may be invested in any one issuer. The policy does place a maximum of 30% concentration on Cash, a minimum of 60% and maximum of 100% on Fixed Income Securities, and a minimum of 20% and maximum of 35% on equities. As of December 31, 2007, the Police Pension Trust Fund had 4% invested in cash, 34% invested in government securities, and 39% in equities.

The Firefighters' Pension Trust Fund investment policy does not place any limits on the amount that may be invested in any one issuer for Fixed Income securities.

Custodial Credit Risk - Deposits

The City's, police and firefighters' pension's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit. The firefighters' pension's investment policy limits exposure to deposit custodial credit risk by requiring deposits in excess of FDIC insurable limits to be collateralized.

Custodial Credit Risk - Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City and pensions will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's, police and firefighters' pensions investment policies requires that all amounts in excess of any insurance limits be collateralized by securities eligible for City and pension investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

1. Deposits and Investments (cont.)

The City's and police pension's investment policies require all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts. The firefighters' pension's investment policy does not specifically address these risks.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

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 Fund's share price, the price for which the investments could be sold.

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2007 attaches as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2006 are prepared by the County and issued on or about February 1, 2007 and September 1, 2007, and are payable in two installments, on or about March 1, 2007 and October 1, 2007 or within 30 days of the tax bills being issued.

The City collects such taxes and remits them periodically. The 2007 property tax levy is recognized as a receivable and deferral in fiscal 2007, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2007, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2007 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 3% of outstanding property taxes at December 31, 2007.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

2. Receivables (cont.)

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction and/or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$25,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Prior to January 2003, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB No. 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged but not required until , when GASB No. 34 requires the City to retroactively report all major general infrastructure assets acquired since January 1, 1980. As of December 31, 2007, the City has retroactively reported all infrastructure acquired by its governmental fund types.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

4. Capital Assets (cont.)

Government -Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No net interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|---|-------------|
| Building, improvements and infrastructure | 30-50 Years |
| Equipment | 5-25 Years |
| Vehicles | 5-20 Years |

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

5. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

6. Compensated Absences

Vested or accumulated vacation leave including related Social Security and Medicare is reported as an expenditure and a liability in the Compensated Absences fund (an Internal Service Fund). A liability for these amounts is reported in other governmental funds only if they matured, for example, as a result of employee resignations and retirements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

6. Compensated Absences (cont.)

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

7. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net assets.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. Refer to Note IV. C. on commitments and contingencies.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

9. Equity Classifications

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definitions of "restricted" or "invested in capital assets, net of related debt."

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

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled "designated". The balance of unreserved fund balance is labeled "undesignated", which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide statements.

Fiduciary fund equity is classified as held in trust for agency funds on the statement of fiduciary net assets. Various donor restrictions apply, including authorizing and spending trust income, and the City believes it is in compliance with all significant restrictions.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

Prior to December 31, the City Acting Director of Finance submits to the City Board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the City Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The appropriated budget is prepared by fund, function, and department. The City Acting Director of Finance is authorized to transfer budget amounts between departments within any fund; however, the City Board must approve revisions that alter the total expenditures of any fund.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and modified accrual basis of accounting for all governmental funds and accrual basis of accounting for all proprietary funds, except the Asset Seizure, Foreign Fire Insurance, 1996A, 2007A (Partial Refunding 2001A), 2007B (Partial Refunding 2001B) and Compensated Absences funds which are not budgeted.

B. EXCESS EXPENDITURES AND OTHER FINANCING USES OVER APPROPRIATIONS

| Funds | Budgeted Expenditures | Actual Expenditures | Excess Expenditures Over Budget |
|---------------------------|--------------------------|------------------------|---------------------------------------|
| Computer Replacement | \$ 189,410 | \$ 190,681 | \$ 1,271 |
| Parking System | 268,960 | 1,015,640 | 746,680 |
| TIF #6 (Mannheim/Higgins) | 9,323,630 | 9,562,744 | 239,114 |
| Library (Component Unit) | | | |
| Capital Project Fund | 104,950 | 109,664 | 4,714 |

The City controls expenditures at the object level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2007, the following individual funds held a deficit balance:

| <u>Fund</u> | <u>Amount</u> |
|---------------------------|---------------|
| TIF #3 (Wille Road) | \$ 1,259,570 |
| TIF #4 (Five Corners) | 206,717 |
| TIF #5 (Perry/Lee) | 903,300 |
| TIF #6 (Mannheim/Higgins) | 4,293,929 |

T.I.F. District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts.

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The City's deposits and investments at year end were comprised of the following:

| | Carrying Value | Statement Balance | Associated Risks |
|--|--------------------------|--------------------------|---|
| Petty Cash | \$ 3,427 | \$ - | N/A |
| Deposits | 8,615,244 | 9,142,215 | Custodial |
| Deposits - Pension Trust Fund | 17,270 | 21,454 | Custodial |
| Illinois Funds | 7,996,056 | 7,996,056 | Credit, Interest Rate |
| Mortgage backed securities | 36,453,299 | 36,453,299 | Custodial, Credit, Interest Rate, Concentration of Credit |
| U.S. Treasury notes | 16,300,688 | 16,300,688 | Custodial, Interest Rate |
| U.S. Treasury bonds | 4,554,755 | 4,554,755 | Custodial, Interest Rate |
| U.S. Treasury strips | 1,931,327 | 1,931,327 | Custodial, Interest Rate |
| Commercial paper | 1,800,000 | 1,800,000 | Credit, Custodial, Concentration of Credit, Interest Rate |
| Money market mutual funds | 4,951,668 | 4,951,668 | Credit, Interest Rate |
| Mutual funds | 11,794,061 | 11,794,061 | Credit |
| Common and preferred stock | 32,058,374 | 32,058,374 | Custodial, Concentration of Credit |
| Insurance contracts | <u>1,551,925</u> | <u>1,551,925</u> | Custodial, Credit, Concentration of Credit |
| Total Deposits and Investments | <u>\$128,028,094</u> | <u>\$128,555,822</u> | |
| Reconciliation to financial statements | | | |
| Per statement of net assets | | | |
| Cash and investments | \$ 21,184,949 | | |
| Per statement of net assets- fiduciary funds | | | |
| Cash - pension | 4,894,430 | | |
| U.S. Treasuries | 22,786,770 | | |
| Mortgage backed securities | 33,305,487 | | |
| Mutual funds | 11,794,061 | | |
| Stocks | 32,058,374 | | |
| Insurance contracts | 1,551,925 | | |
| Agency fund cash | <u>452,098</u> | | |
| Total Deposits and Investments | <u>\$128,028,094</u> | | |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

As of December 31, 2007, \$9,142,215 of the City's total bank balances was exposed to custodial credit risk as follows:

| | | |
|--|----|------------------|
| Uninsured and uncollateralized | \$ | 188,893 |
| Uninsured and collateral held by the pledging financial institution's trust department or agent not in the City's name | | <u>8,953,322</u> |
| Total | \$ | <u>9,142,215</u> |

Investments

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

The City does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2007, the City's investments were all rated AAA by Standard's and Poors.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2007, the City's police and firefighters' pensions investment portfolios were concentrated as follows:

| <u>Investment Type</u> | <u>Amount</u> | <u>Percentage of Net Assets</u> |
|---|---------------|-------------------------------------|
| City: Commercial Paper | \$1,872,991 | 8.20% |
| Police Pension Investments: Federal National Mortgage Association | \$3,411,087 | 6.80% |
| Fire Pension Investments: Federal National Mortgage Association | \$17,143,085 | 30.40% |
| Federal Home Loan Mortgage Corporation | \$2,993,218 | 5.30% |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2007, the City's investments and pension's were as follows:

| Investment Type | Fair Value | Maturity (In Years) | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | | Less than One Year | One to Five Years | Over Five Years |
| Mortgage Backed Securities | \$ 3,147,812 | \$ 2,631,717 | \$ 516,095 | \$ - |
| Commercial Paper | 1,800,000 | 1,800,000 | - | - |
| Money Market Mutual Fund | 75,008 | 75,008 | - | - |
| Illinois Funds | <u>7,996,056</u> | <u>7,996,056</u> | - | - |
| City Investment Totals | <u>13,018,876</u> | <u>12,502,781</u> | <u>516,095</u> | <u>-</u> |
| Police Pension | | | | |
| U.S. Treasury notes | 9,782,847 | 2,817,052 | 4,760,699 | 2,205,096 |
| U.S. Treasury bonds | 2,919,728 | - | - | 2,919,728 |
| U.S. Treasury strips | 1,931,327 | - | - | 1,931,327 |
| Mortgage backed securities | 12,153,555 | - | 5,748,048 | 6,405,507 |
| Money market mutual funds | 1,503,756 | 1,503,756 | - | - |
| Insurance contract holdings | <u>1,551,925</u> | <u>1,551,925</u> | - | - |
| Police Pension Investment Total | <u>29,843,138</u> | <u>5,872,733</u> | <u>10,508,747</u> | <u>13,461,658</u> |
| Fire Pension | | | | |
| U.S. Treasury notes | 6,517,841 | 1,911,094 | 973,858 | 3,632,889 |
| U.S. Treasury bonds | 1,635,027 | - | - | 1,635,027 |
| Mortgage backed securities | 21,151,932 | 501,565 | 6,105,049 | 14,545,318 |
| Money market mutual funds | <u>3,372,904</u> | <u>3,372,904</u> | - | - |
| Fire Pension Investment Totals | <u>32,677,704</u> | <u>5,785,563</u> | <u>7,078,907</u> | <u>19,813,234</u> |
| Totals | <u>\$ 75,539,718</u> | <u>\$ 24,161,077</u> | <u>\$ 18,103,749</u> | <u>\$ 33,274,892</u> |

See Note I.D.1. for further information on deposit and investment policies.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

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. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

| | <u>Unavailable</u> | <u>Unearned</u> | <u>Totals</u> |
|---|--------------------|-----------------|---------------|
| Property taxes receivable for subsequent year | \$ - | \$ 20,350,897 | \$ 20,350,897 |
| Other receivables | 1,406,310 | 5,516,606 | 6,922,916 |
| Grant receivables | 1,102,245 | - | 1,102,245 |
| Total Deferred/Unearned Revenue for Governmental Funds | \$ 2,508,555 | \$ 25,867,503 | \$ 28,376,058 |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007, was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|-----------------------|----------------------|---------------------|-----------------------|
| Governmental Activities | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 19,249,025 | \$ 8,325,000 | \$ 8,331,820 | \$ 19,242,205 |
| Land right of way | <u>52,880,180</u> | <u>179,469</u> | <u>-</u> | <u>53,059,649</u> |
| Total Capital Assets Not Being Depreciated | <u>72,129,205</u> | <u>8,504,469</u> | <u>8,331,820</u> | <u>72,301,854</u> |
| Capital assets being depreciated | | | | |
| Buildings | 21,792,634 | - | - | 21,792,634 |
| Improvements | 35,238,717 | 1,650,924 | - | 36,889,641 |
| Equipment | 2,765,998 | 297,793 | 414,968 | 2,648,823 |
| Vehicles | 7,211,242 | 1,480,710 | 580,830 | 8,111,122 |
| Infrastructure | <u>100,121,252</u> | <u>3,528,272</u> | <u>-</u> | <u>103,649,524</u> |
| Total Capital Assets Being Depreciated | <u>167,129,843</u> | <u>6,957,699</u> | <u>995,798</u> | <u>173,091,744</u> |
| Total Capital Assets | <u>239,259,048</u> | <u>15,462,168</u> | <u>9,327,618</u> | <u>245,393,598</u> |
| Less: Accumulated depreciation for | | | | |
| Buildings | (6,100,844) | (447,599) | - | (6,548,443) |
| Improvements | (10,684,174) | (768,625) | - | (11,452,799) |
| Equipment | (1,502,218) | (185,088) | 346,093 | (1,341,213) |
| Vehicles | (4,212,275) | (464,477) | 580,830 | (4,095,922) |
| Infrastructure | <u>(44,172,880)</u> | <u>(2,197,892)</u> | <u>-</u> | <u>(46,370,772)</u> |
| Total Accumulated Depreciation | <u>(66,672,391)</u> | <u>(4,063,681)</u> | <u>926,923</u> | <u>(69,809,149)</u> |
| Net Capital Assets Being Depreciated | <u>100,457,452</u> | <u>2,894,018</u> | <u>68,875</u> | <u>103,282,595</u> |
| Total Governmental Activities Capital Assets, Net of Accumulated Depreciation | <u>\$ 172,586,657</u> | <u>\$ 11,398,487</u> | <u>\$ 8,400,695</u> | <u>\$ 175,584,449</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities

| | |
|--|---------------------|
| General Government | \$ 12,269 |
| Public Safety | 205,635 |
| Public Works | 1,625,270 |
| Streets & Highways | 2,218,065 |
| Economic Development | <u>2,442</u> |
| Total Governmental Activities Depreciation Expense | <u>\$ 4,063,681</u> |

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---|------------------------------|---------------------|------------------|-----------------------|
| Business-type Activities | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 1,891,770 | \$ - | \$ - | \$ 1,891,770 |
| Total Capital Assets Not Being Depreciated | <u>1,891,770</u> | <u>-</u> | <u>-</u> | <u>1,891,770</u> |
| Capital assets being depreciated | | | | |
| Buildings | 18,966,509 | - | - | 18,966,509 |
| Improvements | 27,638,761 | 749,620 | - | 28,388,381 |
| Equipment | 2,179,750 | - | 109,704 | 2,070,046 |
| Vehicles | 247,791 | - | 38,497 | 209,294 |
| Total Capital Assets Being Depreciated | <u>49,032,811</u> | <u>749,620</u> | <u>148,201</u> | <u>49,634,230</u> |
| Total Capital Assets | <u>50,924,581</u> | <u>749,620</u> | <u>148,201</u> | <u>51,526,000</u> |
| Less: Accumulated depreciation for | | | | |
| Buildings | (4,179,915) | (673,278) | - | (4,853,193) |
| Improvements | (10,277,980) | (739,915) | - | (11,017,895) |
| Equipment | (1,886,292) | (56,007) | 109,704 | (1,832,595) |
| Vehicles | (247,791) | - | 38,497 | (209,294) |
| Total Accumulated Depreciation | <u>(16,591,978)</u> | <u>(1,469,200)</u> | <u>148,201</u> | <u>(17,912,977)</u> |
| Net Capital Assets Being Depreciated | <u>32,440,833</u> | <u>(719,580)</u> | <u>-</u> | <u>31,721,253</u> |
| Business-type Capital Assets, Net of Accumulated Depreciation | <u>\$ 34,332,603</u> | <u>\$ (719,580)</u> | <u>\$ -</u> | <u>\$ 33,613,023</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Business-type Activities

Depreciation expense was charged to functions as follows:

| Business-type Activities | | |
|---|--|----------------------------|
| Parking | | \$ 690,562 |
| Water | | 720,223 |
| 911 Emergency | | <u>58,415</u> |
| Total Business-type Activities Depreciation Expense | | <u><u>\$ 1,469,200</u></u> |

D. INTERFUND RECEIVABLES/PAYABLES AND ADVANCES

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> | <u>Amount Not Due Within One Year</u> |
|---|---------------------------|--------------------------|---|
| General | Non-major Governmental | \$ 2,348,582 | \$ 2,344,495 |
| General | TIF #6 (Mannheim/Higgins) | 4,536,629 | 4,536,629 |
| Internal Service | General | 1,876,680 | - |
| Internal Service | Capital Projects | 34,283 | - |
| Internal Service | Non-major Governmental | <u>297</u> | <u>-</u> |
| Total - Fund Financial Statements | | <u>8,796,471</u> | |
| Less: Fund eliminations | | (7,028,745) | |
| Less: Interfund receivables created with internal service fund eliminations | | <u>(1,634,152)</u> | |
| Total Internal Balances - Government-Wide Statement of Net Assets | | <u><u>\$ 133,574</u></u> | |

\$2,348,582 due from Non-major Governmental Funds to the General Fund for cash overdrafts in Non-major Governmental Funds.

\$4,536,629 due from the TIF #6 (Mannheim/Higgins) Fund to the General Fund for cash overdrafts in the TIF #6 (Mannheim/Higgins) Fund.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND ADVANCES (cont.)

\$1,876,680, \$34,283 and \$297 due from General, Capital Projects and Non-major Governmental Funds, respectively, to the Compensated Absences Fund for cash borrowings from the funds related to compensated absences charges.

For the statement of net assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

| <u>Fund Transferred To</u> | <u>Fund Transferred From</u> | <u>Amount</u> | <u>Principal Purpose</u> |
|--|------------------------------|-------------------|---|
| General | Capital Improvement | \$ 180,000 | To reimburse capital outlay purchases. |
| Non-major governmental | General | 1,575,000 | For equipment purchases |
| Non-major governmental | Water | 150,000 | To reimburse for construction expenses |
| Non-major governmental | Non-major governmental | 167,412 | To reimburse for current year debt service payments |
| Non-major governmental | Parking System | 32,380 | To cover current year debt service payments |
| Non-major governmental | Internal Service | <u>500,000</u> | To cover current year debt service payments |
| Total - Fund Financial Statements | | <u>2,604,792</u> | |
| Less: Fund eliminations | | (1,790,143) | |
| Less: Government-wide eliminations | | (500,000) | |
| Contribution of assets from non-major governmental fund to enterprise fund | | <u>(104,575)</u> | |
| Total Transfers - Government-Wide Statement of Activities | | <u>\$ 210,074</u> | |

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. SHORT-TERM DEBT ACTIVITY

The City issues short-term debt for current working cash needs due to receiving real estate taxes late..

Short-term debt activity for the year ended December 31, 2007 was as follows:

| | Beginning Balance | Issued | Redeemed | Ending Balance |
|-----------------------|----------------------|---------------------|-------------|---------------------|
| Short-term Bank Notes | \$ - | \$ 5,500,000 | \$ - | \$ 5,500,000 |
| Totals | <u>\$ -</u> | <u>\$ 5,500,000</u> | <u>\$ -</u> | <u>\$ 5,500,000</u> |

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2007, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|--|----------------------|---------------------|----------------------|----------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Bonds and notes payable | | | | | |
| General obligation debt | \$ 93,418,230 | \$ 7,725,000 | \$ 13,926,244 | \$ 87,216,986 | \$ 7,141,986 |
| Tax increment financing bonds | 819,552 | - | 41,097 | 778,455 | 43,254 |
| Loan Payable | - | 400,000 | 37,489 | 362,511 | 74,894 |
| Add/(subtract) deferred amounts for (discounts)/premiums | 523,580 | - | 50,802 | 472,778 | - |
| Refundings - gains/(losses) | <u>(930,439)</u> | <u>(279,233)</u> | <u>(157,519)</u> | <u>(1,052,153)</u> | <u>-</u> |
| Sub-totals | <u>93,830,923</u> | <u>7,845,767</u> | <u>13,898,113</u> | <u>87,778,577</u> | <u>7,260,134</u> |
| Other liabilities | | | | | |
| Vested compensated absences | 2,743,764 | - | 832,504 | 1,911,260 | 713,914 |
| Long-term retirement incentive | <u>175,778</u> | <u>-</u> | <u>132,916</u> | <u>42,862</u> | <u>42,862</u> |
| Total Other Liabilities | <u>2,919,542</u> | <u>-</u> | <u>965,420</u> | <u>1,954,122</u> | <u>756,776</u> |
| Total Governmental Activities Long- Term Liabilities | <u>\$ 96,750,465</u> | <u>\$ 7,845,767</u> | <u>\$ 14,863,533</u> | <u>\$ 89,732,699</u> | <u>\$ 8,016,910</u> |
| Business-type Activities | | | | | |
| Bonds and notes payable | | | | | |
| General obligation debt | \$ 3,031,770 | \$ - | \$ 718,756 | \$ 2,313,014 | \$ 523,014 |
| Add/(subtract) deferred amounts for (discounts)/premiums | (4,348) | - | (1,969) | (2,379) | - |
| Refundings - gains/(losses) | <u>(71,045)</u> | <u>-</u> | <u>(17,407)</u> | <u>(53,638)</u> | <u>-</u> |
| Sub-totals | <u>2,956,377</u> | <u>-</u> | <u>699,380</u> | <u>2,256,997</u> | <u>523,014</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|--|----------------------|-------------|-------------------|---------------------|-----------------------------------|
| Business-type Activities (cont.) | | | | | |
| Other Liabilities | | | | | |
| Vested compensated absences | \$ 248,695 | \$ - | \$ (69,452) | \$ 318,147 | \$ 119,113 |
| Total Other Liabilities | <u>248,695</u> | <u>-</u> | <u>(69,452)</u> | <u>318,147</u> | <u>119,113</u> |
| Total Business-type Activities Long-Term Liabilities | | | | | |
| | <u>\$ 3,205,072</u> | <u>\$ -</u> | <u>\$ 629,928</u> | <u>\$ 2,575,144</u> | <u>\$ 642,127</u> |

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

| | Date of Issue | Final Maturity | Interest Rates | Original Indebtedness | Balance December 31, 2007 |
|--|------------------|------------------|------------------|-----------------------|---------------------------|
| Governmental Activities General Obligation Debt | | | | | |
| Series 1996A GO Bonds, due in annual installments of \$400,000 to \$1,305,000 - debt retired by debt service fund | November 1, 1996 | December 1, 2008 | 4.00% to 5.05% | \$ 9,500,000 | \$ 96,986 |
| Series 1999 GO Bonds, due in annual installments of \$200,000 to \$850,000 - debt retired by capital projects fund | February 1, 1999 | December 1, 2018 | 4.10% to 4.20% | 10,000,000 | 5,560,000 |
| Series 2000 GO Bonds, due in annual installments of \$200,000 to \$410,000 - debt retired by capital projects fund | July 1, 2000 | December 1, 2015 | 5.125% to 5.250% | 4,110,000 | 280,000 |
| Series 2001 GO Bonds, due in annual installments of \$85,000 to \$715,000 - debt retired by debt service fund | July 1, 2001 | December 1, 2021 | 4.00% to 5.00% | 5,470,000 | 270,000 |
| - debt retired by capital projects fund | | | | - | 615,000 |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

| | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|--|----------------------|-----------------------|-----------------------|------------------------------|----------------------------------|
| Governmental Activities General Obligation Debt (cont.) | | | | | |
| Series 2001C GO Bonds, due in annual installments of \$85,000 to \$270,000 | | | | | |
| - debt retired by TIF #1 fund | December 1, 2001 | December 1, 2021 | 5.35% to 6.25% | 3,160,000 | 1,270,000 |
| - debt retired by TIF #3 fund | | | | - | 1,185,000 |
| Series 2002A GO Refunding Bonds, due in annual installments of \$140,000 to \$1,000,000 - debt retired by debt service fund | May1, 2002 | December 1, 2011 | 2.00% to 4.50% | 4,800,000 | 3,475,000 |
| Series 2003A GO Bonds, due in annual installments of \$245,000 to \$585,000 - debt retired by debt service fund | September 1, 2003 | December 1, 2021 | 2.50% to 4.50% | 7,835,000 | 1,060,000 |
| - debt retired by TIF #1 fund | | | | - | 2,085,000 |
| - debt retired by TIF #3 fund | | | | - | 1,780,000 |
| - debt retired by TIF #5 fund | | | | - | 1,275,000 |
| - debt retired by TIF #6 fund | | | | - | 350,000 |
| Series 2003B GO Refunding Bonds, due in annual installments of \$15,000 to \$615,000 - debt retired by debt service fund | September 1, 2003 | December 1, 2008 | 2.00% to 2.60% | 2,390,000 | 470,000 |
| Series 2003C Taxable GO Bonds, due in annual installments of \$25,000 to \$250,000 - debt retired by TIF #6 fund | September 1, 2003 | December 1, 2021 | 4.70% to 5.50% | 2,250,000 | 2,250,000 |
| Series 2003D Taxable GO Bonds, due in annual installments of \$75,000 to \$950,000 - debt retired by TIF#1 fund | October 30, 2003 | December 1, 2011 | 2,00% to 5.00% | 4,545,000 | 3,575,000 |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

| | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|--|----------------------|-----------------------|-----------------------|------------------------------|----------------------------------|
| Governmental Activities General Obligation Debt (cont.) | | | | | |
| Series 2004 GO Notes, due in annual installments of \$150,000 - debt retired by equipment replacement fund | February 26, 2004 | December 1, 2008 | 2.25% | 750,000 | 150,000 |
| Series 2004A GO Bonds, due in annual installments of \$265,000 to \$705,000 - debt retired by TIF #1 fund - debt retired by capital projects fund | June 3, 2004 | December 1, 2020 | 4.00% to 4.50% | 8,400,000 | 5,545,000 |
| Series 2004B Taxable GO Bonds, due in annual installments of \$120,000 to \$575,000 - debt retired by TIF #3 fund - debt retired by TIF #3 fund - debt retired by TIF #6 fund | June 3, 2004 | December 1, 2021 | 4.80% to 5.85% | 8,900,000 | 860,000 |
| | | | | - | 500,000 |
| | | | | - | 6,730,000 |
| Series 2005A GO Bonds, due in annual installments of \$275,000 to \$500,000 - debt retired by TIF #3 fund | January 1, 2005 | December 1, 2022 | 3.00% to 5.25% | 5,550,000 | 5,550,000 |
| Series 2005B GO Refunding Bonds, due in a annual installments of \$5,000 to \$260,000 - debt retired by TIF #1 fund | January 1, 2005 | December 1, 2011 | 2.50% to 4.25% | 1,030,000 | 1,010,000 |
| Series 2005D GO Refunding Bonds, due in annual installments of \$45,000 to \$1,610,000 - debt retired by capital projects fund - debt retired by capital projects - library fund - debt retired by capital projects - sewer fund | February 1, 2005 | December 1, 2018 | 2.25% to 5.00% | 14,650,000 | 4,030,000 |
| | | | | - | 3,510,000 |
| | | | | - | 6,875,000 |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

| | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|---|----------------------|-----------------------|-----------------------|------------------------------|----------------------------------|
| Governmental Activities General Obligation Debt (cont.) | | | | | |
| Series 2005E GO Bonds, due in annual installments of \$215,000 to \$1,290,000 - debt retired by TIF #1 fund | June 1, 2005 | December 1, 2022 | 3.60% to 4.25% | 12,800,000 | 1,000,000 |
| - debt retired by TIF #3 fund | | | | - | 5,275,000 |
| - debt retired by capital projects fund | | | | - | 5,930,000 |
| Series 2005F Taxable GO Bonds, due in annual installments of \$115,000 to \$505,000 - debt retired by TIF #1 fund | June 1, 2005 | December 1, 2020 | 4.75% | 4,725,000 | 4,725,000 |
| Series 2005G Taxable GO Bonds, due in annual installments of \$25,000 to \$165,000 - debt retired by TIF #3 fund | June 1, 2005 | December 1, 2015 | 4.75% | 500,000 | 475,000 |
| Series 2007A GO Refunding Bonds, due in annual installments of \$45,000 to \$700,000 - debt retired from capital project fund | October 23, 2007 | December 1, 2021 | 3.8% | 6,065,000 | 2,570,000 |
| - debt retired from capital project fund | | | | - | 3,395,000 |
| - debt retired from debt service fund | | | | - | 100,000 |
| Series 2007B GO Refunding Bonds, due in annual installments of \$85,000 to \$150,000 - debt retired from debt service fund | October 23, 2007 | December 1, 2021 | 3.8% | 1,660,000 | 1,150,000 |
| - debt retired from TIF #1 fund | | | | - | <u>510,000</u> |
| Total Governmental Activities - General Obligation Debt | | | | | <u>\$ 87,216,986</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

| | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|--|----------------------|-----------------------|-----------------------|------------------------------|----------------------------------|
| Business-type Activities General Obligation Debt | | | | | |
| Series 1996A GO bonds, due in annual installments of \$400,000 to \$1,305,000 - debt retired by water fund | November 1, 1996 | December 1, 2008 | 4.00% to 5.05% | \$ 9,500,000 | \$ 343,014 |
| Series 2005C GO Refunding Bonds, due in annual installments of \$165,000 to \$370,000 - debt retired by water fund | January 1, 2005 | December 1, 2013 | 2.50% to 4.00% | 2,330,000 | <u>1,970,000</u> |
| Total Business-type Activities General Obligation Debt | | | | | <u>\$ 2,313,014</u> |

Debt service requirements to maturity are as follows:

| <u>Years</u> | <u>Governmental Activities General Obligation Debt</u> | | <u>Business-type Activities General Obligation Debt</u> | |
|--------------|--|----------------------|---|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2008 | \$ 7,141,986 | \$ 3,842,739 | \$ 523,014 | \$ 71,788 |
| 2009 | 7,355,000 | 3,558,041 | 335,000 | 66,388 |
| 2010 | 7,560,000 | 3,270,150 | 355,000 | 55,500 |
| 2011 | 7,840,000 | 2,949,362 | 370,000 | 43,074 |
| 2012 | 5,665,000 | 2,602,410 | 365,000 | 29,200 |
| 2013-2017 | 30,740,000 | 9,105,120 | 365,000 | 14,600 |
| 2018-2022 | <u>20,915,000</u> | <u>2,386,516</u> | - | - |
| Totals | <u>\$ 87,216,986</u> | <u>\$ 27,714,338</u> | <u>\$ 2,313,014</u> | <u>\$ 280,550</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing Notes

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The city has issued notes where the city pledges incremental taxes derived from a separately created tax increment financing district. These notes are not a general obligation of the city and are secured only by the incremental revenues generated by the TIF district. The city has pledged future incremental tax revenues, net of specified operating expenses, to repay \$778,455 million in revenue notes issued in 2002-2003. Proceeds from the notes provided financing for capital development within the tax increment financing district. The bonds are payable solely from incremental tax revenues and are payable through 2020. Annual principal and interest payments on the bonds are expected to require 84,123 of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,093,599. Principal and interest paid for the current year were \$41,097 and \$43,026, respectively.

Tax Increment Financing Notes at December 31, 2007, consists of the following:

| Governmental Activities Tax Increment Financing Notes | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|---|----------------------|-----------------------|---------------------------|----------------------------------|--|
| Series 2002 Tax Increment Revenue Note, due in annual installments of \$14,547 to \$38,840 - debt retired by TIF #1 fund | May 1, 2002 | June 1, 2020 | 5.25% | \$ 408,350 | \$ 378,285 |
| Series 2003 Tax Increment Revenue Note, due in annual installments of \$12,096 to \$41,087 - debt retired by TIF #1 fund | October 6, 2003 | June 1, 2020 | 5.25% | 471,000 | <u>400,170</u> |
| Total Governmental Activities Tax Increment Financing Notes | | | | | <u>\$ 778,455</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing bonds (cont.)

Debt service requirements to maturity are as follows:

| <u>Years</u> | <u>Governmental Activities Tax Increment Financing Bonds</u> | |
|--------------|--|-------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2008 | \$ 43,254 | \$ 40,869 |
| 2009 | 45,526 | 38,597 |
| 2010 | 47,915 | 36,208 |
| 2011 | 50,430 | 33,693 |
| 2012 | 53,078 | 31,045 |
| 2013-2017 | 310,233 | 110,382 |
| 2018-2020 | <u>228,019</u> | <u>24,350</u> |
| Totals | <u>\$ 778,455</u> | <u>\$ 315,144</u> |

Loans Payable

The 2007 equipment loan is payable from the equipment replacement fund.

Loans Payable at December 31, 2007 consist of the following:

| <u>Governmental Activities Loans Payable</u> | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance December 31, 2007</u> |
|---|--------------------------|---------------------------|---------------------------|----------------------------------|--|
| Series 2007 loan, due in annual installments of \$37,490 to \$84,669 - debt retired by equipment replacement fund | June 29, 2007 | June 1, 2012 | 4.11% | \$ 400,000 | \$ <u>362,511</u> |
| Total Governmental Activities Loans Payable | | | | | \$ <u><u>362,511</u></u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

| <u>Years</u> | Governmental Activities Loans Payable | |
|--------------|--|-----------|
| | Principal | Interest |
| | 2008 | \$ 74,894 |
| 2009 | 78,020 | 10,629 |
| 2010 | 81,277 | 7,372 |
| 2011 | 84,669 | 3,980 |
| 2012 | 43,651 | 674 |
| Totals | \$ 362,511 | \$ 36,410 |

Other Debt Information

The City has issued Industrial Development bonds for the benefit of various organizations. The issuance of Industrial Development Revenue Bonds by the City is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment or extension of any economic development project in order to encourage economic development within or near the City. Industrial Development Revenue Bonds are not a debt of the City and the City is not obligated in any manner for the repayment. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the City does not act as an agent for Industrial Revenue Bonds, the transactions relating to the bonds and property do not appear in the City's financial statements. In 2006, the City issued \$7.7 million of Industrial Revenue Bonds for the Science and Arts Academy expansion.

Advance Refunding

On October 23, 2007, the City issued \$7,725,000 in general obligation bonds with an average interest rate of 3.8 percent to advance refund \$7,355,000 of outstanding bonds with an average interest rate of 4.9 percent. The net proceeds of \$7,634,233 (after payment of \$90,767 in underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from these financial statements.

The cash flow requirements on the refunded bonds and notes prior to the advance refunding was \$10,264,713 from December 1, 2007 through December 1, 2021. The cash flow requirements on the 2007 refunding bonds are \$9,920,656 from December 1, 2007 through December 31, 2021. The advance refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$310,274.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Prior-Year Defeasance of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2007, \$5,745,000 of bonds outstanding are considered defeased.

G. LEGAL DEBT MARGIN

The Government is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution 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 effective date (July 1, 1971) of this constitution or which is thereafter approval by referendum shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

H. RESTATEMENT OF FUND BALANCES/NET ASSETS

Fund balance/net assets within governmental funds has been restated due to the reclassification of a compensated absences payable as current, and the removal of capital assets disposed of in prior periods.

General Fund

| | |
|--|---------------------|
| General Fund balance - December 31, 2006 (as reported) | \$ 7,782,840 |
| Less: Other payables | <u>(305,072)</u> |
| Fund Balance - January 01, 2007 (as restated) | <u>\$ 7,477,768</u> |

Governmental Activities

| | |
|--|----------------------|
| Governmental Activities Net Assets - December 31, 2006 (as reported) | \$ 100,284,220 |
| Less: Other payables | (305,072) |
| Capital assets | <u>(1,482,000)</u> |
| Net Assets - January 01, 2007 (as restated) | <u>\$ 98,497,148</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

Net assets has been restated due to misclassification of E-911 charges due to other governments.

| | |
|--|----------------------|
| Emergency Communications Fund Net Assets - December 31, 2006 (as reported) | \$ 380,847 |
| Less: Other payables | <u>213,819</u> |
| Net Assets - January 01, 2007 (as restated) | <u>\$ 594,666</u> |
| Business-type activities Net Assets - December 31, 2006 (as reported) | \$ 37,571,282 |
| Less: Other payables | <u>213,819</u> |
| Net assets - January 01, 2007 (as restated) | <u>\$ 37,785,101</u> |

I. COMPONENT UNIT

DES PLAINES PUBLIC LIBRARY

This report contains the Des Plaines Public Library (the "Library"), which is included as a component unit. Financial information is presented as a discrete column in the statement of net assets, statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The Library follows the modified accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

| | <u>Carrying Value</u> | <u>Bank Balance</u> | <u>Associated Risks</u> |
|----------|---------------------------|-------------------------|-------------------------|
| Deposits | \$ <u>1,244,429</u> | \$ <u>1,244,429</u> | Custodial |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

DES PLAINES PUBLIC LIBRARY (cont.)

Custodial Credit Risk

Deposits

Statutes authorize the Des Plaines Public Library (the "Library") to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

Cash

The carrying amount of deposits was \$1,244,429 at December 31, 2007, while the bank balances were \$1,244,429. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$100,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Library's name by financial institutions acting as the Library's agent.

Investments

Illinois Statutes authorize the City to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. As of December 31, 2007, the Library did not maintain an investment balance.

Interest Rate Risk. The Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The Library's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Library investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

DES PLAINES PUBLIC LIBRARY (cont.)

Custodial Credit Risk (cont.)

Concentration of Credit Risk. The Library places no limit on the amount that may be invested in any one issuer.

c. Receivables and Deferrals

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills for levy year 2006 are prepared by the County and issued on or about February 1, 2007 and August 1, 2007 and are payable in two installments, on or about March 1, 2007 and October 1, 2007. The County collects such taxes and remits them periodically.

d. Prepaid Expenses

The Library recognizes property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2007 tax levy has been recorded as deferred revenue on the balance sheet.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

e. Capital Assets

| Component Units | Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------|--------------------|-------------|-------------------|
| Capital assets being depreciated | \$ 65,335 | \$ - | \$ - | \$ 65,335 |
| Improvements | 320,965 | - | - | 320,965 |
| Vehicles | <u>161,448</u> | <u>-</u> | <u>-</u> | <u>161,448</u> |
| Total Capital Assets Being Depreciated | <u>547,748</u> | <u>-</u> | <u>-</u> | <u>547,748</u> |
| Improvements | (5,808) | (2,178) | - | (7,986) |
| Equipment | (141,588) | (23,758) | - | (165,346) |
| Vehicles | <u>(110,487)</u> | <u>(9,251)</u> | <u>-</u> | <u>(119,738)</u> |
| Total Accumulated Depreciation | <u>(257,883)</u> | <u>(35,187)</u> | <u>-</u> | <u>(293,070)</u> |
| Net Capital Assets Being Depreciated | <u>289,865</u> | <u>(35,187)</u> | <u>-</u> | <u>254,678</u> |
| Total Component Units Capital Assets, Net of Accumulated Depreciation | <u>\$ 289,865</u> | <u>\$ (35,187)</u> | <u>\$ -</u> | <u>\$ 254,678</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

DES PLAINES PUBLIC LIBRARY (cont.)

The title to the Library land and building is in the name of the City and is reported in the City's capital assets used in governmental activities.

f. Compensated Absences

The liability balance as of December 31, 2006 was \$111,046. During 2007, there were additions of \$203,119 and reductions of \$111,046 leaving the liability balance as of December 31, 2006 of \$203,119. The current portion of this liability is \$64,381.

g. Transfers

| <u>Transfers</u> | <u>Transfers In</u> | <u>Transfers Out</u> |
|-------------------------------|---------------------|----------------------|
| Library Capital Projects Fund | \$ 200,000 | \$ - |
| Library General Fund | - | 200,000 |

The library transferred funds into the Capital Projects fund to help fund capital projects.

h. Legal Compliance and Accountability

During fiscal year 2007, the Library Capital Projects Funds expenditures exceeded fund balance by \$4,714. This was funded by the fund balance.

i. Restatement of Fund Balance/ Net Assets

The General Library Fund and Governmental Activities restated their fund balance/net assets by \$101,362 due to a misstatement in compensated absences. This caused their fund balance of the General Library Fund to increase from \$289,091 to \$390,453 and the net assets of the Governmental Activities to increase from \$1,092,734 to \$1,194,096.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Plan Descriptions

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months's earnings during the last 10 years) of earnings for each year thereafter. IMRF provides credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund the coverage of its own employees in IMRF, as specified by statute. For calendar year 2007, the City's required contribution rate was 10.54%.

Police Pension

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 State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund.

At December 31, 2007, the Police Pension membership consisted of:

| | |
|--|-------------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them | 96 |
| Current employees: | |
| Vested | 65 |
| Non vested | 37 |
| | <hr/> |
| Total | 198 |
| | <hr/> <hr/> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

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

The police pension fund provides retirement benefits as well as death and disability benefits. Participants 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 on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. 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 retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective July 1, 1993 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033. For the year ended December 31, 2007, the City's contribution was 35.39% of covered payroll.

Firefighters' Pension

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 and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund.

At December 31, 2007, the Firefighters' Pension Plan membership consisted of:

| | |
|--|------------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them | 80 |
| Current employees: | |
| Vested | 63 |
| Non vested | 31 |
| Total | <u>174</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2007, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective July 1, 1993, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded by the year 2033. For the year ended December 31, 2007, the City's contribution was 30.22% of covered payroll.

Summary of Significant Accounting Policies

Police and Firefighters' Pension Plans

Basis of Accounting. The financial statements of the pension fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Annual Pension Cost

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

| | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Actuarial valuation date | December 31, 2006 | December 31, 2006 | December 31, 2006 |
| Contribution rates: | | | |
| Employer | 10.58% | 35.39% | 30.22% |
| Employee | 4.50% | 9.91% | 9.46% |
| Annual required contribution | \$1,720,554 | \$2,043,720 | \$1,646,374 |
| Contributions made | \$1,720,554 | \$2,674,594 | \$2,161,596 |
| Actuarial cost method | Entry-age normal 5 year smoothed | Entry-age normal | Entry-age normal |
| Asset valuation method | market | Market | Market |
| Amortization method | Level percentage of payroll | Level percentage of payroll | Level percentage of payroll |
| Amortization period | 26 years, closed | 27 years, closed | 27 years, closed |
| Actuarial assumptions: | | | |
| Investment rate of return | 7.50% | 8.00% | 8.00% |
| | Compounded annually | Compounded annually | Compounded annually |
| Projected salary increases | .4 to 11.6% | 5.00% | 5.00% |
| Inflation rate included | 4.00% | 3.00% | 3.00% |
| Cost-of-living adjustments | 3.00% | 3.00% | 3.00% |

Net Pension (Asset)

The following is the net pension (asset) calculation from the December 31, 2006 actuarial report:

| Net Pension (Asset): | Police Pension | Firefighters' Pension |
|--|---------------------|--------------------------|
| Annual required contribution | \$ 2,035,189 | \$ 1,644,081 |
| Interest on net pension obligation | 24,699 | 6,639 |
| Adjustment to annual required contribution | <u>(16,168)</u> | <u>(4,346)</u> |
| Annual pension cost | 2,043,720 | 1,646,374 |
| Contributions made | <u>(2,674,594)</u> | <u>(2,161,596)</u> |
| Change in net pension obligation | (630,874) | (515,222) |
| Net pension (asset), beginning of year | <u>308,740</u> | <u>82,983</u> |
| Net pension (asset), end of year | <u>\$ (322,134)</u> | <u>\$ (432,239)</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

| | Fiscal Year | Illinois Municipal Retirement | Police Pension | Firefighters' Pension |
|------------------------------------|-------------|-------------------------------|----------------|-----------------------|
| Annual required contribution (ARC) | 2006 | \$ 1,720,554 | \$ 2,043,720 | \$ 1,646,374 |
| | 2005 | 1,531,255 | 1,990,342 | 1,611,648 |
| | 2004 | 1,062,203 | 1,940,286 | 1,822,440 |
| Contributions made | 2006 | \$ 1,720,554 | \$ 2,674,594 | \$ 2,161,596 |
| | 2005 | 1,531,255 | 1,523,236 | 1,401,756 |
| | 2004 | 1,062,203 | 1,918,427 | 1,797,264 |
| Percentage of APC contributed | 2006 | 100 | 130.90 | 131.30 |
| | 2005 | 100 | 76.50 | 87.00 |
| | 2004 | 100 | 98.90 | 98.60 |
| Net pension obligation (asset) | 2006 | \$ - | \$ (322,134) | \$ (432,239) |
| | 2005 | - | 308,740 | 82,983 |
| | 2004 | - | (158,366) | (126,909) |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

PENSION INFORMATION

Fiduciary Net Assets

| | Pension Trust | | Totals |
|------------------------------------|-------------------------|----------------------|-----------------------|
| | Firefighters Pension | Police Pension | |
| Assets | | | |
| Cash and cash equivalents | \$ 3,385,904 | \$ 1,508,526 | \$ 4,894,430 |
| Investments | | | |
| U.S. treasuries | 8,152,868 | 14,633,902 | 22,786,770 |
| Mortgage backed securities | 21,151,932 | 12,153,555 | 33,305,487 |
| Mutual funds | 6,545,830 | 5,248,231 | 11,794,061 |
| Stocks | 17,814,674 | 14,243,700 | 32,058,374 |
| Other | - | 1,551,925 | 1,551,925 |
| Accrued interest receivable | 218,922 | 339,770 | 558,692 |
| Contributions | - | 496,186 | 496,186 |
| Prepaid items | - | 268 | 268 |
| Total assets | <u>57,270,130</u> | <u>50,176,063</u> | <u>107,446,193</u> |
| Liabilities | | | |
| Accounts payable | \$ 11,484 | \$ 15,844 | \$ 27,328 |
| Accrued pension payments | <u>757,933</u> | <u>-</u> | <u>757,933</u> |
| Total liabilities | <u>769,417</u> | <u>15,844</u> | <u>785,261</u> |
| Net assets | | | |
| Held in trust for pension benefits | <u>\$ 56,500,713</u> | <u>\$ 50,160,219</u> | <u>\$ 106,660,932</u> |

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in Plan Net Assets

| | Pension Trust | | Totals |
|-------------------------------|-------------------------|----------------------|-----------------------|
| | Firefighters Pension | Police Pension | |
| Additions | | | |
| Contributions | | | |
| Employer | \$ 1,631,318 | \$ 2,040,615 | \$ 3,671,933 |
| Plan members | <u>728,436</u> | <u>758,842</u> | <u>1,487,278</u> |
| Total contributions | <u>2,359,754</u> | <u>2,799,457</u> | <u>5,159,211</u> |
| Investment Income | | | |
| Investment income | 4,031,556 | 4,643,972 | 8,675,528 |
| Miscellaneous revenues | 10,785 | - | 10,785 |
| Total Investment income | 4,042,341 | 4,643,972 | 8,686,313 |
| Less investment income | <u>159,332</u> | <u>154,453</u> | <u>313,785</u> |
| Net investment income | <u>3,883,009</u> | <u>4,489,519</u> | <u>8,372,528</u> |
| Total additions | <u>6,242,763</u> | <u>7,288,976</u> | <u>13,531,739</u> |
| Deductions | | | |
| Benefits | \$ 3,504,586 | \$ 4,389,430 | \$ 7,894,016 |
| Administration | 53,873 | 141,084 | 194,957 |
| Total deductions | <u>3,558,459</u> | <u>4,530,514</u> | <u>8,088,973</u> |
| Net change in net assets | 2,684,304 | 2,758,462 | 5,442,766 |
| Net assets, beginning of year | <u>53,816,409</u> | <u>47,401,757</u> | <u>101,218,166</u> |
| Net assets, end of year | <u>\$ 56,500,713</u> | <u>\$ 50,160,219</u> | <u>\$ 106,660,932</u> |

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omissions; and workers compensation. However, other risks, such as health care and dental of its employees are accounted for and financed by the City in an internal service fund – the Risk Management Fund and Employee Medical Fund.

Self Insurance

For health and dental claims, the uninsured risk of loss is between \$75,000 to \$125,000 per incident and \$3,000,000 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

All funds of the City participate in the risk management program. Amounts payable to the fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

| | <u>Prior Year</u> | <u>Current Year</u> |
|--|--------------------|---------------------|
| Unpaid claims - Beginning of Year | \$ - | \$ 225,058 |
| Current year claims and changes in estimates | 5,213,225 | 7,651,314 |
| Claim payments | <u>(4,988,167)</u> | <u>(7,557,476)</u> |
| Unpaid Claims - End of Year | <u>\$ 225,058</u> | <u>\$ 318,896</u> |

Public Entity Risk Pool

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illness of employees; and natural disasters.

Municipal Insurance Cooperative Association

The City has joined together with other local governments in Illinois to form the Municipal Insurance Cooperative Association (MICA). MICA is a public entity risk pool operating a common risk management and insurance program for its member government. MICA maintains \$1,000,000 specific reinsurance contracts with a \$100,000 limit on property claims, \$100,000 limit on liability claims, \$250,000 limit on worker's compensation claims, and a \$50,000 limit on crime claims. In addition, MICA maintains a \$1,000,000 reinsurance contract for total loss aggregate of \$6,350,000. The City pays an annual premium to MICA based upon the City's prior experience within the pool to cover potential claims to the total loss aggregate for all members of \$6,350,000. In addition, the City pays the first \$1,000 for property liability and crime claims. Amounts paid into the pool in excess of claims for any coverage year are rebated back to members in subsequent periods. The City records such rebates as miscellaneous revenue in the Risk Management Fund in the year in which they are received.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Intergovernmental Personnel Benefit Cooperative

The Health Benefits Fund was established to account for the financial transactions of self-insured employee and retiree health benefits. In 2003 the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 49 municipalities located primarily in the Chicago area. The IPBC provides the City with consulting, legal, and auditing services for its health (i.e. PPO and HMO) and life insurance programs. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. The City continues to be self-insured for dental benefits on an individual contract basis outside of the IPBC.

High-level Excess Liability Pool

The City is also a member of the High-Level Excess Liability Pool (HELP), which consists of 15 Illinois municipalities. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention and lessening of liability claims for injuries to persons or property or claims for errors and omissions made against members and other parties included within the scope of coverage of the pool. The Village of Elk Grove, Illinois (the initial Host Member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow with LaSalle National Bank as escrow agent. An intergovernmental agreement among HELP, the Village of Elk Grove, and the members provides that HELP and its members are obligated to the Village of Elk Grove for payment of principal and interest on the bonds until such bonds have been retired. The bonds were retired December 1, 1995. The coverage provided by HELP is \$1,000,000 per occurrence and in the aggregate for each member, with a self-insurance retention of \$1,000,000 per member. In addition, HELP provides excess reinsurance of \$4,000,000 per occurrence for claims in excess of \$6,000,000.

HELP was organized on April 1, 1987 with the initial agreement extending to April 30, 2008. The City has committed to purchase excess liability insurance from the pool through the term of the Agreement. Annual premiums are calculated based on a formula which specifies the following four criteria: (1) miles of streets, (2) Full-time equivalent employees, (3) number of motor vehicles, and (4) operating revenues.

Based upon the allocations for the year ended April 30, the City expects to pay a minimum of \$90,000 per year over the remaining term of the agreement.

C. COMMITMENTS AND CONTINGENCIES

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

Sales Tax Incentive Plan: The City has entered into several business development agreements with local retailers whereby the City has authorized payment of excess retailer occupation taxes to the businesses. In these agreements, the term "excess" is an amount above a certain base amount, based on the specific agreement. These agreements range in their payouts of the excess occupation taxes from eight to fifteen years. During the year, the City had expenditures totaling \$604,569 in excess retailer's occupation tax.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

Tax Increment Financing Districts: The City entered into a redevelopment agreement with a developer dated October 16, 2001, whereby the City has agreed to reimburse the developer for certain costs associated with the redevelopment project within Tax Increment Financing (TIF) District No. 1. The agreement requires the City to reimburse the developer up to \$480,000, for developer reimbursements, if certain requirements of the redevelopment agreement are met. The \$480,000, if incurred, would be in the form of a note payable issued to the developer from certain incremental revenues of the TIF, payable by June 1, 2020, with interest payable at 5.25% from the date of issuance through maturity. \$471,000 of reimbursable costs were incurred in 2003 and a note payable was issued. The balance due on the note as disclosed in Note III-F, at December 31, 2007, is \$400,170.

The City entered into a redevelopment agreement with a TIF developer dated February 5, 2001, whereby the City has agreed to reimburse the developer for certain costs associated with the redevelopment project within Tax Increment Financing (TIF) District No. 1. The agreement requires the City to reimburse the developer up to \$650,000, for developer reimbursements, if certain requirements of the redevelopment agreement are met. The \$650,000, if incurred, would be in the form of a note payable issued to the developer from certain incremental revenues of the TIF payable by June 1, 2020, with interest payable at 5.25% from the date of issuance through maturity. \$377,229 of reimbursable costs was incurred in 2002 and a note payable was issued. An additional drawdown on the note was made in 2003 for additional reimbursable costs incurred of \$31,301. Also, in 2006, a drawdown was made for \$53,091. The balance due on the note as disclosed in Note III-F, at December 31, 2007, is \$378,285.

D. OTHER POSTEMPLOYMENT BENEFITS

The City provides postemployment health insurance benefits for all eligible employees. Eligibility is based on if they reach normal retirement age while working for the City. The benefits are based on contractual agreements with employee groups, local ordinances, or employee benefit policies. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the retirees. Funding for those costs is provided out of the current operating budget of the City. The contributions are financed on a pay as you go basis. Total expenditures for such premiums during the year were not material. The number of participants currently eligible to receive benefits is 32.

E. SUBSEQUENT EVENTS

On March 20, 2008, the City issued \$2,757,000 Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A. Bond proceeds will be used to currently refund a portion of the City's outstanding Taxable General Obligation Corporate Purpose Bonds, Series 2001C, due December 1, 2008-2021 and to pay the cost of issuing the Bonds.

F. TAX INCREMENT FINANCING DISTRICT

The City of Des Plaines has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the City and its surrounding areas. As part of the redevelopment plans, the City has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

CITY OF DES PLAINES

NOTES TO FINANCIAL STATEMENTS December 31, 2007

NOTE IV - OTHER INFORMATION (cont.)

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|-----------------------------------|--------------------------------------|-------------------|---------------------------------------|------------------------|
| REVENUES | | | | |
| PROPERTY TAXES | | | | |
| Property taxes | \$ 13,687,232 | \$ 13,402,397 | \$ (284,835) | \$ 12,347,562 |
| Police pension | 2,250,487 | 2,210,169 | (40,318) | 2,054,097 |
| Fire pension | <u>1,772,575</u> | <u>1,765,453</u> | <u>(7,122)</u> | <u>1,658,383</u> |
| Total Property taxes | <u>17,710,294</u> | <u>17,378,019</u> | <u>(332,275)</u> | <u>16,060,042</u> |
| LOCAL TAXES | | | | |
| Utility taxes | 2,610,000 | 2,510,644 | (99,356) | 2,579,105 |
| Gas use tax | 520,000 | 395,482 | (124,518) | 421,575 |
| Franchise tax | 430,450 | 584,525 | 154,075 | 328,390 |
| Road and bridge tax | 138,000 | 136,999 | (1,001) | 132,494 |
| Food and beverage tax | 910,000 | 964,590 | 54,590 | 933,162 |
| Telecommunication taxes | 855,000 | 986,102 | 131,102 | 509,340 |
| Hotel/motel tax | 1,120,300 | 1,306,542 | 186,242 | 1,234,474 |
| Auto rental tax | 35,000 | 72,727 | 37,727 | 76,443 |
| Real estate transfer tax | 950,000 | 975,339 | 25,339 | 1,186,212 |
| Home rule sales tax | <u>1,725,000</u> | <u>1,433,982</u> | <u>(291,018)</u> | <u>706,110</u> |
| Total Local Taxes | <u>9,293,750</u> | <u>9,366,932</u> | <u>73,182</u> | <u>8,107,305</u> |
| LICENSES | | | | |
| Business | 580,000 | 551,252 | (28,748) | 572,281 |
| Liquor | 208,000 | 197,217 | (10,783) | 205,800 |
| Vehicle | 1,360,000 | 1,333,760 | (26,240) | 1,326,634 |
| Other licenses | <u>75,500</u> | <u>90,241</u> | <u>14,741</u> | <u>63,446</u> |
| Total Licenses | <u>2,223,500</u> | <u>2,172,470</u> | <u>(51,030)</u> | <u>2,168,161</u> |
| PERMITS | | | | |
| Building | 1,500,000 | 1,274,362 | (225,638) | 1,298,126 |
| Other permits | <u>569,000</u> | <u>390,424</u> | <u>(178,576)</u> | <u>621,581</u> |
| Total Permits | <u>2,069,000</u> | <u>1,664,786</u> | <u>(404,214)</u> | <u>1,919,707</u> |
| INTERGOVERNMENTAL | | | | |
| State income tax | 4,794,450 | 5,177,900 | 383,450 | 4,665,694 |
| Local use tax | 754,835 | 773,085 | 18,250 | 745,915 |
| Personal property replacement tax | 1,365,000 | 1,530,070 | 165,070 | 1,238,962 |
| Municipal sales tax | 8,525,000 | 8,480,072 | (44,928) | 8,388,900 |
| Federal, state, and local grants | 450,000 | 388,343 | (61,657) | 410,971 |
| Other state payments | <u>40,000</u> | <u>11,640</u> | <u>(28,360)</u> | <u>32,623</u> |
| Total INTERGOVERNMENTAL | <u>15,929,285</u> | <u>16,361,110</u> | <u>431,825</u> | <u>15,483,065</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|-------------------------------------|--------------------------------------|-------------------|---------------------------------------|------------------------|
| CHARGES FOR SERVICES | | | | |
| Nonresident ambulance | \$ 295,000 | \$ 332,330 | \$ 37,330 | \$ 343,557 |
| Refuse collection | 2,920,000 | 3,187,494 | 267,494 | 2,673,882 |
| Other fees | 680,825 | 609,312 | (71,513) | 218,910 |
| Rental income | <u>245,523</u> | <u>223,263</u> | <u>(22,260)</u> | <u>235,680</u> |
| Total charges for services | <u>4,141,348</u> | <u>4,352,399</u> | <u>211,051</u> | <u>3,472,029</u> |
| FINES AND FORFEITS | | | | |
| Fines | 1,005,000 | 789,736 | (215,264) | 873,949 |
| Other fines and forfeits | <u>82,150</u> | <u>195,518</u> | <u>113,368</u> | <u>125,075</u> |
| Total fines and forfeits | <u>1,087,150</u> | <u>985,254</u> | <u>(101,896)</u> | <u>999,024</u> |
| INVESTMENT INCOME | | | | |
| Investment income | 250,000 | 188,976 | (61,024) | 394,117 |
| MISCELLANEOUS | | | | |
| Miscellaneous | <u>150,676</u> | <u>222,276</u> | <u>71,600</u> | <u>275,765</u> |
| Total Revenues | <u>52,855,003</u> | <u>52,692,222</u> | <u>(162,781)</u> | <u>48,879,215</u> |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| Legislative department | | | | |
| Salaries | 95,101 | 98,262 | (3,161) | 94,074 |
| Benefits | 146,960 | 119,655 | 27,305 | 119,395 |
| Contractual services | 196,232 | 184,101 | 12,131 | 156,026 |
| Commodities | <u>3,975</u> | <u>3,773</u> | <u>202</u> | <u>6,622</u> |
| Total legislative department | <u>442,268</u> | <u>405,791</u> | <u>36,477</u> | <u>376,117</u> |
| City Clerk | | | | |
| Salaries | 225,365 | 227,981 | (2,616) | 226,513 |
| Benefits | 64,808 | 67,070 | (2,262) | 66,831 |
| Contractual services | 24,072 | 21,020 | 3,052 | 16,653 |
| Commodities | <u>62,200</u> | <u>55,637</u> | <u>6,563</u> | <u>41,750</u> |
| Total city clerk | <u>376,445</u> | <u>371,708</u> | <u>4,737</u> | <u>351,747</u> |
| City Manager Division | | | | |
| Salaries | 287,932 | 230,545 | 57,387 | 211,037 |
| Benefits | 65,527 | 84,100 | (18,573) | 62,509 |
| Contractual services | 36,385 | 16,381 | 20,004 | 126,509 |
| Commodities | 12,500 | 15,114 | (2,614) | 8,821 |
| Capital outlay | <u>1,000</u> | <u>903</u> | <u>97</u> | <u>3,202</u> |
| Total city manager division | <u>403,344</u> | <u>347,043</u> | <u>56,301</u> | <u>412,078</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|------------------|-------------------------------|------------------|
| Media services | | | | |
| Salaries | \$ 66,143 | \$ 26,887 | \$ 39,256 | \$ 64,385 |
| Benefits | 23,136 | 10,811 | 12,325 | 17,437 |
| Contractual services | 50,972 | 39,348 | 11,624 | 45,359 |
| Commodities | 8,950 | 4,358 | 4,592 | 6,661 |
| Capital outlay | 7,500 | - | 7,500 | - |
| Total media services | <u>156,701</u> | <u>81,404</u> | <u>75,297</u> | <u>133,842</u> |
| Legal department | | | | |
| Salaries | 278,599 | 314,490 | (35,891) | 232,904 |
| Benefits | 87,242 | 91,118 | (3,876) | 82,128 |
| Contractual services | 82,721 | 63,633 | 19,088 | 76,322 |
| Commodities | 7,350 | 8,382 | (1,032) | 7,403 |
| Total legal department | <u>455,912</u> | <u>477,623</u> | <u>(21,711)</u> | <u>398,757</u> |
| Department of finance - fiscal services | | | | |
| Salaries | 461,165 | 537,956 | (76,791) | 356,102 |
| Benefits | 226,979 | 217,212 | 9,767 | 216,868 |
| Contractual services | 183,322 | 249,445 | (66,123) | 333,772 |
| Commodities | 31,135 | 21,787 | 9,348 | 31,313 |
| Total department of finance - fiscal services | <u>902,601</u> | <u>1,026,400</u> | <u>(123,799)</u> | <u>938,055</u> |
| Informational technologies | | | | |
| Salaries | 320,771 | 314,172 | 6,599 | 326,431 |
| Benefits | 138,942 | 137,563 | 1,379 | 125,701 |
| Contractual services | 14,877 | 11,628 | 3,249 | 44,756 |
| Commodities | 1,550 | 1,379 | 171 | 1,220 |
| Total informational technologies | <u>476,140</u> | <u>464,742</u> | <u>11,398</u> | <u>498,108</u> |
| Overhead division - contractual services | | | | |
| Early retirement program | 168,265 | 145,148 | 23,117 | 168,165 |
| Flood assistance | 30,000 | 28,671 | 1,329 | 20,407 |
| Sewer lateral | 120,000 | 47,289 | 72,711 | 90,891 |
| Historical museum | 158,670 | 158,670 | - | 151,317 |
| Other | 5,266 | 130,502 | (125,236) | 206,598 |
| Total overhead division - contractual services | <u>482,201</u> | <u>510,280</u> | <u>(28,079)</u> | <u>637,378</u> |
| Building and code enforcement | | | | |
| Salaries | 946,497 | 984,327 | (37,830) | 957,945 |
| Benefits | 341,834 | 382,703 | (40,869) | 403,729 |
| Contractual services | 168,397 | 86,275 | 82,122 | 91,299 |
| Commodities | 16,230 | 17,101 | (871) | 18,012 |
| Total building and code enforcement | <u>1,472,958</u> | <u>1,470,406</u> | <u>2,552</u> | <u>1,470,985</u> |
| Planning and zoning | | | | |
| Salaries | 305,386 | 287,070 | 18,316 | 248,487 |
| Benefits | 104,344 | 89,328 | 15,016 | 88,021 |
| Contractual services | 136,749 | 56,776 | 79,973 | 56,553 |
| Commodities | 5,300 | 3,240 | 2,060 | 5,704 |
| Total planning and zoning | <u>551,779</u> | <u>436,414</u> | <u>115,365</u> | <u>398,765</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|------------------|-------------------------------|------------------|
| Human resources | | | | |
| Salaries | \$ 293,171 | \$ 307,802 | \$ (14,631) | \$ 249,378 |
| Benefits | 89,199 | 89,838 | (639) | 80,180 |
| Contractual services | 131,312 | 401,042 | (269,730) | 384,021 |
| Commodities | 14,250 | 18,529 | (4,279) | 16,899 |
| Capital outlay | - | - | - | 5,400 |
| Total human resources | <u>527,932</u> | <u>817,211</u> | <u>(289,279)</u> | <u>735,878</u> |
| Health and Human Services | | | | |
| Salaries | 165,285 | 159,540 | 5,745 | 173,358 |
| Benefits | 62,766 | 68,041 | (5,275) | 63,402 |
| Contractual services | 496,857 | 240,282 | 256,575 | 240,946 |
| Commodities | 31,750 | 16,854 | 14,896 | 22,425 |
| Capital outlay | - | 611 | (611) | 1,476 |
| Total Health and Human Services | <u>756,658</u> | <u>485,328</u> | <u>271,330</u> | <u>501,607</u> |
| Geographic information systems (GIS) | | | | |
| Contractual services | 250,350 | 228,733 | 21,617 | - |
| Commodities | 1,500 | 1,392 | 108 | - |
| Capital outlay | 16,650 | 15,191 | 1,459 | - |
| Total Geographic information systems (GIS) | <u>268,500</u> | <u>245,316</u> | <u>565,844</u> | <u>501,607</u> |
| Total general government | <u>7,273,439</u> | <u>7,139,666</u> | <u>405,103</u> | <u>6,853,317</u> |
| PUBLIC SAFETY | | | | |
| Police department - administration | | | | |
| Salaries | 580,576 | 530,086 | 50,490 | 528,620 |
| Benefits | 206,405 | 236,518 | (30,113) | 200,681 |
| Contractual services | 19,428 | 18,648 | 780 | 18,074 |
| Commodities | 9,000 | 13,332 | (4,332) | 15,469 |
| Total police department - administration | <u>815,409</u> | <u>798,584</u> | <u>16,825</u> | <u>762,844</u> |
| Police department - uniformed patrol | | | | |
| Salaries | 5,612,370 | 5,345,393 | 266,977 | 6,076,758 |
| Benefits | 2,774,051 | 2,616,501 | 157,550 | 2,921,182 |
| Contractual services | 217,508 | 189,049 | 28,459 | 176,429 |
| Commodities | 44,218 | 79,577 | (35,359) | 151,677 |
| Capital outlay | 59,000 | 45,842 | 13,158 | 15,228 |
| Total police department - uniformed patrol | <u>8,707,147</u> | <u>8,276,362</u> | <u>430,785</u> | <u>9,341,274</u> |
| Police department - criminal investigation | | | | |
| Salaries | 2,017,168 | 1,777,232 | 239,936 | 2,209,945 |
| Benefits | 928,016 | 926,120 | 1,896 | 958,603 |
| Contractual services | 99,537 | 93,978 | 5,559 | 95,035 |
| Commodities | 5,773 | 15,527 | (9,754) | 17,422 |
| Total police department - criminal investigation | <u>3,050,494</u> | <u>2,812,857</u> | <u>237,637</u> | <u>3,281,005</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|-------------------|---------------------------------------|------------------------|
| Police department - supporting services | | | | |
| Salaries | \$ 1,801,614 | \$ 1,917,304 | \$ (115,690) | \$ 1,864,161 |
| Benefits | 845,441 | 872,647 | (27,206) | 842,745 |
| Contractual services | 593,426 | 374,347 | 219,079 | 522,558 |
| Commodities | 174,608 | 227,098 | (52,490) | 155,991 |
| Capital outlay | <u>-</u> | <u>-</u> | <u>-</u> | <u>23,268</u> |
| Total police department - supporting services | <u>3,415,089</u> | <u>3,391,396</u> | <u>23,693</u> | <u>3,408,723</u> |
| Fire department - administration | | | | |
| Salaries | 617,814 | 570,165 | 47,649 | 488,277 |
| Benefits | 249,818 | 317,956 | (68,138) | 265,819 |
| Contractual services | 44,922 | 44,306 | 616 | 32,330 |
| Commodities | <u>8,050</u> | <u>9,776</u> | <u>(1,726)</u> | <u>10,495</u> |
| Total fire department - administration | <u>920,604</u> | <u>942,203</u> | <u>(21,599)</u> | <u>796,921</u> |
| Fire department - emergency services | | | | |
| Salaries | 7,526,237 | 7,695,135 | (168,898) | 7,429,265 |
| Benefits | 3,857,114 | 3,789,286 | 67,828 | 3,785,732 |
| Contractual services | 381,417 | 357,074 | 24,343 | 305,814 |
| Commodities | <u>151,300</u> | <u>186,418</u> | <u>(35,118)</u> | <u>163,835</u> |
| Total fire department - emergency services | <u>11,916,068</u> | <u>12,027,913</u> | <u>(111,845)</u> | <u>11,684,646</u> |
| Fire department - fire prevention | | | | |
| Salaries | 383,740 | 391,461 | (7,721) | 239,412 |
| Benefits | 190,786 | 178,173 | 12,613 | 183,798 |
| Contractual services | 24,349 | 19,219 | 5,130 | 13,732 |
| Commodities | <u>9,100</u> | <u>8,807</u> | <u>293</u> | <u>6,763</u> |
| Total fire department - fire prevention | <u>607,975</u> | <u>597,660</u> | <u>10,315</u> | <u>443,705</u> |
| Emergency Management Agency | | | | |
| Salaries | 9,048 | 9,084 | (36) | 8,756 |
| Benefits | 721 | 734 | (13) | 695 |
| Contractual services | 27,665 | 30,156 | (2,491) | 31,756 |
| Commodities | <u>11,890</u> | <u>12,859</u> | <u>(969)</u> | <u>11,929</u> |
| Total emergency management agency | <u>49,324</u> | <u>52,833</u> | <u>(3,509)</u> | <u>53,136</u> |
| Board of police and fire commission | | | | |
| Contractual services | 90,010 | 124,301 | (34,291) | 70,452 |
| Commodities | 4,500 | 1,986 | 2,514 | 2,992 |
| Capital outlay | <u>2,000</u> | <u>-</u> | <u>2,000</u> | <u>-</u> |
| Total board of police and fire commission | <u>96,510</u> | <u>126,287</u> | <u>(29,777)</u> | <u>73,444</u> |
| Emergency Communications | | | | |
| Contractual services | <u>1,361,867</u> | <u>1,361,867</u> | <u>-</u> | <u>1,196,687</u> |
| Total emergency communications | <u>1,361,867</u> | <u>1,361,867</u> | <u>-</u> | <u>1,196,687</u> |
| Total Public Safety | <u>30,940,487</u> | <u>30,387,962</u> | <u>552,525</u> | <u>31,042,385</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|------------------|-------------------------------|------------------|
| PUBLIC WORKS | | | | |
| Building and grounds | | | | |
| Salaries | \$ 315,017 | \$ 257,061 | \$ 57,956 | \$ 213,991 |
| Benefits | 115,055 | 111,330 | 3,725 | 85,795 |
| Contractual services | 194,509 | 229,192 | (34,683) | 187,014 |
| Commodities | 217,800 | 209,874 | 7,926 | 124,252 |
| Capital outlay | <u>125,000</u> | <u>23,822</u> | <u>101,178</u> | <u>20,254</u> |
| Total building and grounds | <u>967,381</u> | <u>831,279</u> | <u>136,102</u> | <u>631,306</u> |
| Sewer department | | | | |
| Salaries | 659,671 | 846,348 | (186,677) | 622,959 |
| Benefits | 348,452 | 363,002 | (14,550) | 309,989 |
| Contractual services | 89,130 | 98,704 | (9,574) | 50,349 |
| Commodities | 101,225 | 97,338 | 3,887 | 69,324 |
| Capital outlay | <u>47,000</u> | <u>43,312</u> | <u>3,688</u> | <u>-</u> |
| Total sewer department | <u>1,245,478</u> | <u>1,448,704</u> | <u>(203,226)</u> | <u>1,052,621</u> |
| Vehicle maintenance division | | | | |
| Salaries | 455,875 | 433,935 | 21,940 | 390,488 |
| Benefits | 170,545 | 189,574 | (19,029) | 175,124 |
| Contractual services | 124,059 | 77,930 | 46,129 | 106,892 |
| Commodities | 663,100 | 700,635 | (37,535) | 591,054 |
| Capital outlay | <u>9,000</u> | <u>8,979</u> | <u>21</u> | <u>-</u> |
| Total vehicle maintenance division | <u>1,422,579</u> | <u>1,411,053</u> | <u>11,526</u> | <u>1,263,558</u> |
| Public works administration | | | | |
| Salaries | 106,948 | 88,156 | 18,792 | 56,780 |
| Benefits | 73,020 | 76,052 | (3,032) | 62,902 |
| Contractual services | 9,447 | 6,618 | 2,829 | 14,784 |
| Commodities | 9,405 | 4,326 | 5,079 | 6,078 |
| Capital outlay | <u>25,000</u> | <u>18,179</u> | <u>6,821</u> | <u>18,000</u> |
| Total public works administration | <u>223,820</u> | <u>193,331</u> | <u>30,489</u> | <u>158,544</u> |
| Environmental services | | | | |
| Salaries | 65,675 | 33,437 | 32,238 | 57,878 |
| Benefits | 11,546 | 7,076 | 4,470 | 10,745 |
| Contractual services - refuse contract | 3,300,000 | 3,329,931 | (29,931) | 2,695,890 |
| Contractual services | 22,067 | 21,717 | 350 | 18,408 |
| Commodities | <u>50,700</u> | <u>19,682</u> | <u>31,018</u> | <u>36,925</u> |
| Total Environmental services | <u>3,449,988</u> | <u>3,411,843</u> | <u>38,145</u> | <u>2,819,846</u> |
| Total Public works | <u>7,309,246</u> | <u>7,296,210</u> | <u>13,036</u> | <u>5,925,875</u> |
| STREETS AND HIGHWAYS | | | | |
| Engineering department | | | | |
| Salaries | 661,376 | 573,245 | 88,131 | 668,713 |
| Benefits | 201,833 | 212,841 | (11,008) | 202,777 |
| Contractual services | 32,683 | 178,004 | (145,321) | 106,342 |
| Commodities | <u>9,490</u> | <u>9,225</u> | <u>265</u> | <u>9,901</u> |
| Total engineering department | <u>905,382</u> | <u>973,315</u> | <u>(67,933)</u> | <u>987,733</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|--|--------------------------------------|---------------------|---------------------------------------|------------------------|
| Street department | | | | |
| Salaries | \$ 993,635 | \$ 1,066,100 | \$ (72,465) | \$ 890,161 |
| Benefits | 417,758 | 471,145 | (53,387) | 419,498 |
| Contractual services | 143,429 | 117,615 | 25,814 | 57,873 |
| Commodities | 73,710 | 59,214 | 14,496 | 32,210 |
| Capital outlay | <u>16,000</u> | <u>13,952</u> | <u>2,048</u> | <u>-</u> |
| Total street department | <u>1,644,532</u> | <u>1,728,026</u> | <u>(83,494)</u> | <u>1,399,742</u> |
| Street special services | | | | |
| Salaries | 1,178,973 | 1,233,103 | (54,130) | 1,107,340 |
| Benefits | 553,510 | 591,556 | (38,046) | 561,261 |
| Contractual services | 457,100 | 446,831 | 10,269 | 329,126 |
| Commodities | 266,080 | 300,649 | (34,569) | 204,403 |
| Capital outlay | <u>30,500</u> | <u>28,520</u> | <u>1,980</u> | <u>-</u> |
| Total street special services | <u>2,486,163</u> | <u>2,600,659</u> | <u>(114,496)</u> | <u>2,202,130</u> |
| Total Streets and highways | <u>5,036,077</u> | <u>5,302,000</u> | <u>(265,923)</u> | <u>4,589,605</u> |
| ECONOMIC DEVELOPMENT | | | | |
| Economic development | | | | |
| Salaries | 100,880 | 114,981 | (14,101) | 82,799 |
| Benefits | 35,021 | 36,214 | (1,193) | 30,446 |
| Contractual services | 815,206 | 538,490 | 276,716 | 700,238 |
| Commodities | <u>6,275</u> | <u>2,645</u> | <u>3,630</u> | <u>2,851</u> |
| Total economic development | <u>957,382</u> | <u>692,330</u> | <u>265,052</u> | <u>816,334</u> |
| Total Economic Development | <u>957,382</u> | <u>692,330</u> | <u>265,052</u> | <u>816,334</u> |
| Total Expenditures | <u>51,516,631</u> | <u>50,818,168</u> | <u>969,793</u> | <u>49,227,516</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,338,372</u> | <u>1,874,054</u> | <u>807,012</u> | <u>(348,301)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 180,000 | 180,000 | - | 2,020,000 |
| Transfer out | <u>(1,575,000)</u> | <u>(1,575,000)</u> | <u>-</u> | <u>(1,415,000)</u> |
| Total Other Financing Sources (Uses) | <u>(1,395,000)</u> | <u>(1,395,000)</u> | <u>-</u> | <u>605,000</u> |
| Net Change in Fund Balance | <u>\$ (56,628)</u> | 479,054 | <u>\$ 807,012</u> | 256,699 |
| FUND BALANCE - Beginning of Year (as restated) | | <u>7,477,768</u> | | <u>7,221,069</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 7,956,822</u> | | <u>\$ 7,477,768</u> |

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TIF #1 (DOWNTOWN)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|---------------------|-------------------------------|---------------------|
| REVENUES | | | | |
| Property taxes | \$ 6,501,265 | \$ 4,643,501 | \$ (1,857,764) | \$ 4,162,752 |
| Investment income | 100,000 | 178,783 | 78,783 | 49,078 |
| Miscellaneous | 8,265 | 7,592 | (673) | 28,270 |
| Total Revenues | <u>6,609,530</u> | <u>4,829,876</u> | <u>(1,779,654)</u> | <u>4,240,100</u> |
| EXPENDITURES | | | | |
| ECONOMIC DEVELOPMENT | | | | |
| Salaries | 14,964 | - | 14,964 | - |
| Benefits | 6,056 | - | 6,056 | - |
| Contractual services | 743,106 | 261,602 | 481,504 | 473,080 |
| Commodities | 136,575 | 5,571 | 131,004 | 45,741 |
| Capital outlay | 1,515,000 | 296,790 | 1,218,210 | 671,595 |
| Total Economic Development | <u>2,415,701</u> | <u>563,963</u> | <u>1,851,738</u> | <u>1,190,416</u> |
| DEBT SERVICE | | | | |
| Principal | 1,933,555 | 1,936,097 | (2,542) | 1,759,047 |
| Interest and fiscal charges | 983,477 | 976,945 | 6,532 | 1,180,931 |
| Paying agent fees | 4,500 | 2,424 | 2,076 | 2,069 |
| Total Debt Service | <u>2,921,532</u> | <u>2,915,466</u> | <u>6,066</u> | <u>2,942,047</u> |
| Total Expenditures | <u>5,337,233</u> | <u>3,479,429</u> | <u>1,857,804</u> | <u>4,132,463</u> |
| Excess of revenues over expenditures | <u>1,272,297</u> | <u>1,350,447</u> | <u>78,150</u> | <u>107,637</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | - | - | - | 97,382 |
| Total Other Financing Sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>97,382</u> |
| Net Change in Fund Balance | <u>\$ 1,272,297</u> | <u>1,350,447</u> | <u>\$ 78,150</u> | <u>205,019</u> |
| FUND BALANCE - Beginning of Year | | <u>1,513,018</u> | | <u>1,307,999</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 2,863,465</u> | | <u>\$ 1,513,018</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TIF #6 (MANNHEIM/HIGGINS)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|-----------------------|-------------------------------|---------------------|
| REVENUES | | | | |
| Property taxes | \$ 450,000 | \$ 37,143 | \$ (412,857) | \$ 112,183 |
| Investment income | 61,500 | 25,957 | (35,543) | 245,287 |
| Miscellaneous | - | - | - | 26,029 |
| Total Revenues | <u>511,500</u> | <u>63,100</u> | <u>(448,400)</u> | <u>383,499</u> |
| EXPENDITURES | | | | |
| ECONOMIC DEVELOPMENT | | | | |
| Salaries | 14,964 | - | 14,964 | - |
| Benefits | 6,056 | - | 6,056 | - |
| Contractual services | 921,794 | 256,489 | 665,305 | 135,604 |
| Commodities | 250 | 146 | 104 | 190 |
| Capital outlay | <u>7,500,000</u> | <u>8,426,161</u> | <u>(926,161)</u> | <u>23,617</u> |
| Total Economic Development | <u>8,443,064</u> | <u>8,682,796</u> | <u>(239,732)</u> | <u>159,411</u> |
| DEBT SERVICE | | | | |
| Principal | 355,000 | 355,000 | - | 320,000 |
| Interest and fiscal charges | 524,066 | 524,066 | - | 539,667 |
| Paying agent fees | <u>1,500</u> | <u>882</u> | <u>618</u> | <u>903</u> |
| Total Debt Service | <u>880,566</u> | <u>879,948</u> | <u>618</u> | <u>860,570</u> |
| Total Expenditures | <u>9,323,630</u> | <u>9,562,744</u> | <u>(239,114)</u> | <u>1,019,981</u> |
| (Deficiency) of revenues (under) expenditures | <u>(8,812,130)</u> | <u>(9,499,644)</u> | <u>(687,514)</u> | <u>(636,482)</u> |
| OTHER FINANCING SOURCES | | | | |
| Proceeds from sale of capital assets | <u>8,800,000</u> | - | <u>(8,800,000)</u> | <u>713,394</u> |
| Total Other Financing Sources | <u>8,800,000</u> | - | <u>(8,800,000)</u> | <u>713,394</u> |
| Net Change in Fund Balance | <u>\$ (12,130)</u> | (9,499,644) | <u>\$ (9,487,514)</u> | 76,912 |
| FUND BALANCE - Beginning of Year | | <u>5,205,715</u> | | <u>5,128,803</u> |
| FUND BALANCE (DEFICIT) - END OF YEAR | | <u>\$ (4,293,929)</u> | | <u>\$ 5,205,715</u> |

CITY OF DES PLAINES

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS December 31, 2007

| Actuarial Valuation Date | Cost (ARC) | Percentage of ARC Contributed | Net Pension Obligation |
|--------------------------------|--------------|-------------------------------------|---------------------------|
| 12/31/06 | \$ 1,720,554 | 100.00% | \$ - |
| 12/31/05 | 1,531,255 | 100.00% | - |
| 12/31/04 | 1,062,203 | 100.00% | - |
| 12/31/03 | 660,768 | 100.00% | - |
| 12/31/02 | 669,303 | 100.00% | - |
| 12/31/01 | 916,368 | 100.00% | - |

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) Entry Age | Unfunded AAL (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|--------------------------------|---------------------------------|---|------------------------|-----------------|--------------------|--|
| 12/31/06 | \$ 39,113,543 | \$42,269,133 | \$ 3,155,590 | 92.53% | \$16,262,330 | 19.40% |
| 12/31/05 | 34,076,789 | 38,087,983 | 4,011,194 | 89.47% | 15,327,878 | 26.17% |
| 12/31/04 | 30,880,239 | 34,128,883 | 3,248,644 | 90.48% | 14,143,845 | 22.97% |
| 12/31/03 | 28,629,823 | 30,271,291 | 1,641,468 | 94.58% | 13,457,606 | 12.20% |
| 12/31/02 | 30,743,569 | 29,146,380 | (1,597,189) | 105.48% | 12,533,760 | -% |
| 12/31/01 | 30,307,949 | 26,246,688 | (4,061,261) | 115.47% | 11,688,366 | -% |

Digest of Changes

Assumptions

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

SLEP Member contribution rate changed from 6.50% to 7.50% effective June 1, 2006.

The principal changes were:

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

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Actuarial assumptions:

Investment rate of return

Projected salary increases

Inflation factor

Cost of living adjustments

Entry Age normal

Level percentage of payroll,
closed

26 years

Market

7.50%

0.4%-11.6%

4.00%

3.00%

See accompanying notes to required supplementary information.

CITY OF DES PLAINES

POLICE PENSION FUND SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS December 31, 2007

| <u>Actuarial Valuation Date</u> | <u>Cost (ARC)</u> | <u>Percentage of ARC Contributed</u> | <u>Net Pension Obligation</u> |
|---|-------------------|--|-----------------------------------|
| 12/31/2006 | \$ 2,043,720 | 130.90% | \$ (322,134) |
| 12/31/2005 | 1,990,342 | 76.50% | 308,740 |
| 12/31/2004 | 1,940,286 | 98.90% | (158,366) |

| <u>Actuarial Valuation Date</u> | <u>Actuarial Value of Assets</u> | <u>Actuarial Accrued Liability (AAL) Entry Age</u> | <u>Unfunded AAL (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>UAAL as a Percentage of Covered Payroll</u> |
|---|--|--|--------------------------------|-------------------------|----------------------------|--|
| 12/31/2006 | \$48,022,254 | \$78,672,617 | \$30,650,363 | 61.04% | \$ 7,557,675 | 405.55% |
| 12/31/2005 | 44,382,067 | 73,847,519 | 29,465,452 | 60.10% | 7,207,624 | 408.81% |
| 12/31/2004 | 43,862,450 | 70,868,076 | 27,005,626 | 61.89% | 7,022,866 | 384.54% |
| 12/31/2003 | 40,868,983 | 67,425,823 | 26,556,840 | 60.61% | 6,800,204 | 390.53% |
| 12/31/2002 | 37,520,995 | 63,797,717 | 26,276,722 | 58.81% | 6,763,463 | 388.51% |
| 12/31/2001 | 38,982,223 | 58,833,253 | 19,851,030 | 66.26% | 6,016,545 | 329.94% |

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

| | |
|-------------------------------|---------------------------------|
| Valuation date | 12/31/2006 |
| Actuarial cost method | Entry Age normal |
| Amortization method | Level percentage of pay, closed |
| Remaining amortization period | 27 years |
| Asset valuation method | Market |
| Actuarial assumptions: | |
| Investment rate of return | 8.00% |
| Projected salary increases | 5.00% |
| Inflation factor | 3.00% |
| Cost of living adjustments | 3.00% |

CITY OF DES PLAINES

FIREFIGHTERS' PENSION FUND
 SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
 December 31, 2007

| <u>Actuarial Valuation Date</u> | <u>Cost (ARC)</u> | <u>Percentage of ARC Contributed</u> | <u>Net Pension Obligation</u> |
|---------------------------------|-------------------|--------------------------------------|-------------------------------|
| 12/31/2006 | \$ 1,646,374 | 131.30% | \$ (432,239) |
| 12/31/2005 | 1,611,648 | 87.00% | 82,983 |
| 12/31/2004 | 1,822,440 | 98.60% | (126,909) |

| <u>Actuarial Valuation Date</u> | <u>Actuarial Value of Assets</u> | <u>Actuarial Accrued Liability (AAL) Entry Age</u> | <u>Unfunded AAL (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>UAAL as a Percentage of Covered Payroll</u> |
|---------------------------------|----------------------------------|--|----------------------------|---------------------|------------------------|--|
| 12/31/2006 | \$54,319,622 | \$73,350,611 | \$19,030,989 | 74.05% | \$ 7,152,419 | 266.08% |
| 12/31/2005 | 50,461,289 | 69,565,319 | 19,104,030 | 72.54% | 6,858,908 | 278.53% |
| 12/31/2004 | 48,986,021 | 66,146,715 | 17,160,694 | 74.06% | 6,510,190 | 263.60% |
| 12/31/2003 | 45,980,684 | 62,187,836 | 16,207,152 | 73.94% | 6,247,391 | 259.42% |
| 12/31/2002 | 37,583,230 | 58,546,245 | 20,963,015 | 64.19% | 6,223,364 | 336.84% |
| 12/31/2001 | 43,694,100 | 55,338,083 | 11,643,983 | 78.96% | 5,953,700 | 195.58% |

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

| | |
|-------------------------------|---------------------------------|
| Valuation date | 12/31/2006 |
| Actuarial cost method | Entry Age normal |
| Amortization method | Level percentage of pay, closed |
| Remaining amortization period | 27 years |
| Asset valuation method | Market |
| Actuarial assumptions: | |
| Investment rate of return | 8.00% |
| Projected salary increases | 5.00% |
| Inflation factor | 3.00% |
| Cost of living adjustments | 3.00% |

CITY OF DES PLAINES

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2007

Excess expenditures and other financing uses over appropriations are as follows:

| | <u>Original and Budget</u> | <u>Expenditures and Other Financing Uses</u> | <u>Excess</u> |
|--------------------------------|--------------------------------|--|---------------|
| TIF #6 (Mannheim/Higgins) Fund | \$ 9,323,630 | \$ 9,562,744 | \$ 239,114 |

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SUPPLEMENTARY INFORMATION

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CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|---------------------|-------------------------------|---------------------|
| REVENUES | | | | |
| Property taxes | \$ 31,763 | \$ 26,857 | \$ (4,906) | \$ 30,013 |
| Home-rule option sales tax - general | 2,675,000 | 2,867,964 | 192,964 | 2,788,262 |
| Home-rule option sales tax - library debt service | 1,300,000 | 1,433,982 | 133,982 | 1,393,465 |
| Local use | 900,000 | 890,466 | (9,534) | 856,108 |
| Intergovernmental | 2,769,044 | 522,585 | (2,246,459) | 218,807 |
| Storm sewers | 1,800,000 | 1,752,532 | (47,468) | 1,717,115 |
| Investment income | 200,000 | 197,030 | (2,970) | 432,853 |
| Miscellaneous | 2,500 | 9,608 | 7,108 | 900 |
| Total Revenues | <u>9,678,307</u> | <u>7,701,024</u> | <u>(1,977,283)</u> | <u>7,437,523</u> |
| EXPENDITURES | | | | |
| STREETS AND HIGHWAYS | | | | |
| Salaries | 233,135 | 265,390 | (32,255) | 228,836 |
| Benefits | 85,981 | 92,761 | (6,780) | 91,642 |
| Contractual services | 882,065 | 272,474 | 609,591 | 616,959 |
| Commodities | 100,750 | 14,486 | 86,264 | 102,989 |
| Capital outlay | 4,490,000 | 3,883,747 | 606,253 | 5,954,025 |
| Total Streets and highways | <u>5,791,931</u> | <u>4,528,858</u> | <u>1,263,073</u> | <u>6,994,451</u> |
| DEBT SERVICE | | | | |
| Principal | 2,590,000 | 2,590,000 | - | 2,350,000 |
| Interest and fiscal charges | 1,595,892 | 1,478,370 | 117,522 | 1,824,680 |
| Paying agent fees | 5,000 | 2,499 | 2,501 | 2,439 |
| Total Debt service | <u>4,190,892</u> | <u>4,070,869</u> | <u>120,023</u> | <u>4,177,119</u> |
| Total Expenditures | <u>9,982,823</u> | <u>8,599,727</u> | <u>1,383,096</u> | <u>11,171,570</u> |
| (Deficiency) of revenues (under) expenditures | <u>(304,516)</u> | <u>(898,703)</u> | <u>(594,187)</u> | <u>(3,734,047)</u> |
| OTHER FINANCING (USES) | | | | |
| Transfer out | (180,000) | (180,000) | - | (120,000) |
| Total Other Financing (Uses) | <u>(180,000)</u> | <u>(180,000)</u> | <u>-</u> | <u>(120,000)</u> |
| Net Change in Fund Balance | <u>\$ (484,516)</u> | <u>(1,078,703)</u> | <u>\$ (594,187)</u> | <u>(3,854,047)</u> |
| FUND BALANCE - Beginning of Year | | <u>3,129,497</u> | | <u>6,983,544</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 2,050,794</u> | | <u>\$ 3,129,497</u> |

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

Nonmajor Governmental Funds

Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes.

- Motor Fuel Tax Fund – to account for the City's share of state gasoline taxes. All projects require the advance approval of the Illinois Department of Transportation.
- Community Development Block Grant Fund – to account for the disbursement of the Federal Community Block Grant. Financing is provided by the Federal Government.
- Asset Seizure Fund – to account for the monies received from the federal, state, and county related to the seizure of assets by the Des Plaines Police Department.
- Foreign Fire Insurance Tax Fund – to account for monies received from the foreign fire insurance tax, and disbursements by the Foreign Fire Insurance Tax Board.
- City's downtown tax increment financing district.
- TIF Tax Allocation #3 Fund – to account for revenues and expenditures related to the tax increment finance district located near Wille Road.
- TIF Tax Allocation #4 Fund – to account for revenues and expenditures related to the tax increment finance district located near Five Corners.
- TIF Tax Allocation #5 Fund – to account for revenues and expenditures related to the tax increment finance district located near Lee and Perry Streets in downtown Des Plaines

Debt Service Funds are governmental funds used to account for the accumulation of resources and the payment of general long-term debt principal, interest, and related costs.

- 1996 General Corporate Purpose Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$9,500,000, with interest rates from 4.00% to 5.05%. These are serial bonds due in annual installments of \$400,000 to \$1,305,000 plus interest beginning December 1, 1997 until maturity in 2008. Proceeds were used to refund several previous bonds.
- 2001 General Corporate Purpose Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$770,000, with interest rates from 4.00% to 5.00%. These are serial bonds due in annual installments of \$45,000 to \$95,000 plus interest beginning December 1, 2002 until maturity in 2011. Proceeds were used for payment of a lawsuit settlement.
- 2001B General Corporate Purpose Bonds Fund – to accumulate monies for payment of this bond, issued in the amount of \$1,425,000, with interest rates from 3.50% to 5.00%. These are serial bonds due in annual installments of \$50,000 to \$105,000 plus interest beginning December 1, 2002 until maturity in 2021. Proceeds were used for purchasing land for a new fire station headquarters building.

Nonmajor Governmental Funds (Continued)

- 2002A Refunding Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$4,800,000, with interest rates from 2.00% and 4.50%. These are serial bonds due in annual installments of \$140,000 to \$1,000,000 plus interest beginning in December 1, 2002 until maturity in 2011. Proceeds were used to refund a portion of the 1993 bond issue.
- 2003A General Corporate Purpose Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$7,835,000, with interest rates from 2.50% and 4.50%. These are serial bonds due in annual installment of \$245,000 to \$585,000 plus interest beginning December 1, 2004 until maturity in 2021. Proceeds were used to finance additional costs for the proposed new south side fire station and land acquisition and infrastructure improvement within tax increment financing districts number one, three, five, and six.
- 2003B Refunding Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$2,355,000, with interest rates from 2.00% and 2.60%. These are serial bonds due in annual installments of \$15,000 to \$615,000 plus interest beginning December 1, 2003 until maturity in 2008. Proceeds were used to refund a portion of the 1993 bond issue.
- 2007A Refunding Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$6,065,000, with interest rate 3.80%. These are serial bonds due in annual installments of \$45,000 to \$700,000 plus interest beginning in December 1, 2008 until maturity in 2020. Proceeds were used to refund a portion of the 2000 and 2001 bond issues.
- 2007B Refunding Bonds Fund – to accumulate monies for payment of the bond, issued in the amount of \$1,660,000, with interest rate 3.80%. These are serial bonds due in annual installments of \$85,000 to \$150,000 plus interest beginning in December 1, 2008 until maturity in 2020. Proceeds were used to refund a portion of the 2001B bond issue.

Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- Building Replacement Fund – to account for major additions, renovations or new construction of City buildings.
- General Equipment Fund – to account for the acquisition of major capital equipment (rolling stock).
- Computer Replacement Fund – to account for the replacement of the City's computer and copier equipment.

CITY OF DES PLAINES

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2007

| | Special Revenue Funds | | | |
|--|-----------------------|---|---------------------|-------------------------------|
| | Motor Fuel Tax | Community Development Block Grant | Asset Seizure | Foreign Fire Insurance Tax |
| ASSETS | | | | |
| Cash and investments | \$ 259,295 | \$ 211,415 | \$ 1,461,343 | \$ 288,893 |
| Receivables (net) | | | | |
| Property taxes | - | - | - | - |
| Accrued interest | - | - | 5,938 | - |
| Receivables - other | - | - | 24,012 | - |
| Due from other governments | <u>136,511</u> | <u>33,573</u> | <u>-</u> | <u>-</u> |
| TOTAL ASSETS | <u>\$ 395,806</u> | <u>\$ 244,988</u> | <u>\$ 1,491,293</u> | <u>\$ 288,893</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | 148,493 | 26,498 | 24,874 | - |
| Accrued liabilities | - | 1,288 | - | - |
| Deferred revenues | - | 48,401 | - | - |
| Due to other funds | - | 297 | - | - |
| Deposits payable | - | - | 23,394 | - |
| Total Liabilities | <u>148,493</u> | <u>76,484</u> | <u>48,268</u> | <u>-</u> |
| Fund Balances | | | | |
| Reserved | | | | |
| Reserved for public safety | - | - | 1,443,025 | 288,893 |
| Reserved for economic development | - | 168,504 | - | - |
| Reserved for debt service | - | - | - | - |
| Unreserved, undesignated reported in | | | | |
| Special revenue funds undesignated | 247,313 | - | - | - |
| Capital projects funds undesignated | - | - | - | - |
| Total Fund Balances | <u>247,313</u> | <u>168,504</u> | <u>1,443,025</u> | <u>288,893</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 395,806</u> | <u>\$ 244,988</u> | <u>\$ 1,491,293</u> | <u>\$ 288,893</u> |

| Special Revenue Funds | | | Debt Service Funds | | | |
|-----------------------|-----------------------|--------------------|--------------------|------------------------|----------------------|--------------------------------|
| TIF #3 (Wille Road) | TIF #4 (Five Corners) | TIF #5 (Perry/Lee) | 1996A | 2001 (Risk Management) | 2001B (Fire Station) | 2002A (Partial Refunding 1993) |
| \$ - | \$ - | \$ - | \$ 110,624 | \$ 13,027 | \$ 148 | \$ 111,603 |
| 297,582 | - | 130,669 | - | 104,726 | - | 594,213 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>\$ 297,582</u> | <u>\$ -</u> | <u>\$ 130,669</u> | <u>\$ 110,624</u> | <u>\$ 117,753</u> | <u>\$ 148</u> | <u>\$ 705,816</u> |
| - | 66,505 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 302,282 | - | 84,493 | - | 96,398 | - | 546,763 |
| 1,254,870 | 140,212 | 949,476 | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>1,557,152</u> | <u>206,717</u> | <u>1,033,969</u> | <u>-</u> | <u>96,398</u> | <u>-</u> | <u>546,763</u> |
| - | - | - | - | - | - | - |
| - | - | - | 110,624 | 21,355 | 148 | 159,053 |
| (1,259,570) | (206,717) | (903,300) | - | - | - | - |
| <u>(1,259,570)</u> | <u>(206,717)</u> | <u>(903,300)</u> | <u>110,624</u> | <u>21,355</u> | <u>148</u> | <u>159,053</u> |
| <u>\$ 297,582</u> | <u>\$ -</u> | <u>\$ 130,669</u> | <u>\$ 110,624</u> | <u>\$ 117,753</u> | <u>\$ 148</u> | <u>\$ 705,816</u> |

CITY OF DES PLAINES

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2007

| | Debt Service Funds | | | |
|--|----------------------|--------------------------------|---------------------------------|---------------------------------|
| | 2003A (Fire Station) | 2003B (Partial Refunding 1993) | 2007A (Partial Refunding 2001A) | 2007B (Partial Refunding 2001B) |
| ASSETS | | | | |
| Cash and investments | \$ 3,888 | \$ - | \$ 8,442 | \$ 32,711 |
| Receivables (net) | | | | |
| Property taxes | 111,004 | 441,769 | 3,800 | 123,273 |
| Accrued interest | - | - | - | - |
| Receivables - other | - | - | - | - |
| Due from other governments | - | - | - | - |
| TOTAL ASSETS | <u>\$ 114,892</u> | <u>\$ 441,769</u> | <u>\$ 12,242</u> | <u>\$ 155,984</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | - | - | 2,355 | 645 |
| Accrued liabilities | - | - | - | - |
| Deferred revenues | 102,250 | 404,772 | 3,800 | 113,700 |
| Due to other funds | - | 4,024 | - | - |
| Deposits payable | - | - | - | - |
| Total Liabilities | <u>102,250</u> | <u>408,796</u> | <u>6,155</u> | <u>114,345</u> |
| Fund Balances | | | | |
| Reserved | | | | |
| Reserved for public safety | - | - | - | - |
| Reserved for economic development | - | - | - | - |
| Reserved for debt service | 12,642 | 32,973 | 6,087 | 41,639 |
| Unreserved, undesignated reported in | | | | |
| Special revenue funds undesignated | - | - | - | - |
| Capital projects funds undesignated | - | - | - | - |
| Total Fund Balances | <u>12,642</u> | <u>32,973</u> | <u>6,087</u> | <u>41,639</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 114,892</u> | <u>\$ 441,769</u> | <u>\$ 12,242</u> | <u>\$ 155,984</u> |

| <u>Capital Projects Funds</u> | | | |
|-------------------------------|------------------------------|-----------------------------|--|
| <u>Building Replacement</u> | <u>Equipment Replacement</u> | <u>Computer Replacement</u> | <u>Total Nonmajor Governmental Funds</u> |
| \$ 1,152,122 | \$ 1,895,584 | \$ 60,991 | \$ 5,610,086 |
| - | - | - | 1,807,036 |
| - | - | - | 5,938 |
| - | - | - | 24,012 |
| - | 26,950 | - | 197,034 |
| <u>\$ 1,152,122</u> | <u>\$ 1,922,534</u> | <u>\$ 60,991</u> | <u>\$ 7,644,106</u> |
| 106,095 | 628,333 | 27,019 | 1,030,817 |
| - | - | - | 1,288 |
| - | - | - | 1,702,859 |
| - | - | - | 2,348,879 |
| - | - | - | 23,394 |
| <u>106,095</u> | <u>628,333</u> | <u>27,019</u> | <u>5,107,237</u> |
| - | - | - | 1,731,918 |
| - | - | - | 168,504 |
| - | - | - | 384,521 |
| - | - | - | (2,122,274) |
| <u>1,046,027</u> | <u>1,294,201</u> | <u>33,972</u> | <u>2,374,200</u> |
| <u>1,046,027</u> | <u>1,294,201</u> | <u>33,972</u> | <u>2,536,869</u> |
| <u>\$ 1,152,122</u> | <u>\$ 1,922,534</u> | <u>\$ 60,991</u> | <u>\$ 7,644,106</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2007

| | Special Revenue Funds | | | |
|---|-----------------------|---|---------------------|-------------------------------|
| | Motor Fuel Tax | Community Development Block Grant | Asset Seizure | Foreign Fire Insurance Tax |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 76,315 |
| Intergovernmental | 1,687,130 | 1,143,048 | - | - |
| Public charges for services | - | - | - | - |
| Fines, forfeitures and penalties | - | - | 446,337 | - |
| Investment income | 9,096 | 6,112 | 51,666 | 5,902 |
| Miscellaneous | 9,334 | - | 9,690 | - |
| Total Revenues | <u>1,705,560</u> | <u>1,149,160</u> | <u>507,693</u> | <u>82,217</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | 205,816 | - | - |
| Public safety | - | - | 248,467 | 27,428 |
| Streets and highways | 629,807 | - | - | - |
| Economic development | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Capital Outlay | 560,239 | 880,199 | 8,000 | 347 |
| Total Expenditures | <u>1,190,046</u> | <u>1,086,015</u> | <u>256,467</u> | <u>27,775</u> |
| Excess (deficiency) of revenues over expenditures | <u>515,514</u> | <u>63,145</u> | <u>251,226</u> | <u>54,442</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfer in | - | - | - | - |
| Transfer out | - | - | - | - |
| Debt issued | - | - | - | - |
| Proceeds of refunding debt | - | - | - | - |
| Transfer to escrow | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 515,514 | 63,145 | 251,226 | 54,442 |
| FUND BALANCES (DEFICIT) - Beginning of Year | <u>(268,201)</u> | <u>105,359</u> | <u>1,191,799</u> | <u>234,451</u> |
| FUND BALANCES (DEFICIT) - END OF YEAR | <u>\$ 247,313</u> | <u>\$ 168,504</u> | <u>\$ 1,443,025</u> | <u>\$ 288,893</u> |

| Special Revenue Funds | | | Debt Service Funds | | | |
|-----------------------|-----------------------|---------------------|--------------------|------------------------|----------------------|--------------------------------|
| TIF #3 (Wille Road) | TIF #4 (Five Corners) | TIF #5 (Perry/Lee) | 1996A | 2001 (Risk Management) | 2001B (Fire Station) | 2002A (Partial Refunding 1993) |
| \$ 283,109 | \$ - | \$ 80,469 | \$ - | \$ 98,911 | \$ 104,098 | \$ 568,115 |
| - | - | - | - | - | - | - |
| 10,850 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 946 | - | - | 1,707 | 243 | 366 | 880 |
| - | - | - | - | - | - | 15,307 |
| <u>294,905</u> | <u>-</u> | <u>80,469</u> | <u>1,707</u> | <u>99,154</u> | <u>104,464</u> | <u>584,302</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 24,386 | 74,201 | 2,548 | - | - | - | - |
| 235,000 | - | 70,000 | 76,244 | 80,000 | 60,000 | 500,000 |
| 710,547 | - | 52,895 | - | 16,852 | 28,051 | 171,785 |
| - | - | - | - | - | - | - |
| <u>969,933</u> | <u>74,201</u> | <u>125,443</u> | <u>76,244</u> | <u>96,852</u> | <u>88,051</u> | <u>671,785</u> |
| <u>(675,028)</u> | <u>(74,201)</u> | <u>(44,974)</u> | <u>(74,537)</u> | <u>2,302</u> | <u>16,413</u> | <u>(87,483)</u> |
| 2,292,098 | - | - | - | - | - | - |
| - | - | - | - | - | - | 92,515 |
| - | - | - | - | - | (35,143) | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>2,292,098</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(35,143)</u> | <u>92,515</u> |
| 1,617,070 | (74,201) | (44,974) | (74,537) | 2,302 | (18,730) | 5,032 |
| <u>(2,876,640)</u> | <u>(132,516)</u> | <u>(858,326)</u> | <u>185,161</u> | <u>19,053</u> | <u>18,878</u> | <u>154,021</u> |
| <u>\$ (1,259,570)</u> | <u>\$ (206,717)</u> | <u>\$ (903,300)</u> | <u>\$ 110,624</u> | <u>\$ 21,355</u> | <u>\$ 148</u> | <u>\$ 159,053</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2007

| | Debt Service Funds | | | |
|---|----------------------|--------------------------------|---------------------------------|---------------------------------|
| | 2003A (Fire Station) | 2003B (Partial Refunding 1993) | 2007A (Partial Refunding 2001A) | 2007B (Partial Refunding 2001B) |
| REVENUES | | | | |
| Taxes | \$ 103,965 | \$ 439,489 | \$ - | \$ 9,573 |
| Intergovernmental | - | - | - | - |
| Public charges for services | - | - | - | - |
| Fines, forfeitures and penalties | - | - | - | - |
| Investment income | 611 | 196 | 26 | 425 |
| Miscellaneous | - | 11,935 | - | - |
| Total Revenues | <u>104,576</u> | <u>451,620</u> | <u>26</u> | <u>9,998</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Streets and highways | - | - | - | - |
| Economic development | - | - | - | - |
| Debt Service | | | | |
| Principal | 60,000 | 500,000 | - | - |
| Interest and fiscal charges | 44,052 | 23,880 | 65,306 | 22,902 |
| Capital Outlay | - | - | - | - |
| Total Expenditures | <u>104,052</u> | <u>523,880</u> | <u>65,306</u> | <u>22,902</u> |
| Excess (deficiency) of revenues over expenditures | <u>524</u> | <u>(72,260)</u> | <u>(65,280)</u> | <u>(12,904)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfer in | - | 72,134 | - | 35,143 |
| Transfer out | - | - | - | - |
| Debt issued | - | - | - | - |
| Proceeds of refunding debt | - | - | 6,065,000 | 1,660,000 |
| Transfer to escrow | - | - | (5,993,633) | (1,640,600) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>72,134</u> | <u>71,367</u> | <u>54,543</u> |
| Net Change in Fund Balances | 524 | (126) | 6,087 | 41,639 |
| FUND BALANCES (DEFICIT) - Beginning of Year | <u>12,118</u> | <u>33,099</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICIT) - END OF YEAR | <u>\$ 12,642</u> | <u>\$ 32,973</u> | <u>\$ 6,087</u> | <u>\$ 41,639</u> |

| <u>Capital Projects Funds</u> | | | |
|-------------------------------|------------------------------|-----------------------------|--|
| <u>Building Replacement</u> | <u>Equipment Replacement</u> | <u>Computer Replacement</u> | <u>Total Nonmajor Governmental Funds</u> |
| \$ - | \$ - | \$ - | \$ 1,764,044 |
| 4,033 | 26,950 | - | 2,861,161 |
| - | - | - | 10,850 |
| - | - | - | 446,337 |
| 83,354 | 64,016 | 616 | 226,162 |
| - | - | - | 46,266 |
| <u>87,387</u> | <u>90,966</u> | <u>616</u> | <u>5,354,820</u> |
| 163,717 | - | 93,150 | 462,683 |
| - | - | - | 275,895 |
| - | - | - | 629,807 |
| - | - | - | 101,135 |
| - | 187,489 | - | 1,768,733 |
| - | 13,593 | - | 1,149,863 |
| <u>307,746</u> | <u>2,391,089</u> | <u>97,531</u> | <u>4,245,151</u> |
| <u>471,463</u> | <u>2,592,171</u> | <u>190,681</u> | <u>8,633,267</u> |
| <u>(384,076)</u> | <u>(2,501,205)</u> | <u>(190,065)</u> | <u>(3,278,447)</u> |
| - | 178,133 | - | 2,470,231 |
| 80,000 | 1,945,000 | 200,000 | 2,424,792 |
| - | - | - | (35,143) |
| - | 400,000 | - | 400,000 |
| - | - | - | 7,725,000 |
| - | - | - | (7,634,233) |
| <u>80,000</u> | <u>2,523,133</u> | <u>200,000</u> | <u>5,350,647</u> |
| (304,076) | 21,928 | 9,935 | 2,072,200 |
| <u>1,350,103</u> | <u>1,272,273</u> | <u>24,037</u> | <u>464,669</u> |
| <u>\$ 1,046,027</u> | <u>\$ 1,294,201</u> | <u>\$ 33,972</u> | <u>\$ 2,536,869</u> |

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CITY OF DES PLAINES

**DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX**
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|--------------|-------------------------------|----------------|
| REVENUES | | | | |
| Motor fuel tax | \$ 1,667,000 | \$ 1,687,130 | \$ 20,130 | \$ 1,527,438 |
| Investment income | 9,000 | 9,096 | 96 | 16,201 |
| Miscellaneous | - | 9,334 | 9,334 | - |
| Total Revenues | 1,676,000 | 1,705,560 | 29,560 | 1,543,639 |
| EXPENDITURES | | | | |
| STREETS AND HIGHWAYS | | | | |
| Contractual services | 378,000 | 340,326 | 37,674 | 82,688 |
| Commodities | 168,000 | 289,481 | (121,481) | 166,675 |
| Capital outlay | 1,122,000 | 560,239 | 561,761 | 1,854,896 |
| Total Streets and highways | 1,668,000 | 1,190,046 | 477,954 | 2,104,259 |
| Total Expenditures | 1,668,000 | 1,190,046 | 477,954 | 2,104,259 |
| Net Change in Fund Balance | \$ 8,000 | 515,514 | \$ 507,514 | (560,620) |
| FUND BALANCE (DEFICIT) - Beginning of Year | | (268,201) | | 292,419 |
| FUND BALANCE (DEFICIT) - END OF YEAR | | \$ 247,313 | | \$ (268,201) |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|-------------------|-------------------------------|-------------------|
| REVENUES | | | | |
| Grants from local governments - capital | \$ 1,328,769 | \$ 1,143,048 | \$ (185,721) | \$ 277,093 |
| Investment income | - | 6,112 | 6,112 | 4,256 |
| Miscellaneous | 25,000 | - | (25,000) | 37,388 |
| Total Revenues | <u>1,353,769</u> | <u>1,149,160</u> | <u>(204,609)</u> | <u>318,737</u> |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| Personnel | 61,159 | 41,410 | 19,749 | 61,339 |
| Benefits | 15,994 | 7,921 | 8,073 | 15,325 |
| Contractual services | 292,566 | 155,167 | 137,399 | 136,709 |
| Commodities | 1,050 | 1,318 | (268) | 5 |
| Capital outlay | 983,000 | 880,199 | 102,801 | - |
| Total General Government | <u>1,353,769</u> | <u>1,086,015</u> | <u>267,754</u> | <u>213,378</u> |
| Total Expenditures | <u>1,353,769</u> | <u>1,086,015</u> | <u>267,754</u> | <u>213,378</u> |
| Net Change in Fund Balance | <u>\$ -</u> | 63,145 | <u>\$ 63,145</u> | 105,359 |
| FUND BALANCE - Beginning of Year | | <u>105,359</u> | | <u>-</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 168,504</u> | | <u>\$ 105,359</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF #3 (WILLE ROAD)

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|----------------|-------------------------------|----------------|
| REVENUES | | | | |
| Property taxes | \$ 530,779 | \$ 283,109 | \$ (247,670) | \$ 319,335 |
| Other public charges for services | - | 10,850 | 10,850 | 28,700 |
| Investment income | 100 | 946 | 846 | 181,780 |
| Total Revenues | 530,879 | 294,905 | (235,974) | 529,815 |
| EXPENDITURES | | | | |
| ECONOMIC DEVELOPMENT | | | | |
| Contractual services | 47,795 | 23,806 | 23,989 | 36,232 |
| Commodities | - | 580 | (580) | 32 |
| Capital outlay | - | - | - | 3,475,320 |
| Total Economic Development | 47,795 | 24,386 | 23,409 | 3,511,584 |
| DEBT SERVICE | | | | |
| Principal | 510,000 | 235,000 | 275,000 | 145,000 |
| Interest and fiscal charges | 709,687 | 709,685 | 2 | 834,862 |
| Paying agent fees | 3,000 | 862 | 2,138 | 1,015 |
| Total Debt Service | 1,222,687 | 945,547 | 277,140 | 980,877 |
| Total Expenditures | 1,270,482 | 969,933 | 300,549 | 4,492,461 |
| Excess (deficiency) of revenues over (under) expenditures | (739,603) | (675,028) | 64,575 | (3,962,646) |
| OTHER FINANCING SOURCES | | | | |
| Proceeds from sale of capital assets | 1,893,000 | 2,292,098 | 399,098 | - |
| Total Other Financing Sources | 1,893,000 | 2,292,098 | 399,098 | - |
| Net Change in Fund Balance | \$ 1,153,397 | 1,617,070 | \$ 463,673 | (3,962,646) |
| FUND BALANCE (DEFICIT) - Beginning of Year | | (2,876,640) | | 1,086,006 |
| FUND BALANCE (DEFICIT) - END OF YEAR | | \$ (1,259,570) | | \$ (2,876,640) |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TIF #4 (FIVE CORNERS)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|-------------------------|---------------------------------------|-------------------------|
| REVENUES | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| ECONOMIC DEVELOPMENT | | | | |
| Salaries | 14,964 | - | 14,964 | - |
| Benefits | 6,056 | - | 6,056 | - |
| Contractual services | <u>222,133</u> | <u>74,201</u> | <u>147,932</u> | <u>104,143</u> |
| Total Economic Development | <u>243,153</u> | <u>74,201</u> | <u>168,952</u> | <u>104,143</u> |
| Total Expenditures | <u>243,153</u> | <u>74,201</u> | <u>168,952</u> | <u>104,143</u> |
| Net Change in Fund Balance | <u>\$ (243,153)</u> | (74,201) | <u>\$ 168,952</u> | (104,143) |
| FUND BALANCE (DEFICIT) - Beginning of Year | | <u>(132,516)</u> | | <u>(28,373)</u> |
| FUND BALANCE (DEFICIT) - END OF YEAR | | <u>\$ (206,717)</u> | | <u>\$ (132,516)</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF #5 (PERRY/LEE)

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|---|------------------------------|--------------|-------------------------------|----------------|
| REVENUES | | | | |
| Property taxes | \$ 106,000 | \$ 80,469 | \$ (25,531) | \$ 46,501 |
| Investment income | 750 | - | (750) | - |
| Total Revenues | 106,750 | 80,469 | (26,281) | 46,501 |
| EXPENDITURES | | | | |
| ECONOMIC DEVELOPMENT | | | | |
| Contractual services | 2,548 | 2,548 | - | 2,546 |
| Total Economic Development | 2,548 | 2,548 | - | 2,546 |
| DEBT SERVICE | | | | |
| Principal | 70,000 | 70,000 | - | 65,000 |
| Interest and fiscal charges | 52,813 | 52,813 | - | 54,438 |
| Paying agent fees | 500 | 82 | 418 | 103 |
| Total Debt Service | 123,313 | 122,895 | 418 | 119,541 |
| Total Expenditures | 125,861 | 125,443 | 418 | 122,087 |
| Net Change in Fund Balance | \$ (19,111) | (44,974) | \$ (25,863) | (75,586) |
| FUND BALANCE (DEFICIT) - Beginning of Year | | | | |
| | | (858,326) | | (782,740) |
| FUND BALANCE (DEFICIT) - END OF YEAR | | | | |
| | | \$ (903,300) | | \$ (858,326) |

CITY OF DES PLAINES

**DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 2001 (RISK MANAGEMENT)**
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|----------------------------------|------------------------------|-----------|-------------------------------|----------------|
| REVENUES | | | | |
| Property taxes | \$ 101,405 | \$ 98,911 | \$ (2,494) | \$ 98,842 |
| Investment income | 100 | 243 | 143 | 158 |
| Total Revenues | 101,505 | 99,154 | (2,351) | 99,000 |
| EXPENDITURES | | | | |
| DEBT SERVICE | | | | |
| Principal | 80,000 | 80,000 | - | 75,000 |
| Interest and fiscal charges | 18,905 | 16,792 | 2,113 | 21,980 |
| Paying agent fees | 500 | 60 | 440 | 60 |
| Total Debt service | 99,405 | 96,852 | 2,553 | 97,040 |
| Total Expenditures | 99,405 | 96,852 | 2,553 | 97,040 |
| Net Change in Fund Balance | \$ 2,100 | 2,302 | \$ 202 | 1,960 |
| FUND BALANCE - Beginning of Year | | 19,053 | | 17,093 |
| FUND BALANCE - END OF YEAR | | \$ 21,355 | | \$ 19,053 |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 2001B (FIRE STATION)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|-----------------|---------------------------------------|------------------------|
| REVENUES | | | | |
| Property taxes | \$ 117,703 | \$ 104,098 | \$ (13,605) | \$ 112,830 |
| Investment income | 100 | 366 | 266 | 154 |
| Total Revenues | <u>117,803</u> | <u>104,464</u> | <u>(13,339)</u> | <u>112,984</u> |
| EXPENDITURES | | | | |
| DEBT SERVICE | | | | |
| Principal | 60,000 | 60,000 | - | 55,000 |
| Interest and fiscal charges | 53,703 | 28,051 | 25,652 | 55,628 |
| Paying agent fees | 500 | - | 500 | 144 |
| Total Debt Service | <u>114,203</u> | <u>88,051</u> | <u>26,152</u> | <u>110,772</u> |
| Total Expenditures | <u>114,203</u> | <u>88,051</u> | <u>26,152</u> | <u>110,772</u> |
| Excess of revenues over expenditures | <u>3,600</u> | <u>16,413</u> | <u>12,813</u> | <u>2,212</u> |
| OTHER FINANCING (USES) | | | | |
| Transfer out | - | (35,143) | (35,143) | - |
| Total Other Financing (Uses) | <u>-</u> | <u>(35,143)</u> | <u>(35,143)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 3,600</u> | <u>(18,730)</u> | <u>\$ (22,330)</u> | <u>2,212</u> |
| FUND BALANCE - Beginning of Year | | <u>18,878</u> | | <u>16,666</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 148</u> | | <u>\$ 18,878</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 2002A (PARTIAL REFUNDING 1993)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|-----------------------|-------------------------------|-----------------------|
| REVENUES | | | | |
| Property taxes | \$ 568,552 | \$ 568,115 | \$ (437) | \$ 610,607 |
| Investment income | 900 | 880 | (20) | 1,173 |
| Miscellaneous | <u>15,307</u> | <u>15,307</u> | - | <u>16,326</u> |
| Total Revenues | <u>584,759</u> | <u>584,302</u> | <u>(457)</u> | <u>628,106</u> |
| EXPENDITURES | | | | |
| DEBT SERVICE | | | | |
| Principal | 500,000 | 500,000 | - | 525,000 |
| Interest and fiscal charges | 171,375 | 171,375 | - | 191,063 |
| Paying agent fees | <u>500</u> | <u>410</u> | <u>90</u> | <u>410</u> |
| Total Debt service | <u>671,875</u> | <u>671,785</u> | <u>90</u> | <u>716,473</u> |
| Total Expenditures | <u>671,875</u> | <u>671,785</u> | <u>90</u> | <u>716,473</u> |
| (Deficiency) of revenues (under) expenditures | <u>(87,116)</u> | <u>(87,483)</u> | <u>(367)</u> | <u>(88,367)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | <u>92,515</u> | <u>92,515</u> | - | <u>98,673</u> |
| Total Other Financing Sources | <u>92,515</u> | <u>92,515</u> | - | <u>98,673</u> |
| Net Change in Fund Balance | <u>\$ 5,399</u> | 5,032 | <u>\$ (367)</u> | 10,306 |
| FUND BALANCE - Beginning of Year | | <u>154,021</u> | | <u>143,715</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 159,053</u> | | <u>\$ 154,021</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 2003A (FIRE STATION)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|----------------------------------|--------------------------------------|------------------|---------------------------------------|------------------------|
| REVENUES | | | | |
| Property taxes | \$ 106,470 | \$ 103,965 | \$ (2,505) | \$ 102,887 |
| Investment income | 85 | 611 | 526 | 118 |
| Total Revenues | <u>106,555</u> | <u>104,576</u> | <u>(1,979)</u> | <u>103,005</u> |
| EXPENDITURES | | | | |
| DEBT SERVICE | | | | |
| Principal | 60,000 | 60,000 | - | 55,000 |
| Interest and fiscal charges | 43,970 | 43,970 | - | 45,344 |
| Paying agent fees | 500 | 82 | 418 | - |
| Total Debt service | <u>104,470</u> | <u>104,052</u> | <u>418</u> | <u>100,344</u> |
| Total Expenditures | <u>104,470</u> | <u>104,052</u> | <u>418</u> | <u>100,344</u> |
| Net Change in Fund Balance | <u>\$ 2,085</u> | 524 | <u>\$ (1,561)</u> | 2,661 |
| FUND BALANCE - Beginning of Year | | <u>12,118</u> | | <u>9,457</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 12,642</u> | | <u>\$ 12,118</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 2003B (PARTIAL REFUNDING 1993)
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|------------------|-------------------------------|------------------|
| REVENUES | | | | |
| Property taxes | \$ 444,401 | \$ 439,489 | \$ (4,912) | \$ 461,048 |
| Investment income | 400 | 196 | (204) | 558 |
| Miscellaneous | <u>11,935</u> | <u>11,935</u> | <u>-</u> | <u>12,192</u> |
| Total Revenues | <u>456,736</u> | <u>451,620</u> | <u>(5,116)</u> | <u>473,798</u> |
| EXPENDITURES | | | | |
| DEBT SERVICE | | | | |
| Principal | 500,000 | 500,000 | - | 500,000 |
| Interest and fiscal charges | 23,470 | 23,470 | - | 34,720 |
| Paying agent fees | <u>500</u> | <u>410</u> | <u>90</u> | <u>410</u> |
| Total Debt service | <u>523,970</u> | <u>523,880</u> | <u>90</u> | <u>535,130</u> |
| Total Expenditures | <u>523,970</u> | <u>523,880</u> | <u>90</u> | <u>535,130</u> |
| (Deficiency) of revenues (under) expenditures | <u>(67,234)</u> | <u>(72,260)</u> | <u>(5,026)</u> | <u>(61,332)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | <u>72,134</u> | <u>72,134</u> | <u>-</u> | <u>73,685</u> |
| Total Other Financing Sources | <u>72,134</u> | <u>72,134</u> | <u>-</u> | <u>73,685</u> |
| Net Change in Fund Balance | <u>\$ 4,900</u> | (126) | <u>\$ (5,026)</u> | 12,353 |
| FUND BALANCE - Beginning of Year | | <u>33,099</u> | | <u>20,746</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 32,973</u> | | <u>\$ 33,099</u> |

CITY OF DES PLAINES

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUILDING REPLACEMENT
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|---------------------|-------------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ 4,033 | \$ 4,033 | \$ - |
| Investment income | 20,000 | 83,354 | 63,354 | 59,417 |
| Total Revenues | <u>20,000</u> | <u>87,387</u> | <u>67,387</u> | <u>59,417</u> |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| Contractual Services | 220,000 | 163,717 | 56,283 | 175,999 |
| Capital outlay | 330,000 | 307,746 | 22,254 | - |
| Total General Government | <u>550,000</u> | <u>471,463</u> | <u>78,537</u> | <u>175,999</u> |
| Total Expenditures | <u>550,000</u> | <u>471,463</u> | <u>78,537</u> | <u>175,999</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(530,000)</u> | <u>(384,076)</u> | <u>145,924</u> | <u>(116,582)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 80,000 | 80,000 | - | - |
| Transfer out | - | - | - | (1,900,000) |
| Proceeds from sale of capital assets | - | - | - | 2,992,718 |
| Total Other Financing Sources (Uses) | <u>80,000</u> | <u>80,000</u> | <u>-</u> | <u>1,092,718</u> |
| Net Change in Fund Balance | <u>\$ (450,000)</u> | <u>(304,076)</u> | <u>\$ 145,924</u> | 976,136 |
| FUND BALANCE - Beginning of Year | | <u>1,350,103</u> | | <u>373,967</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 1,046,027</u> | | <u>\$ 1,350,103</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - EQUIPMENT REPLACEMENT
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|--|--------------------------------------|---------------------|---------------------------------------|------------------------|
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ 26,950 | \$ 26,950 | \$ - |
| Investment income | 2,000 | 64,016 | 62,016 | 5,116 |
| Total Revenues | <u>2,000</u> | <u>90,966</u> | <u>88,966</u> | <u>5,116</u> |
| EXPENDITURES | | | | |
| CAPITAL OUTLAY | | | | |
| Capital Outlay | <u>3,269,015</u> | <u>2,391,089</u> | <u>877,926</u> | <u>2,736,279</u> |
| DEBT SERVICE | | | | |
| Principal | 206,980 | 187,489 | 19,491 | 150,000 |
| Interest and fiscal charges | 16,605 | 13,593 | 3,012 | 10,116 |
| Total Debt Service | <u>223,585</u> | <u>201,082</u> | <u>22,503</u> | <u>160,116</u> |
| Total Expenditures | <u>3,492,600</u> | <u>2,592,171</u> | <u>900,429</u> | <u>2,896,395</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,490,600)</u> | <u>(2,501,205)</u> | <u>989,395</u> | <u>(2,891,279)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 1,945,000 | 1,945,000 | - | 1,430,000 |
| Proceeds from sale of capital asset | 100,000 | 178,133 | 78,133 | 2,134,487 |
| Debt issued | 495,000 | 400,000 | (95,000) | - |
| Total Other Financing Sources (Uses) | <u>2,540,000</u> | <u>2,523,133</u> | <u>(16,867)</u> | <u>3,564,487</u> |
| Net Change in Fund Balance | <u>\$ (950,600)</u> | 21,928 | <u>\$ 972,528</u> | 673,208 |
| FUND BALANCE - Beginning of Year | | <u>1,272,273</u> | | <u>599,065</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 1,294,201</u> | | <u>\$ 1,272,273</u> |

CITY OF DES PLAINES

**DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMPUTER REPLACEMENT**
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|--|--------------------------------------|------------------|---------------------------------------|------------------------|
| REVENUES | | | | |
| Investment income | \$ 75 | \$ 616 | \$ 541 | \$ 118 |
| Miscellaneous | 200 | - | (200) | - |
| Total Revenues | <u>275</u> | <u>616</u> | <u>341</u> | <u>118</u> |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| Contractual Services | 89,600 | 78,147 | 11,453 | 46,586 |
| Commodities | 11,050 | 15,003 | (3,953) | 8,565 |
| Capital outlay | <u>88,760</u> | <u>97,531</u> | <u>(8,771)</u> | <u>79,670</u> |
| Total General government | <u>189,410</u> | <u>190,681</u> | <u>(1,271)</u> | <u>134,821</u> |
| Total Expenditures | <u>189,410</u> | <u>190,681</u> | <u>(1,271)</u> | <u>134,821</u> |
| (Deficiency) of revenues (under) expenditures | <u>(189,135)</u> | <u>(190,065)</u> | <u>(930)</u> | <u>(134,703)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | <u>200,000</u> | <u>200,000</u> | <u>-</u> | <u>135,000</u> |
| Total Other Financing Sources | <u>200,000</u> | <u>200,000</u> | <u>-</u> | <u>135,000</u> |
| Net Change in Fund Balance | <u>\$ 10,865</u> | 9,935 | <u>\$ (930)</u> | 297 |
| FUND BALANCE - Beginning of Year | | <u>24,037</u> | | <u>23,740</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 33,972</u> | | <u>\$ 24,037</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL WATER FUND

For the Year Ended December 31, 2007
With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original And Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|------------------|---------------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Water sales | \$ 10,030,000 | \$ 9,638,445 | \$ (391,555) | \$ 9,513,668 |
| Sales of water meters | 30,000 | 23,797 | (6,203) | 33,574 |
| Water permit fees | 40,000 | 31,957 | (8,043) | 43,405 |
| Service charges, cut off and connector fees | 21,000 | 22,455 | 1,455 | 25,383 |
| Administrative charges | 18,035 | 17,000 | (1,035) | 17,510 |
| Miscellaneous | - | 161,232 | 161,232 | - |
| Other fees | 3,000 | 2,481 | (519) | 2,943 |
| Total Operating Revenues | <u>10,142,035</u> | <u>9,897,367</u> | <u>(244,668)</u> | <u>9,636,483</u> |
| OPERATING EXPENSES | | | | |
| Salaries | 2,093,884 | 2,102,260 | (8,376) | 1,907,820 |
| Benefits | 897,525 | 886,036 | 11,489 | 832,235 |
| Contractual services | 583,897 | 568,160 | 15,737 | 924,176 |
| Commodities | 5,407,129 | 4,354,390 | 1,052,739 | 4,275,628 |
| Capital outlay | 2,153,000 | - | 2,153,000 | - |
| Depreciation | - | 720,223 | (720,223) | 693,733 |
| Total Operating Expenses | <u>11,135,435</u> | <u>8,631,069</u> | <u>2,504,366</u> | <u>8,633,592</u> |
| Operating income (loss) | <u>(993,400)</u> | <u>1,266,298</u> | <u>2,259,698</u> | <u>1,002,891</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Interest - water | 55,000 | 215,344 | 160,344 | 74,927 |
| Principal | (795,000) | - | 795,000 | - |
| Interest and fiscal charges | (125,701) | (123,061) | 2,640 | (152,713) |
| Paying agent fees | (1,000) | (820) | 180 | (410) |
| Amortization of issuance costs and discount | - | (24,762) | (24,762) | (24,762) |
| Total Non-Operating Revenues (Expenses) | <u>(866,701)</u> | <u>66,701</u> | <u>933,402</u> | <u>(102,958)</u> |
| Net Income (Loss) Before Contributions and Transfers | <u>(1,860,101)</u> | <u>1,332,999</u> | <u>3,193,100</u> | <u>899,933</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL WATER FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original And Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|-----------------------------------|------------------------------|----------------------|-------------------------------|----------------------|
| CONTRIBUTION AND TRANSFERS | | | | |
| Capital contributions | \$ - | \$ 104,575 | \$ 104,575 | \$ - |
| Transfer out | <u>(150,000)</u> | <u>(150,000)</u> | <u>-</u> | <u>(150,000)</u> |
| Net Contribution And Transfers | <u>(150,000)</u> | <u>(45,425)</u> | <u>104,575</u> | <u>(150,000)</u> |
| | | | | |
| Change in net assets | <u>\$ (2,010,101)</u> | 1,287,574 | <u>\$ 3,297,675</u> | 749,933 |
| | | | | |
| NET ASSETS - Beginning of Year | | <u>20,903,738</u> | | <u>20,153,805</u> |
| | | | | |
| NET ASSETS - END OF YEAR | | <u>\$ 22,191,312</u> | | <u>\$ 20,903,738</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL PARKING SYSTEM FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original And Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|----------------------|-------------------------------|----------------------|
| OPERATING REVENUES | | | | |
| Parking lot, garage, permits and other | \$ 315,864 | \$ 329,478 | \$ 13,614 | \$ 261,747 |
| Intergovernmental | <u>355,000</u> | <u>25,546</u> | <u>(329,454)</u> | <u>309,784</u> |
| Total Operating Revenues | <u>670,864</u> | <u>355,024</u> | <u>(315,840)</u> | <u>571,531</u> |
| OPERATING EXPENSES | | | | |
| Contractual services | 150,660 | 145,632 | 5,028 | 398,951 |
| Commodities | 118,300 | 179,446 | (61,146) | 116,897 |
| Depreciation | <u>-</u> | <u>690,562</u> | <u>(690,562)</u> | <u>690,321</u> |
| Total Operating Expenses | <u>268,960</u> | <u>1,015,640</u> | <u>(746,680)</u> | <u>1,206,169</u> |
| Operating Income (Loss) | <u>401,904</u> | <u>(660,616)</u> | <u>(1,062,520)</u> | <u>(634,638)</u> |
| NON-OPERATING REVENUES | | | | |
| Investment income | <u>100</u> | <u>1,721</u> | <u>1,621</u> | <u>370</u> |
| Total Non-Operating Revenues | <u>100</u> | <u>1,721</u> | <u>1,621</u> | <u>370</u> |
| Net Income (Loss) Before Contribution and Transfers | <u>402,004</u> | <u>(658,895)</u> | <u>(1,060,899)</u> | <u>(634,268)</u> |
| CONTRIBUTION AND TRANSFERS | | | | |
| Transfer out | (32,380) | (32,380) | - | (281,278) |
| Transfer in | - | - | - | 150,000 |
| Contributions | <u>-</u> | <u>-</u> | <u>-</u> | <u>465,549</u> |
| Net Contribution And Transfers | <u>(32,380)</u> | <u>(32,380)</u> | <u>-</u> | <u>334,271</u> |
| Change in net assets | <u>\$ 369,624</u> | <u>(691,275)</u> | <u>\$ (1,060,899)</u> | <u>(299,997)</u> |
| NET ASSETS - Beginning of Year | | <u>16,172,232</u> | | <u>16,472,229</u> |
| NET ASSETS - END OF YEAR | | <u>\$ 15,480,957</u> | | <u>\$ 16,172,232</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
EMERGENCY COMMUNICATIONS FUND
For the Year Ended December 31, 2007
With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original And Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|--------------------------|-------------------------------|--------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ <u>4,936,427</u> | \$ <u>5,089,957</u> | \$ <u>153,530</u> | \$ <u>4,581,164</u> |
| Total Operating Revenues | <u>4,936,427</u> | <u>5,089,957</u> | <u>153,530</u> | <u>4,581,164</u> |
| OPERATING EXPENSES | | | | |
| Salaries | 3,121,972 | 3,110,965 | 11,007 | 2,922,686 |
| Benefits | 1,137,456 | 1,092,116 | 45,340 | 1,077,118 |
| Contractual services | 531,010 | 506,787 | 24,223 | 531,014 |
| Commodities | 14,980 | 32,400 | (17,420) | 13,346 |
| Depreciation | <u>-</u> | <u>58,415</u> | <u>(58,415)</u> | <u>58,462</u> |
| Total Operating Expenses | <u>4,805,418</u> | <u>4,800,683</u> | <u>4,735</u> | <u>4,602,626</u> |
| Operating Income (loss) | <u>131,009</u> | <u>289,274</u> | <u>158,265</u> | <u>(21,462)</u> |
| NON-OPERATING REVENUES | | | | |
| Investment income | <u>315</u> | <u>6,325</u> | <u>6,010</u> | <u>1,317</u> |
| Total Non-Operating Revenues | <u>(315)</u> | <u>6,325</u> | <u>6,010</u> | <u>1,317</u> |
| Net Income (Loss) Before Transfers | <u>131,324</u> | <u>295,599</u> | <u>164,275</u> | <u>(20,145)</u> |
| TRANSFERS | | | | |
| Transfer out | <u>(132,269)</u> | <u>(132,269)</u> | <u>-</u> | <u>(138,462)</u> |
| Net Transfers | <u>132,269</u> | <u>132,269</u> | <u>-</u> | <u>(138,462)</u> |
| Change in net assets | \$ <u>(945)</u> | 163,330 | \$ <u>164,275</u> | (158,607) |
| NET ASSETS - Beginning of Year - as restated | | <u>594,666</u> | | <u>753,273</u> |
| NET ASSETS - END OF YEAR | | \$ <u><u>757,996</u></u> | | \$ <u><u>594,666</u></u> |

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Internal Service Funds

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

- Risk Management Fund – to account for the servicing and payment of claims for liability and workmen's compensation. Financing is provided via self-imposed premiums and investment earnings.
- Health Benefits Fund – to account for the operations of the City's self-insured medical plan. Financing is provided via self-imposed premiums and investment earnings.
- Compensated Absences Fund – to account for compensated absences liabilities of the governmental funds. Financing is provided by the governmental funds.

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CITY OF DES PLAINES

**COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
December 31, 2007**

| | <u>Risk Management</u> | <u>Health Benefits</u> | <u>Compensated Absences</u> | <u>Totals</u> |
|------------------------------|----------------------------|------------------------|---------------------------------|---------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ 301,529 | \$ 1,815,007 | \$ - | \$ 2,116,536 |
| Receivables | | | | |
| Receivables - other | 130 | 996 | - | 1,126 |
| Prepaid items | 642,821 | - | - | 642,821 |
| Due from other funds | - | - | 1,911,260 | 1,911,260 |
| Total Current Assets | <u>944,480</u> | <u>1,816,003</u> | <u>1,911,260</u> | <u>4,671,743</u> |
| Total Assets | <u>944,480</u> | <u>1,816,003</u> | <u>1,911,260</u> | <u>4,671,743</u> |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Accounts payable | 12,287 | - | - | 12,287 |
| Other | - | 318,896 | - | 318,896 |
| Compensated absences | - | - | 713,915 | \$ 713,915 |
| Total Current Liabilities | <u>12,287</u> | <u>318,896</u> | <u>713,915</u> | <u>1,045,098</u> |
| Non-Current Liabilities | | | | |
| Compensated absences | - | - | 1,197,345 | 1,197,345 |
| Total Noncurrent Liabilities | <u>-</u> | <u>-</u> | <u>1,197,345</u> | <u>1,197,345</u> |
| Total Liabilities | <u>12,287</u> | <u>318,896</u> | <u>1,911,260</u> | <u>2,242,443</u> |
| NET ASSETS | | | | |
| Unrestricted | <u>932,193</u> | <u>1,497,107</u> | <u>-</u> | <u>2,429,300</u> |
| TOTAL NET ASSETS | <u>\$ 932,193</u> | <u>\$ 1,497,107</u> | <u>\$ -</u> | <u>\$ 2,429,300</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2007

| | <u>Risk Management</u> | <u>Health Benefits</u> | <u>Total</u> |
|---------------------------------|----------------------------|------------------------|---------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 2,216,305 | \$ 8,635,486 | \$ 10,851,791 |
| Miscellaneous | <u>203,619</u> | <u>-</u> | <u>203,619</u> |
| Total Operating Revenues | <u>2,419,924</u> | <u>8,635,486</u> | <u>11,055,410</u> |
| OPERATING EXPENSES | | | |
| Claim expenses | 42,961 | 7,131,536 | 7,174,497 |
| Insurance and processing fees | 1,958,774 | 545,215 | 2,503,989 |
| Miscellaneous | <u>31,031</u> | <u>51,818</u> | <u>82,849</u> |
| Total Operating Expenses | <u>2,032,766</u> | <u>7,728,569</u> | <u>9,761,335</u> |
| Operating Income | <u>387,158</u> | <u>906,917</u> | <u>1,294,075</u> |
| TRANSFERS | | | |
| Transfer out | <u>(500,000)</u> | <u>-</u> | <u>(500,000)</u> |
| Total Transfers | <u>(500,000)</u> | <u>-</u> | <u>(500,000)</u> |
| Change in net assets | (112,842) | 906,917 | 794,075 |
| Net assets, beginning of year | <u>1,045,035</u> | <u>590,190</u> | <u>1,635,225</u> |
| NET ASSETS - END OF YEAR | <u>\$ 932,193</u> | <u>\$ 1,497,107</u> | <u>\$ 2,429,300</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS Year Ended December 31, 2007

| | Risk Management | Employee Medical | Totals |
|---|--------------------|---------------------|---------------------|
| Cash flows from operating activities | | | |
| Receipts from customers and users | \$ 2,216,305 | \$ 8,635,486 | \$ 10,851,791 |
| Receipts from miscellaneous revenues | 203,489 | - | 203,489 |
| Payments to suppliers | <u>(2,137,332)</u> | <u>(7,635,605)</u> | <u>(9,772,937)</u> |
| Net cash provided by (used for) operating activities | <u>282,462</u> | <u>999,881</u> | <u>1,282,343</u> |
| Cash flows from non-capital financing activities | | | |
| Transfers (out) | <u>(500,000)</u> | <u>-</u> | <u>(500,000)</u> |
| Net increase (decrease) in cash and cash equivalents | (217,538) | 999,881 | 782,343 |
| Cash and cash equivalents, beginning of year | <u>519,067</u> | <u>815,126</u> | <u>1,334,193</u> |
| Cash and cash equivalents, end of year | <u>\$ 301,529</u> | <u>\$ 1,815,007</u> | <u>\$ 2,116,536</u> |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities: | | | |
| Operating income (loss) | \$ 387,158 | \$ 906,917 | \$ 1,294,075 |
| Adjustment to reconcile operating income (loss) to Net cash provided by operating activities | | | |
| (Increase) decrease in | | | |
| Receivables | (130) | - | (130) |
| Prepaid items | (95,638) | - | (95,638) |
| Increase (decrease) in | | | |
| Accounts payable | (8,928) | (874) | (9,802) |
| Accrued self losses | <u>-</u> | <u>93,838</u> | <u>93,838</u> |
| Net cash provided by (used for) operating activities | <u>\$ 282,462</u> | <u>\$ 999,881</u> | <u>\$ 1,282,343</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL RISK MANAGEMENT FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original And Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|------------------|---------------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 2,204,458 | \$ 2,216,305 | \$ 11,847 | \$ 2,197,292 |
| Miscellaneous | <u>115,000</u> | <u>203,619</u> | <u>88,619</u> | <u>177,047</u> |
| Total Operating Revenues | <u>2,319,458</u> | <u>2,419,924</u> | <u>100,466</u> | <u>2,374,339</u> |
| OPERATING EXPENSES | | | | |
| Claims expense | | | | |
| Unemployment claims | 25,305 | 367 | 24,938 | 1,286 |
| Worker's compensation claims | <u>35,000</u> | <u>42,594</u> | <u>(7,594)</u> | <u>39,178</u> |
| Total claims expense | <u>60,305</u> | <u>42,961</u> | <u>17,344</u> | <u>40,464</u> |
| Insurance and processing fees | | | | |
| Claims administration fees (worker's compensation) | 850 | 838 | 12 | 838 |
| Claims administration fees (unemployment) | 2,000 | 9,734 | (7,734) | 1,881 |
| Insurance premiums (worker's compensation) | 200 | 173 | 27 | 177 |
| Insurance premiums (liability) | 198,950 | 97,602 | 101,348 | 193,657 |
| MICA loss fund | 1,948,582 | 1,836,152 | 112,430 | 1,800,526 |
| MICA deductible | 20,000 | 14,275 | 5,725 | 1,000 |
| Postage | <u>25</u> | <u>-</u> | <u>25</u> | <u>21</u> |
| Total insurance and processing fees | <u>2,170,607</u> | <u>1,958,774</u> | <u>211,833</u> | <u>1,998,100</u> |
| Miscellaneous | | | | |
| Professional services | 17,500 | - | 17,500 | - |
| City-wide substance abuse program | 5,000 | - | 5,000 | - |
| Self-insured losses | 50,000 | 31,031 | 18,969 | 61,137 |
| Auto/travel | 300 | - | 300 | 114 |
| Miscellaneous contractual services | <u>2,000</u> | <u>-</u> | <u>2,000</u> | <u>-</u> |
| Total miscellaneous | <u>74,800</u> | <u>31,031</u> | <u>43,769</u> | <u>61,251</u> |
| Total Operating Expenses | <u>2,305,712</u> | <u>2,032,766</u> | <u>272,946</u> | <u>2,099,815</u> |
| Operating income | <u>13,746</u> | <u>387,158</u> | <u>373,412</u> | <u>274,524</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL RISK MANAGEMENT FUND

For the Year Ended December 31, 2007
With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original And Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|-------------------|-------------------------------|---------------------|
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Investment income | \$ <u>200</u> | \$ - | \$ <u>200</u> | \$ - |
| Total Non-Operating Revenues | <u>200</u> | <u>-</u> | <u>200</u> | <u>-</u> |
| CONTRIBUTION AND TRANSFERS | | | | |
| Transfer out | <u>(500,000)</u> | <u>(500,000)</u> | <u>-</u> | <u>-</u> |
| Net Contribution And Transfers | <u>(500,000)</u> | <u>(500,000)</u> | <u>-</u> | <u>-</u> |
| Change in net assets | \$ <u>(499,800)</u> | (112,842) | \$ <u>373,612</u> | 274,524 |
| NET ASSETS - Beginning of Year | | <u>1,045,035</u> | | <u>770,511</u> |
| NET ASSETS - END OF YEAR | | <u>\$ 932,193</u> | | <u>\$ 1,045,035</u> |

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CITY OF DES PLAINES

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
HEALTH BENEFITS FUND**

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | <u>Original And Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> | <u>2006 Actual</u> |
|---|--------------------------------------|---------------------|---------------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ <u>8,449,146</u> | \$ <u>8,635,486</u> | \$ <u>186,340</u> | \$ <u>8,512,828</u> |
| Total Operating Revenues | <u>8,449,146</u> | <u>8,635,486</u> | <u>186,340</u> | <u>8,512,828</u> |
| OPERATING EXPENSES | | | | |
| Claims expense | | | | |
| Claims paid - City - PPO | 6,244,330 | 5,766,076 | 478,254 | 5,996,295 |
| Claims paid - City - HMO | <u>1,401,554</u> | <u>1,365,460</u> | <u>36,094</u> | <u>1,276,334</u> |
| Total claims expense | <u>7,645,884</u> | <u>7,131,536</u> | <u>514,348</u> | <u>7,272,629</u> |
| Insurance and processing fees | | | | |
| Health insurance administration fee | - | - | - | 174,742 |
| IPBC membership fee | - | - | - | 12,978 |
| Dental claims and administration fee | 336,169 | 415,940 | (79,771) | 442,240 |
| Life insurance premium | <u>125,018</u> | <u>129,275</u> | <u>(4,257)</u> | <u>52,005</u> |
| Total insurance and processing fees | <u>461,187</u> | <u>545,215</u> | <u>(84,028)</u> | <u>681,965</u> |
| Miscellaneous | <u>51,368</u> | <u>51,818</u> | <u>(450)</u> | <u>7,252</u> |
| Total miscellaneous | <u>51,368</u> | <u>51,818</u> | <u>(450)</u> | <u>7,252</u> |
| Total Operating Expenses | <u>8,158,439</u> | <u>7,728,569</u> | <u>429,870</u> | <u>7,961,846</u> |
| Operating income | <u>290,707</u> | <u>906,917</u> | <u>616,210</u> | <u>550,982</u> |
| Change in net assets | \$ <u>290,707</u> | 906,917 | \$ <u>616,210</u> | 550,982 |
| NET ASSETS - Beginning of Year | | <u>590,190</u> | | <u>39,208</u> |
| NET ASSETS - END OF YEAR | | \$ <u>1,497,107</u> | | \$ <u>590,190</u> |

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Fiduciary Funds

Fiduciary Funds are used to account for assets held by the City in a trustee capacity for individuals, governmental entities and non-public organizations.

Pension Trust

- Firefighters' and Police Pension Funds – Pension Trust Funds used to account for the accumulation of resources and administration costs to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

Agency

- Compliance Bond Fund – an agency fund used to account for the collection and repayment of deposits made in conformance with local ordinances to ensure that work performed meets local code requirements. Fund also includes other smaller miscellaneous agency funds related to the City.
- Section 125 Plan Fund – an agency fund used to account for a Section 125 Benefit Plan administered by the City.

CITY OF DES PLAINES

COMBINING STATEMENT OF NET ASSETS PENSION TRUST FUNDS December 31, 2007

| | <u>Firefighters Pension</u> | <u>Police Pension</u> | <u>Totals</u> |
|--|---------------------------------|-----------------------|-----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 3,385,904 | \$ 1,508,526 | \$ 4,894,430 |
| Investments | | | |
| U.S. treasuries | 8,152,868 | 14,633,902 | 22,786,770 |
| Mortgage backed securities | 21,151,932 | 12,153,555 | 33,305,487 |
| Mutual funds | 6,545,830 | 5,248,231 | 11,794,061 |
| Stocks | 17,814,674 | 14,243,700 | 32,058,374 |
| Insurance contracts | - | 1,551,925 | 1,551,925 |
| Receivables - (net of allowances for uncollectibles) | | | |
| Accrued interest | 218,922 | 339,770 | 558,692 |
| Contributions | - | 496,186 | 496,186 |
| Prepays | - | 268 | 268 |
| Total Assets | <u>57,270,130</u> | <u>50,176,063</u> | <u>107,446,193</u> |
| LIABILITIES | | | |
| Accounts payable | 11,484 | 15,844 | 27,328 |
| Accrued pension payments | <u>757,933</u> | <u>-</u> | <u>757,933</u> |
| Total Liabilities | <u>769,417</u> | <u>15,844</u> | <u>785,261</u> |
| NET ASSETS | | | |
| Held in trust for pension benefits | <u>\$ 56,500,713</u> | <u>\$ 50,160,219</u> | <u>\$ 106,660,932</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF CHANGES IN NET ASSETS
PENSION TRUST FUNDS
For the Year Ended December 31, 2007

| | Firefighters Pension | Police Pension | Totals |
|---------------------------------|-------------------------|----------------------|-----------------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 1,631,318 | \$ 2,040,615 | \$ 3,671,933 |
| Plan members | <u>728,436</u> | <u>758,842</u> | <u>1,487,278</u> |
| Total Contributions | <u>2,359,754</u> | <u>2,799,457</u> | <u>5,159,211</u> |
| Investment income | | | |
| Investment income | 4,031,556 | 4,643,858 | 8,675,414 |
| Miscellaneous | <u>10,785</u> | <u>114</u> | <u>10,899</u> |
| Total Investment Income | <u>4,042,341</u> | <u>4,643,972</u> | <u>8,686,313</u> |
| Less Investment expenses | <u>159,332</u> | <u>154,453</u> | <u>313,785</u> |
| Net Investment Income | <u>3,883,009</u> | <u>4,489,519</u> | <u>8,372,528</u> |
| Total Additions | <u>6,242,763</u> | <u>7,288,976</u> | <u>13,531,739</u> |
| DEDUCTIONS | | | |
| Benefits | 3,504,586 | 4,389,430 | 7,894,016 |
| Administration | <u>53,873</u> | <u>141,084</u> | <u>194,957</u> |
| Total Deductions | <u>3,558,459</u> | <u>4,530,514</u> | <u>8,088,973</u> |
| Change in Net Assets | 2,684,304 | 2,758,462 | 5,442,766 |
| NET ASSETS - Beginning of Year | <u>53,816,409</u> | <u>47,401,757</u> | <u>101,218,166</u> |
| NET ASSETS - END OF YEAR | <u>\$ 56,500,713</u> | <u>\$ 50,160,219</u> | <u>\$ 106,660,932</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF FIDUCIARY NET ASSETS AGENCY FUNDS Year Ended December 31, 2007

| | <u>Compliance Bond</u> | <u>Section 125 Plan</u> | <u>Totals</u> |
|---------------------------|----------------------------|-----------------------------|-------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 451,419 | \$ 679 | \$ 452,098 |
| Other receivable | <u>24,421</u> | <u>-</u> | <u>24,421</u> |
| Total assets | <u>\$ 475,840</u> | <u>\$ 679</u> | <u>\$ 476,519</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 4,113 | \$ - | \$ 4,113 |
| Accrued liabilities | 13,079 | 668 | 13,747 |
| Deposits payable | 458,648 | - | 458,648 |
| Due to participants | <u>-</u> | <u>11</u> | <u>11</u> |
| Total liabilities | <u>\$ 475,840</u> | <u>\$ 679</u> | <u>\$ 476,519</u> |

CITY OF DES PLAINES

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS Year Ended December 31, 2007

| | Balances January 1 | Additions | Deletions | Balances December 31 |
|------------------------------|-----------------------|---------------------|---------------------|-------------------------|
| COMPLIANCE BOND FUND | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 552,773 | \$ 1,415,807 | \$ 1,517,161 | \$ 451,419 |
| Other receivable | <u>4,892</u> | <u>24,421</u> | <u>4,892</u> | <u>24,421</u> |
| Total assets | <u>\$ 557,665</u> | <u>\$ 1,440,228</u> | <u>\$ 1,522,053</u> | <u>\$ 475,840</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 27,559 | \$ 966,478 | \$ 989,924 | \$ 4,113 |
| Accrued liabilities | 5,184 | 13,079 | 5,184 | 13,079 |
| Deposits payable | <u>524,922</u> | <u>460,671</u> | <u>526,945</u> | <u>458,648</u> |
| Total liabilities | <u>\$ 557,665</u> | <u>\$ 1,440,228</u> | <u>\$ 1,522,053</u> | <u>\$ 475,840</u> |
| SECTION 125 PLAN FUND | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 25,858 | \$ 72,949 | \$ 98,128 | \$ 679 |
| Total assets | <u>\$ 25,858</u> | <u>\$ 72,949</u> | <u>\$ 98,128</u> | <u>\$ 679</u> |
| LIABILITIES | | | | |
| Accrued liabilities | \$ - | \$ 668 | \$ - | \$ 668 |
| Due to participants | <u>25,858</u> | <u>72,281</u> | <u>98,128</u> | <u>11</u> |
| Total liabilities | <u>\$ 25,858</u> | <u>\$ 72,949</u> | <u>\$ 98,128</u> | <u>\$ 679</u> |
| ALL FUNDS | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 578,631 | \$ 1,488,756 | \$ 1,615,289 | \$ 452,098 |
| Other receivable | <u>4,892</u> | <u>24,421</u> | <u>4,892</u> | <u>24,421</u> |
| Total assets | <u>\$ 583,523</u> | <u>\$ 1,513,177</u> | <u>\$ 1,620,181</u> | <u>\$ 476,519</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 27,559 | \$ 966,478 | \$ 989,924 | \$ 4,113 |
| Accrued liabilities | 5,184 | 13,747 | 5,184 | 13,747 |
| Deposits payable | 524,922 | 460,671 | 526,945 | 458,648 |
| Due to participants | <u>25,858</u> | <u>72,281</u> | <u>98,128</u> | <u>11</u> |
| Total liabilities | <u>\$ 583,523</u> | <u>\$ 1,513,177</u> | <u>\$ 1,620,181</u> | <u>\$ 476,519</u> |

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Component Unit

The Component Unit operates and maintains the public library within the governmental unit.

CITY OF DES PLAINES

COMPONENT UNIT - LIBRARY STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS COMBINING BALANCE SHEET December 31, 2007

| | General | Capital Projects | Totals |
|---|---------------------|---------------------|---------------------|
| ASSETS | | | |
| Cash and investments | \$ 388,085 | \$ 653,225 | \$ 1,041,310 |
| Receivables | | | |
| Property taxes | 6,864,572 | - | 6,864,572 |
| Prepaid expenses | 53,273 | - | 53,273 |
| Capital assets | - | - | - |
| Total assets | \$ 7,305,930 | \$ 653,225 | \$ 7,959,155 |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | \$ 167,089 | \$ 21,921 | \$ 189,010 |
| Accrued payroll | 101,936 | - | 101,936 |
| Deferred revenues | 6,366,968 | - | 6,366,968 |
| Noncurrent liabilities: | | | |
| Due within one year | - | - | - |
| Due in more than one year | - | - | - |
| Total liabilities | 6,635,993 | 21,921 | 6,657,914 |
| Fund balances/net assets | | | |
| Invested in capital assets | - | - | - |
| Restricted for culture and recreation | - | - | - |
| Reserved for prepaid items | 53,273 | - | 53,273 |
| Unreserved | 616,664 | 631,304 | 1,247,968 |
| Total fund balances/net assets | 669,937 | 631,304 | 1,301,241 |
| TOTAL LIABILITIES AND FUND BALANCES/NET ASSETS | \$ 7,305,930 | \$ 653,225 | \$ 7,959,155 |

| Adjustments | | |
|--------------------------|---------------------|----------------------------|
| Internal Service Fund | | |
| Compensated Absences | Long-term Assets | Statement of Net Assets |
| \$ 203,119 | \$ - | \$ 1,244,429 |
| - | - | 6,864,572 |
| - | - | 53,273 |
| - | 254,678 | 254,678 |
| <u>\$ 203,119</u> | <u>\$ 254,678</u> | <u>\$ 8,416,952</u> |
| | | |
| \$ - | \$ - | \$ 189,010 |
| - | - | 101,936 |
| - | - | 6,366,968 |
| 64,381 | - | 64,381 |
| 138,738 | - | 138,738 |
| <u>203,119</u> | <u>-</u> | <u>6,861,033</u> |
| | | |
| - | 254,678 | 254,678 |
| - | 1,301,241 | 1,301,241 |
| - | (53,273) | - |
| - | (1,247,968) | - |
| <u>-</u> | <u>254,678</u> | <u>1,555,919</u> |
| | | |
| <u>\$ 203,119</u> | <u>\$ 254,678</u> | <u>\$ 8,416,952</u> |

CITY OF DES PLAINES

COMPONENT UNIT - LIBRARY STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES/NET ASSETS
Year Ended December 31, 2007

| | <u>General</u> | <u>Capital Projects</u> | <u>Totals</u> |
|--|-------------------|-----------------------------|---------------------|
| Revenues | | | |
| Property taxes | \$ 5,970,175 | \$ - | \$ 5,970,175 |
| Intergovernmental | 186,655 | - | 186,655 |
| Charges for services | 35,166 | - | 35,166 |
| Fines | 117,621 | - | 117,621 |
| Investment income | 28,027 | 24,390 | 52,417 |
| Miscellaneous | 38,009 | 2,800 | 40,809 |
| Total revenues | <u>6,375,653</u> | <u>27,190</u> | <u>6,402,843</u> |
| Expenditures | | | |
| Civic and cultural | 5,828,699 | - | 5,828,699 |
| Capital outlay | 67,470 | 109,664 | 177,134 |
| Total expenditures | <u>5,896,169</u> | <u>109,664</u> | <u>6,005,833</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>479,484</u> | <u>(82,474)</u> | <u>397,010</u> |
| Other financing sources (uses) | | | |
| Transfers in (out) | <u>(200,000)</u> | <u>200,000</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(200,000)</u> | <u>200,000</u> | <u>-</u> |
| Net changes in fund balances/net assets | <u>279,484</u> | <u>117,526</u> | <u>397,010</u> |
| Fund balances/net assets, beginning of year | <u>390,453</u> | <u>513,778</u> | <u>904,231</u> |
| Fund balances/net assets, end of year | <u>\$ 669,937</u> | <u>\$ 631,304</u> | <u>\$ 1,301,241</u> |

*Governmental funds report capital outlays as expenditures. However, in the statement of net assets the costs of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. Adjustment necessary to record depreciation and to reclassify capital outlay that did not have an initial cost of \$25,000 to civic and cultural expense function.

| Adjustments | | |
|---------------------------|--|----------------------------|
| Capital-related Items* | | Statement of Activities |
| \$ - | | \$ 5,970,175 |
| - | | 186,655 |
| - | | 35,166 |
| - | | 117,621 |
| - | | 52,417 |
| - | | 40,809 |
| - | | 6,402,843 |
| 212,321 | | 6,041,020 |
| (177,134) | | - |
| 35,187 | | 6,041,020 |
| (35,187) | | 361,823 |
| - | | - |
| - | | - |
| (35,187) | | 361,823 |
| 289,865 | | 1,194,096 |
| \$ 254,678 | | \$ 1,555,919 |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY GENERAL FUND
 For the Year Ended December 31, 2007
 With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|-------------------|-------------------------------|-------------------|
| REVENUES | | | | |
| Property taxes | \$ 6,004,939 | \$ 5,970,175 | \$ (34,764) | \$ 5,696,408 |
| Replacement taxes | 92,988 | 92,988 | - | 92,988 |
| State grants | 102,260 | 93,667 | (8,593) | 103,719 |
| Charges for service | 60,000 | 35,166 | (24,834) | 40,640 |
| Fines | 110,000 | 117,621 | 7,621 | 113,416 |
| Investment income | 5,000 | 28,027 | 23,027 | 15,440 |
| Miscellaneous | 35,000 | 38,009 | 3,009 | 69,509 |
| Total Revenues | <u>6,410,187</u> | <u>6,375,653</u> | <u>(34,534)</u> | <u>6,132,120</u> |
| EXPENDITURES | | | | |
| CIVIC AND CULTURAL | | | | |
| Salaries | 3,365,199 | 3,210,850 | 154,349 | 3,006,072 |
| Benefits | 1,007,461 | 963,726 | 43,735 | 916,238 |
| Contractual services | 713,256 | 678,833 | 34,423 | 589,882 |
| Commodities | 1,033,181 | 975,290 | 57,891 | 957,867 |
| Total Civic and cultural | <u>6,119,097</u> | <u>5,828,699</u> | <u>290,398</u> | <u>5,470,059</u> |
| CAPITAL OUTLAY | | | | |
| Capital outlay | 93,090 | 67,470 | 25,620 | 43,167 |
| Total Expenditures | <u>6,212,187</u> | <u>5,896,169</u> | <u>316,018</u> | <u>5,513,226</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>198,000</u> | <u>479,484</u> | <u>281,484</u> | <u>618,894</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | 2,000 | - | (2,000) | - |
| Transfer out | (200,000) | (200,000) | - | (150,000) |
| Total Other Financing Sources (Uses) | <u>(198,000)</u> | <u>(200,000)</u> | <u>(2,000)</u> | <u>(150,000)</u> |
| Net Change in Fund Balance | <u>\$ -</u> | 279,484 | <u>\$ 279,484</u> | 468,894 |
| FUND BALANCE - Beginning of Year | | <u>390,453</u> | | <u>(78,441)</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 669,937</u> | | <u>\$ 390,453</u> |

CITY OF DES PLAINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY CAPITAL PROJECT FUND

For the Year Ended December 31, 2007

With Comparative Actual Amounts for the Year Ended December 31, 2006

| | Original and Final Budget | Actual | Variance with Final Budget | 2006 Actual |
|--|------------------------------|-------------------|-------------------------------|-------------------|
| REVENUES | | | | |
| Investment income | \$ 1,000 | \$ 24,390 | \$ 23,390 | \$ 13,966 |
| Other revenue | <u>4,000</u> | <u>2,800</u> | <u>(1,200)</u> | <u>-</u> |
| Total Revenues | <u>5,000</u> | <u>27,190</u> | <u>22,190</u> | <u>13,966</u> |
| EXPENDITURES | | | | |
| CIVIC AND CULTURAL | | | | |
| Contractual services | <u>-</u> | <u>-</u> | <u>-</u> | <u>29,683</u> |
| CAPITAL OUTLAY | | | | |
| Capital outlay | <u>104,950</u> | <u>109,664</u> | <u>(4,714)</u> | <u>17,554</u> |
| Total Expenditures | <u>104,950</u> | <u>109,664</u> | <u>(4,714)</u> | <u>47,237</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(99,950)</u> | <u>(82,474)</u> | <u>17,476</u> | <u>(33,271)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | <u>200,000</u> | <u>200,000</u> | <u>-</u> | <u>150,000</u> |
| Total Other Financing Sources | <u>200,000</u> | <u>200,000</u> | <u>-</u> | <u>150,000</u> |
| Net Change in Fund Balance | <u>\$ 100,050</u> | 117,526 | <u>\$ 17,476</u> | 116,729 |
| FUND BALANCE - Beginning of Year | | <u>513,778</u> | | <u>397,049</u> |
| FUND BALANCE - END OF YEAR | | <u>\$ 631,304</u> | | <u>\$ 513,778</u> |

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OTHER SUPPLEMENTARY SCHEDULES

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 1996A
December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | November 1, 1996 |
| Date of maturity | December 1, 2008 |
| Authorized issue | \$ 9,500,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 5.05% |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|------------------|-------------------|---------------|------------------|-------------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | <u>\$ 440,000</u> | <u>\$ 22,220</u> | <u>\$ 462,220</u> | 2008 | <u>\$ 11,110</u> | 2008 | <u>\$ 11,110</u> |
| | <u>\$ 440,000</u> | <u>\$ 22,220</u> | <u>\$ 462,220</u> | | <u>\$ 11,110</u> | | <u>\$ 11,110</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 1999 December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | February 1, 1999 |
| Date of maturity | December 1, 2018 |
| Authorized issue | \$ 10,000,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.10% to 4.20% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 675,000 | \$ 230,998 | \$ 905,998 | 2008 | \$ 115,499 | 2008 | \$ 115,499 |
| 2009 | 710,000 | 203,324 | 913,324 | 2009 | 101,662 | 2009 | 101,662 |
| 2010 | 740,000 | 174,214 | 914,214 | 2010 | 87,107 | 2010 | 87,107 |
| 2011 | 775,000 | 143,688 | 918,688 | 2011 | 71,844 | 2011 | 71,844 |
| 2012 | 810,000 | 111,720 | 921,720 | 2012 | 55,860 | 2012 | 55,860 |
| 2013 | 850,000 | 77,700 | 927,700 | 2013 | 38,850 | 2013 | 38,850 |
| 2014 | 200,000 | 42,000 | 242,000 | 2014 | 21,000 | 2014 | 21,000 |
| 2015 | 200,000 | 33,600 | 233,600 | 2015 | 16,800 | 2015 | 16,800 |
| 2016 | 200,000 | 25,200 | 225,200 | 2016 | 12,600 | 2016 | 12,600 |
| 2017 | 200,000 | 16,800 | 216,800 | 2017 | 8,400 | 2017 | 8,400 |
| 2018 | 200,000 | 8,400 | 208,400 | 2018 | 4,200 | 2018 | 4,200 |
| | <u>\$ 5,560,000</u> | <u>\$ 1,067,644</u> | <u>\$ 6,627,644</u> | | <u>\$ 533,822</u> | | <u>\$ 533,822</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2000 December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | July 1, 2000 |
| Date of maturity | December 1, 2008 |
| Authorized issue | \$ 4,110,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 5.125% to 5.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|------------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | <u>\$ 280,000</u> | <u>\$ 14,560</u> | <u>\$ 294,560</u> | 2008 | <u>\$ 7,280</u> | 2008 | <u>\$ 7,280</u> |
| | <u>\$ 280,000</u> | <u>\$ 14,560</u> | <u>\$ 294,560</u> | | <u>\$ 7,280</u> | | <u>\$ 7,280</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
 GENERAL OBLIGATION BONDS, SERIES 2001 (TOTAL ISSUE)
 December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | July 1, 2001 |
| Date of maturity | December 1, 2010 |
| Authorized issue | \$ 5,470,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|------------------|------------------|-------------------|--------------|------------------|------------|------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 280,000 | \$ 37,356 | \$ 317,356 | 2008 | \$ 18,678 | 2008 | \$ 18,678 |
| 2009 | 295,000 | 25,876 | 320,876 | 2009 | 12,938 | 2009 | 12,938 |
| 2010 | 310,000 | 13,486 | 323,486 | 2010 | 6,743 | 2010 | 6,743 |
| | <u>\$885,000</u> | <u>\$ 76,717</u> | <u>\$ 961,717</u> | | <u>\$ 38,358</u> | | <u>\$ 38,358</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2001 (STREETS PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | July 1, 2001 |
| Date of maturity | December 1, 2010 |
| Authorized issue | \$ 4,700,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|------------------|-------------------|---------------|------------------|-------------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 195,000 | \$ 25,958 | \$ 220,958 | 2008 | \$ 12,979 | 2008 | \$ 12,979 |
| 2009 | 205,000 | 17,963 | 222,963 | 2009 | 8,981 | 2009 | 8,981 |
| 2010 | <u>215,000</u> | <u>9,353</u> | <u>224,353</u> | 2010 | <u>4,676</u> | 2010 | <u>4,676</u> |
| | <u>\$615,000</u> | <u>\$ 53,273</u> | <u>\$ 668,273</u> | | <u>\$ 26,636</u> | | <u>\$ 26,636</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2001 (RISK PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | July 1, 2001 |
| Date of maturity | December 1, 2010 |
| Authorized issue | \$ 770,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 5.00% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|--------------|---------------|---------------|-------------------|---------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 85,000 | \$ 11,398 | \$ 96,398 | 2008 | \$ 5,699 | 2008 | \$ 5,699 |
| 2009 | 90,000 | 7,913 | 97,913 | 2009 | 3,956 | 2009 | 3,956 |
| 2010 | 95,000 | 4,133 | 99,133 | 2010 | 2,066 | 2010 | 2,066 |
| | \$ 270,000 | \$ 23,444 | \$ 293,444 | | \$ 11,721 | | \$ 11,721 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2001C (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | December 1, 2001 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 3,160,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 5.35% to 6.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|---------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | Principal | Interest | Total | <u>June 1</u> | Amount | <u>December 1</u> | Amount |
| 2008 | \$ 165,000 | \$ 146,362 | \$ 311,362 | 2008 | \$ 73,181 | 2008 | \$ 73,181 |
| 2009 | 175,000 | 137,288 | 312,288 | 2009 | 68,644 | 2009 | 68,644 |
| 2010 | 185,000 | 127,662 | 312,662 | 2010 | 63,831 | 2010 | 63,831 |
| 2011 | 195,000 | 117,302 | 312,302 | 2011 | 58,651 | 2011 | 58,651 |
| 2012 | 210,000 | 106,188 | 316,188 | 2012 | 53,094 | 2012 | 53,094 |
| 2013 | 225,000 | 93,902 | 318,902 | 2013 | 46,951 | 2013 | 46,951 |
| 2014 | 235,000 | 80,402 | 315,402 | 2014 | 40,201 | 2014 | 40,201 |
| 2015 | 250,000 | 66,302 | 316,302 | 2015 | 33,151 | 2015 | 33,151 |
| 2016 | 270,000 | 50,802 | 320,802 | 2016 | 25,401 | 2016 | 25,401 |
| 2017 | 95,000 | 34,062 | 129,062 | 2017 | 17,031 | 2017 | 17,031 |
| 2018 | 100,000 | 28,126 | 128,126 | 2018 | 14,063 | 2018 | 14,063 |
| 2019 | 110,000 | 21,876 | 131,876 | 2019 | 10,938 | 2019 | 10,938 |
| 2020 | 115,000 | 15,000 | 130,000 | 2020 | 7,500 | 2020 | 7,500 |
| 2021 | 125,000 | 7,812 | 132,812 | 2021 | 3,906 | 2021 | 3,906 |
| | <u>\$ 2,455,000</u> | <u>\$ 1,033,085</u> | <u>\$ 3,488,085</u> | | <u>\$ 516,543</u> | | <u>\$ 516,543</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2001C (TIF #1 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | December 1, 2001 |
| Date of maturity | December 1, 2016 |
| Authorized issue | \$ 1,830,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 5.35% to 6.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|-------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 110,000 | \$ 74,666 | \$ 184,666 | 2008 | \$ 37,333 | 2008 | \$ 37,333 |
| 2009 | 115,000 | 68,616 | 183,616 | 2009 | 34,308 | 2009 | 34,308 |
| 2010 | 125,000 | 62,290 | 187,290 | 2010 | 31,145 | 2010 | 31,145 |
| 2011 | 130,000 | 55,290 | 185,290 | 2011 | 27,645 | 2011 | 27,645 |
| 2012 | 140,000 | 47,880 | 187,880 | 2012 | 23,940 | 2012 | 23,940 |
| 2013 | 150,000 | 39,690 | 189,690 | 2013 | 19,845 | 2013 | 19,845 |
| 2014 | 155,000 | 30,690 | 185,690 | 2014 | 15,345 | 2014 | 15,345 |
| 2015 | 165,000 | 21,390 | 186,390 | 2015 | 10,695 | 2015 | 10,695 |
| 2016 | 180,000 | 11,160 | 191,160 | 2016 | 5,580 | 2016 | 5,580 |
| | <u>\$ 1,270,000</u> | <u>\$ 411,672</u> | <u>\$ 1,681,672</u> | | <u>\$ 205,836</u> | | <u>\$ 205,836</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2001C (TIF #3 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | December 1, 2001 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,330,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 5.35% to 6.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 55,000 | \$ 71,698 | \$ 126,698 | 2008 | \$ 35,849 | 2008 | \$ 35,849 |
| 2009 | 60,000 | 68,672 | 128,672 | 2009 | 34,336 | 2009 | 34,336 |
| 2010 | 60,000 | 65,372 | 125,372 | 2010 | 32,686 | 2010 | 32,686 |
| 2011 | 65,000 | 62,012 | 127,012 | 2011 | 31,006 | 2011 | 31,006 |
| 2012 | 70,000 | 58,308 | 128,308 | 2012 | 29,154 | 2012 | 29,154 |
| 2013 | 75,000 | 54,212 | 129,212 | 2013 | 27,106 | 2013 | 27,106 |
| 2014 | 80,000 | 49,712 | 129,712 | 2014 | 24,856 | 2014 | 24,856 |
| 2015 | 85,000 | 44,912 | 129,912 | 2015 | 22,456 | 2015 | 22,456 |
| 2016 | 90,000 | 39,642 | 129,642 | 2016 | 19,821 | 2016 | 19,821 |
| 2017 | 95,000 | 34,062 | 129,062 | 2017 | 17,031 | 2017 | 17,031 |
| 2018 | 100,000 | 28,126 | 128,126 | 2018 | 14,063 | 2018 | 14,063 |
| 2019 | 110,000 | 21,874 | 131,874 | 2019 | 10,937 | 2019 | 10,937 |
| 2020 | 115,000 | 15,000 | 130,000 | 2020 | 7,500 | 2020 | 7,500 |
| 2021 | 125,000 | 7,812 | 132,812 | 2021 | 3,906 | 2021 | 3,906 |
| | <u>\$ 1,185,000</u> | <u>\$ 621,413</u> | <u>\$ 1,806,413</u> | | <u>\$ 310,707</u> | | <u>\$ 310,707</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2002A December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | May 1, 2002 |
| Date of maturity | December 1, 2011 |
| Authorized issue | \$ 4,800,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|-------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 500,000 | \$ 151,376 | \$ 651,376 | 2008 | \$ 75,688 | 2008 | \$ 75,688 |
| 2009 | 1,000,000 | 131,376 | 1,131,376 | 2009 | 65,688 | 2009 | 65,688 |
| 2010 | 990,000 | 88,876 | 1,078,876 | 2010 | 44,438 | 2010 | 44,438 |
| 2011 | 985,000 | 44,326 | 1,029,326 | 2011 | 22,163 | 2011 | 22,163 |
| | <u>\$ 3,475,000</u> | <u>\$ 415,954</u> | <u>\$ 3,890,954</u> | | <u>\$ 207,977</u> | | <u>\$ 207,977</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2003A (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 7,835,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 385,000 | \$ 259,696 | \$ 644,696 | 2008 | \$ 129,848 | 2008 | \$ 129,848 |
| 2009 | 400,000 | 247,666 | 647,666 | 2009 | 123,833 | 2009 | 123,833 |
| 2010 | 405,000 | 234,666 | 639,666 | 2010 | 117,333 | 2010 | 117,333 |
| 2011 | 420,000 | 219,680 | 639,680 | 2011 | 109,840 | 2011 | 109,840 |
| 2012 | 430,000 | 204,140 | 634,140 | 2012 | 102,070 | 2012 | 102,070 |
| 2013 | 450,000 | 188,230 | 638,230 | 2013 | 94,115 | 2013 | 94,115 |
| 2014 | 470,000 | 171,130 | 641,130 | 2014 | 85,565 | 2014 | 85,565 |
| 2015 | 480,000 | 152,800 | 632,800 | 2015 | 76,400 | 2015 | 76,400 |
| 2016 | 500,000 | 133,600 | 633,600 | 2016 | 66,800 | 2016 | 66,800 |
| 2017 | 515,000 | 113,100 | 628,100 | 2017 | 56,550 | 2017 | 56,550 |
| 2018 | 545,000 | 91,470 | 636,470 | 2018 | 45,735 | 2018 | 45,735 |
| 2019 | 565,000 | 68,036 | 633,036 | 2019 | 34,018 | 2019 | 34,018 |
| 2020 | 585,000 | 43,740 | 628,740 | 2020 | 21,870 | 2020 | 21,870 |
| 2021 | 400,000 | 18,000 | 418,000 | 2021 | 9,000 | 2021 | 9,000 |
| | <u>\$ 6,550,000</u> | <u>\$ 2,145,954</u> | <u>\$ 8,695,954</u> | | <u>\$ 1,072,977</u> | | <u>\$ 1,072,977</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
 GENERAL OBLIGATION BONDS, SERIES 2003A (FIRE STATION PORTION)
 December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,270,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.50% |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 60,000 | \$ 42,246 | \$ 102,246 | 2008 | \$ 21,123 | 2008 | \$ 21,123 |
| 2009 | 60,000 | 40,370 | 100,370 | 2009 | 20,185 | 2009 | 20,185 |
| 2010 | 65,000 | 38,420 | 103,420 | 2010 | 19,210 | 2010 | 19,210 |
| 2011 | 65,000 | 36,016 | 101,016 | 2011 | 18,008 | 2011 | 18,008 |
| 2012 | 65,000 | 33,610 | 98,610 | 2012 | 16,805 | 2012 | 16,805 |
| 2013 | 70,000 | 31,206 | 101,206 | 2013 | 15,603 | 2013 | 15,603 |
| 2014 | 75,000 | 28,546 | 103,546 | 2014 | 14,273 | 2014 | 14,273 |
| 2015 | 75,000 | 25,620 | 100,620 | 2015 | 12,810 | 2015 | 12,810 |
| 2016 | 80,000 | 22,620 | 102,620 | 2016 | 11,310 | 2016 | 11,310 |
| 2017 | 80,000 | 19,340 | 99,340 | 2017 | 9,670 | 2017 | 9,670 |
| 2018 | 85,000 | 15,980 | 100,980 | 2018 | 7,990 | 2018 | 7,990 |
| 2019 | 90,000 | 12,324 | 102,324 | 2019 | 6,162 | 2019 | 6,162 |
| 2020 | 95,000 | 8,454 | 103,454 | 2020 | 4,227 | 2020 | 4,227 |
| 2021 | 95,000 | 4,276 | 99,276 | 2021 | 2,138 | 2021 | 2,138 |
| | <u>\$ 1,060,000</u> | <u>\$ 359,028</u> | <u>\$ 1,419,028</u> | | <u>\$ 179,514</u> | | <u>\$ 179,514</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2003A (TIF #1 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 2,535,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.40% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|-------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 130,000 | \$ 81,990 | \$ 211,990 | 2008 | \$ 40,995 | 2008 | \$ 40,995 |
| 2009 | 135,000 | 77,928 | 212,928 | 2009 | 38,964 | 2009 | 38,964 |
| 2010 | 135,000 | 73,540 | 208,540 | 2010 | 36,770 | 2010 | 36,770 |
| 2011 | 140,000 | 68,546 | 208,546 | 2011 | 34,273 | 2011 | 34,273 |
| 2012 | 145,000 | 63,366 | 208,366 | 2012 | 31,683 | 2012 | 31,683 |
| 2013 | 150,000 | 58,000 | 208,000 | 2013 | 29,000 | 2013 | 29,000 |
| 2014 | 160,000 | 52,300 | 212,300 | 2014 | 26,150 | 2014 | 26,150 |
| 2015 | 165,000 | 46,060 | 211,060 | 2015 | 23,030 | 2015 | 23,030 |
| 2016 | 170,000 | 39,460 | 209,460 | 2016 | 19,730 | 2016 | 19,730 |
| 2017 | 175,000 | 32,488 | 207,488 | 2017 | 16,244 | 2017 | 16,244 |
| 2018 | 185,000 | 25,140 | 210,140 | 2018 | 12,570 | 2018 | 12,570 |
| 2019 | 195,000 | 17,186 | 212,186 | 2019 | 8,593 | 2019 | 8,593 |
| 2020 | 200,000 | 8,800 | 208,800 | 2020 | 4,400 | 2020 | 4,400 |
| | <u>\$ 2,085,000</u> | <u>\$ 644,804</u> | <u>\$ 2,729,804</u> | | <u>\$ 322,402</u> | | <u>\$ 322,402</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2003A (TIF #3 PORTION)
December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 2,130,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.50% |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 100,000 | \$ 70,918 | \$ 170,918 | 2008 | \$ 35,459 | 2008 | \$ 35,459 |
| 2009 | 105,000 | 67,792 | 172,792 | 2009 | 33,896 | 2009 | 33,896 |
| 2010 | 105,000 | 64,380 | 169,380 | 2010 | 32,190 | 2010 | 32,190 |
| 2011 | 110,000 | 60,496 | 170,496 | 2011 | 30,248 | 2011 | 30,248 |
| 2012 | 115,000 | 56,426 | 171,426 | 2012 | 28,213 | 2012 | 28,213 |
| 2013 | 120,000 | 52,168 | 172,168 | 2013 | 26,084 | 2013 | 26,084 |
| 2014 | 120,000 | 47,610 | 167,610 | 2014 | 23,805 | 2014 | 23,805 |
| 2015 | 125,000 | 42,930 | 167,930 | 2015 | 21,465 | 2015 | 21,465 |
| 2016 | 130,000 | 37,930 | 167,930 | 2016 | 18,965 | 2016 | 18,965 |
| 2017 | 135,000 | 32,600 | 167,600 | 2017 | 16,300 | 2017 | 16,300 |
| 2018 | 145,000 | 26,930 | 171,930 | 2018 | 13,465 | 2018 | 13,465 |
| 2019 | 150,000 | 20,694 | 170,694 | 2019 | 10,347 | 2019 | 10,347 |
| 2020 | 155,000 | 14,244 | 169,244 | 2020 | 7,122 | 2020 | 7,122 |
| 2021 | 165,000 | 7,426 | 172,426 | 2021 | 3,713 | 2021 | 3,713 |
| | <u>\$ 1,780,000</u> | <u>\$ 602,544</u> | <u>\$ 2,382,544</u> | | <u>\$ 301,272</u> | | <u>\$ 301,272</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2003A (TIF #5 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,525,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 70,000 | \$ 50,800 | \$ 120,800 | 2008 | \$ 25,400 | 2008 | \$ 25,400 |
| 2009 | 75,000 | 48,612 | 123,612 | 2009 | 24,306 | 2009 | 24,306 |
| 2010 | 75,000 | 46,176 | 121,176 | 2010 | 23,088 | 2010 | 23,088 |
| 2011 | 80,000 | 43,400 | 123,400 | 2011 | 21,700 | 2011 | 21,700 |
| 2012 | 80,000 | 40,440 | 120,440 | 2012 | 20,220 | 2012 | 20,220 |
| 2013 | 85,000 | 37,480 | 122,480 | 2013 | 18,740 | 2013 | 18,740 |
| 2014 | 90,000 | 34,250 | 124,250 | 2014 | 17,125 | 2014 | 17,125 |
| 2015 | 90,000 | 30,740 | 120,740 | 2015 | 15,370 | 2015 | 15,370 |
| 2016 | 95,000 | 27,140 | 122,140 | 2016 | 13,570 | 2016 | 13,570 |
| 2017 | 100,000 | 23,244 | 123,244 | 2017 | 11,622 | 2017 | 11,622 |
| 2018 | 105,000 | 19,046 | 124,046 | 2018 | 9,523 | 2018 | 9,523 |
| 2019 | 105,000 | 14,528 | 119,528 | 2019 | 7,264 | 2019 | 7,264 |
| 2020 | 110,000 | 10,014 | 120,014 | 2020 | 5,007 | 2020 | 5,007 |
| 2021 | 115,000 | 5,176 | 120,176 | 2021 | 2,588 | 2021 | 2,588 |
| | <u>\$ 1,275,000</u> | <u>\$ 431,046</u> | <u>\$ 1,706,046</u> | | <u>\$ 215,523</u> | | <u>\$ 215,523</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2003A (TIF #6 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 375,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|-------------------|-------------------|-------------------|--------------|------------------|------------|------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 25,000 | \$ 13,744 | \$ 38,744 | 2008 | \$ 6,872 | 2008 | \$ 6,872 |
| 2009 | 25,000 | 12,962 | 37,962 | 2009 | 6,481 | 2009 | 6,481 |
| 2010 | 25,000 | 12,150 | 37,150 | 2010 | 6,075 | 2010 | 6,075 |
| 2011 | 25,000 | 11,226 | 36,226 | 2011 | 5,613 | 2011 | 5,613 |
| 2012 | 25,000 | 10,300 | 35,300 | 2012 | 5,150 | 2012 | 5,150 |
| 2013 | 25,000 | 9,376 | 34,376 | 2013 | 4,688 | 2013 | 4,688 |
| 2014 | 25,000 | 8,426 | 33,426 | 2014 | 4,213 | 2014 | 4,213 |
| 2015 | 25,000 | 7,450 | 32,450 | 2015 | 3,725 | 2015 | 3,725 |
| 2016 | 25,000 | 6,450 | 31,450 | 2016 | 3,225 | 2016 | 3,225 |
| 2017 | 25,000 | 5,426 | 30,426 | 2017 | 2,713 | 2017 | 2,713 |
| 2018 | 25,000 | 4,374 | 29,374 | 2018 | 2,187 | 2018 | 2,187 |
| 2019 | 25,000 | 3,300 | 28,300 | 2019 | 1,650 | 2019 | 1,650 |
| 2020 | 25,000 | 2,224 | 27,224 | 2020 | 1,112 | 2020 | 1,112 |
| 2021 | 25,000 | 1,126 | 26,126 | 2021 | 563 | 2021 | 563 |
| | <u>\$ 350,000</u> | <u>\$ 108,534</u> | <u>\$ 458,534</u> | | <u>\$ 54,267</u> | | <u>\$ 54,267</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003B (REFUNDING 1993)
 December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2008 |
| Authorized issue | \$ 2,390,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 2.60% |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|------------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 470,000 | \$ 12,220 | \$ 482,220 | 2008 | \$ 6,110 | 2008 | \$ 6,110 |
| | <u>\$ 470,000</u> | <u>\$ 12,220</u> | <u>\$ 482,220</u> | | <u>\$ 6,110</u> | | <u>\$ 6,110</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003C (TIF #6) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | September 1, 2003 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 2,250,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.70% to 5.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|---------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ - | \$ 124,208 | \$ 124,208 | 2008 | \$ 62,104 | 2008 | \$ 62,104 |
| 2009 | 25,000 | 124,208 | 149,208 | 2009 | 62,104 | 2009 | 62,104 |
| 2010 | 50,000 | 123,032 | 173,032 | 2010 | 61,516 | 2010 | 61,516 |
| 2011 | 60,000 | 120,682 | 180,682 | 2011 | 60,341 | 2011 | 60,341 |
| 2012 | 75,000 | 117,742 | 192,742 | 2012 | 58,871 | 2012 | 58,871 |
| 2013 | 100,000 | 113,918 | 213,918 | 2013 | 56,959 | 2013 | 56,959 |
| 2014 | 125,000 | 108,818 | 233,818 | 2014 | 54,409 | 2014 | 54,409 |
| 2015 | 165,000 | 102,442 | 267,442 | 2015 | 51,221 | 2015 | 51,221 |
| 2016 | 190,000 | 93,862 | 283,862 | 2016 | 46,931 | 2016 | 46,931 |
| 2017 | 220,000 | 83,792 | 303,792 | 2017 | 41,896 | 2017 | 41,896 |
| 2018 | 250,000 | 71,912 | 321,912 | 2018 | 35,956 | 2018 | 35,956 |
| 2019 | 290,000 | 58,162 | 348,162 | 2019 | 29,081 | 2019 | 29,081 |
| 2020 | 325,000 | 41,126 | 366,126 | 2020 | 20,563 | 2020 | 20,563 |
| 2021 | 375,000 | 22,032 | 397,032 | 2021 | 11,016 | 2021 | 11,016 |
| | <u>\$ 2,250,000</u> | <u>\$ 1,305,935</u> | <u>\$ 3,555,935</u> | | <u>\$ 652,968</u> | | <u>\$ 652,968</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003D (TIF #1) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | October 30, 2003 |
| Date of maturity | December 1, 2011 |
| Authorized issue | \$ 4,545,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 840,000 | \$ 161,290 | \$ 1,001,290 | 2008 | \$ 80,645 | 2008 | \$ 80,645 |
| 2009 | 890,000 | 128,740 | 1,018,740 | 2009 | 64,370 | 2009 | 64,370 |
| 2010 | 895,000 | 92,250 | 987,250 | 2010 | 46,125 | 2010 | 46,125 |
| 2011 | 950,000 | 47,500 | 997,500 | 2011 | 23,750 | 2011 | 23,750 |
| | \$ 3,575,000 | \$ 429,780 | \$ 4,004,780 | | \$ 214,890 | | \$ 214,890 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2004A (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 8,400,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 445,000 | \$ 301,144 | \$ 746,144 | 2008 | \$ 150,572 | 2008 | \$ 150,572 |
| 2009 | 460,000 | 283,344 | 743,344 | 2009 | 141,672 | 2009 | 141,672 |
| 2010 | 480,000 | 264,944 | 744,944 | 2010 | 132,472 | 2010 | 132,472 |
| 2011 | 490,000 | 245,744 | 735,744 | 2011 | 122,872 | 2011 | 122,872 |
| 2012 | 510,000 | 226,144 | 736,144 | 2012 | 113,072 | 2012 | 113,072 |
| 2013 | 530,000 | 205,744 | 735,744 | 2013 | 102,872 | 2013 | 102,872 |
| 2014 | 550,000 | 184,544 | 734,544 | 2014 | 92,272 | 2014 | 92,272 |
| 2015 | 570,000 | 162,544 | 732,544 | 2015 | 81,272 | 2015 | 81,272 |
| 2016 | 595,000 | 139,742 | 734,742 | 2016 | 69,871 | 2016 | 69,871 |
| 2017 | 620,000 | 115,200 | 735,200 | 2017 | 57,600 | 2017 | 57,600 |
| 2018 | 645,000 | 89,160 | 734,160 | 2018 | 44,580 | 2018 | 44,580 |
| 2019 | 675,000 | 61,424 | 736,424 | 2019 | 30,712 | 2019 | 30,712 |
| 2020 | 705,000 | 31,726 | 736,726 | 2020 | 15,863 | 2020 | 15,863 |
| | <u>\$ 7,275,000</u> | <u>\$ 2,311,404</u> | <u>\$ 9,586,404</u> | | <u>\$ 1,155,702</u> | | <u>\$ 1,155,702</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2004A (TIF #1 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 6,400,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 4.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 340,000 | \$ 229,514 | \$ 569,514 | 2008 | \$ 114,757 | 2008 | \$ 114,757 |
| 2009 | 350,000 | 215,914 | 565,914 | 2009 | 107,957 | 2009 | 107,957 |
| 2010 | 365,000 | 201,914 | 566,914 | 2010 | 100,957 | 2010 | 100,957 |
| 2011 | 375,000 | 187,314 | 562,314 | 2011 | 93,657 | 2011 | 93,657 |
| 2012 | 390,000 | 172,314 | 562,314 | 2012 | 86,157 | 2012 | 86,157 |
| 2013 | 405,000 | 156,714 | 561,714 | 2013 | 78,357 | 2013 | 78,357 |
| 2014 | 420,000 | 140,514 | 560,514 | 2014 | 70,257 | 2014 | 70,257 |
| 2015 | 435,000 | 123,714 | 558,714 | 2015 | 61,857 | 2015 | 61,857 |
| 2016 | 455,000 | 106,314 | 561,314 | 2016 | 53,157 | 2016 | 53,157 |
| 2017 | 470,000 | 87,546 | 557,546 | 2017 | 43,773 | 2017 | 43,773 |
| 2018 | 490,000 | 67,806 | 557,806 | 2018 | 33,903 | 2018 | 33,903 |
| 2019 | 515,000 | 46,736 | 561,736 | 2019 | 23,368 | 2019 | 23,368 |
| 2020 | 535,000 | 24,074 | 559,074 | 2020 | 12,037 | 2020 | 12,037 |
| | <u>\$ 5,545,000</u> | <u>\$ 1,760,388</u> | <u>\$ 7,305,388</u> | | <u>\$ 880,194</u> | | <u>\$ 880,194</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2004A (CITY STREETS PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 2,000,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.00% to 4.50% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 105,000 | \$ 71,630 | \$ 176,630 | 2008 | \$ 35,815 | 2008 | \$ 35,815 |
| 2009 | 110,000 | 67,430 | 177,430 | 2009 | 33,715 | 2009 | 33,715 |
| 2010 | 115,000 | 63,030 | 178,030 | 2010 | 31,515 | 2010 | 31,515 |
| 2011 | 115,000 | 58,430 | 173,430 | 2011 | 29,215 | 2011 | 29,215 |
| 2012 | 120,000 | 53,830 | 173,830 | 2012 | 26,915 | 2012 | 26,915 |
| 2013 | 125,000 | 49,030 | 174,030 | 2013 | 24,515 | 2013 | 24,515 |
| 2014 | 130,000 | 44,030 | 174,030 | 2014 | 22,015 | 2014 | 22,015 |
| 2015 | 135,000 | 38,830 | 173,830 | 2015 | 19,415 | 2015 | 19,415 |
| 2016 | 140,000 | 33,430 | 173,430 | 2016 | 16,715 | 2016 | 16,715 |
| 2017 | 150,000 | 27,654 | 177,654 | 2017 | 13,827 | 2017 | 13,827 |
| 2018 | 155,000 | 21,354 | 176,354 | 2018 | 10,677 | 2018 | 10,677 |
| 2019 | 160,000 | 14,690 | 174,690 | 2019 | 7,345 | 2019 | 7,345 |
| 2020 | 170,000 | 7,648 | 177,648 | 2020 | 3,824 | 2020 | 3,824 |
| | <u>\$ 1,730,000</u> | <u>\$ 551,016</u> | <u>\$ 2,281,016</u> | | <u>\$ 275,508</u> | | <u>\$ 275,508</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 8,900,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.80% to 5.85% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|----------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 505,000 | \$ 440,990 | \$ 945,990 | 2008 | \$ 220,495 | 2008 | \$ 220,495 |
| 2009 | 520,000 | 416,246 | 936,246 | 2009 | 208,123 | 2009 | 208,123 |
| 2010 | 545,000 | 390,766 | 935,766 | 2010 | 195,383 | 2010 | 195,383 |
| 2011 | 575,000 | 364,060 | 939,060 | 2011 | 182,030 | 2011 | 182,030 |
| 2012 | 460,000 | 335,598 | 795,598 | 2012 | 167,799 | 2012 | 167,799 |
| 2013 | 485,000 | 311,908 | 796,908 | 2013 | 155,954 | 2013 | 155,954 |
| 2014 | 510,000 | 286,202 | 796,202 | 2014 | 143,101 | 2014 | 143,101 |
| 2015 | 535,000 | 258,662 | 793,662 | 2015 | 129,331 | 2015 | 129,331 |
| 2016 | 570,000 | 228,702 | 798,702 | 2016 | 114,351 | 2016 | 114,351 |
| 2017 | 600,000 | 196,782 | 796,782 | 2017 | 98,391 | 2017 | 98,391 |
| 2018 | 640,000 | 162,282 | 802,282 | 2018 | 81,141 | 2018 | 81,141 |
| 2019 | 670,000 | 125,482 | 795,482 | 2019 | 62,741 | 2019 | 62,741 |
| 2020 | 715,000 | 86,288 | 801,288 | 2020 | 43,144 | 2020 | 43,144 |
| 2021 | 760,000 | 44,460 | 804,460 | 2021 | 22,230 | 2021 | 22,230 |
| | <u>\$ 8,090,000</u> | <u>\$ 3,648,428</u> | <u>\$ 11,738,428</u> | | <u>\$ 1,824,214</u> | | <u>\$ 1,824,214</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TIF #3 LEASE BUYOUT PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 900,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.80% to 5.85% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|-------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 45,000 | \$ 47,198 | \$ 92,198 | 2008 | \$ 23,599 | 2008 | \$ 23,599 |
| 2009 | 45,000 | 44,992 | 89,992 | 2009 | 22,496 | 2009 | 22,496 |
| 2010 | 45,000 | 42,788 | 87,788 | 2010 | 21,394 | 2010 | 21,394 |
| 2011 | 50,000 | 40,582 | 90,582 | 2011 | 20,291 | 2011 | 20,291 |
| 2012 | 50,000 | 38,108 | 88,108 | 2012 | 19,054 | 2012 | 19,054 |
| 2013 | 55,000 | 35,532 | 90,532 | 2013 | 17,766 | 2013 | 17,766 |
| 2014 | 60,000 | 32,618 | 92,618 | 2014 | 16,309 | 2014 | 16,309 |
| 2015 | 60,000 | 29,378 | 89,378 | 2015 | 14,689 | 2015 | 14,689 |
| 2016 | 65,000 | 26,018 | 91,018 | 2016 | 13,009 | 2016 | 13,009 |
| 2017 | 70,000 | 22,378 | 92,378 | 2017 | 11,189 | 2017 | 11,189 |
| 2018 | 75,000 | 18,352 | 93,352 | 2018 | 9,176 | 2018 | 9,176 |
| 2019 | 75,000 | 14,040 | 89,040 | 2019 | 7,020 | 2019 | 7,020 |
| 2020 | 80,000 | 9,650 | 89,650 | 2020 | 4,825 | 2020 | 4,825 |
| 2021 | 85,000 | 4,970 | 89,970 | 2021 | 2,485 | 2021 | 2,485 |
| | <u>\$ 860,000</u> | <u>\$ 406,604</u> | <u>\$ 1,266,604</u> | | <u>\$ 203,302</u> | | <u>\$ 203,302</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TIF #3 SOFT COSTS PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2011 |
| Authorized issue | \$ 500,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.80% to 5.85% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|-----------|------------|--------------|-----------|------------|-----------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 115,000 | \$ 24,568 | \$ 139,568 | 2008 | \$ 12,284 | 2008 | \$ 12,284 |
| 2009 | 120,000 | 18,932 | 138,932 | 2009 | 9,466 | 2009 | 9,466 |
| 2010 | 130,000 | 13,050 | 143,050 | 2010 | 6,525 | 2010 | 6,525 |
| 2011 | 135,000 | 6,680 | 141,680 | 2011 | 3,340 | 2011 | 3,340 |
| | \$ 500,000 | \$ 63,230 | \$ 563,230 | | \$ 31,615 | | \$ 31,615 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TIF #6 PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | June 3, 2004 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 7,500,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.80% to 5.85% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 345,000 | \$ 369,226 | \$ 714,226 | 2008 | \$ 184,613 | 2008 | \$ 184,613 |
| 2009 | 355,000 | 352,320 | 707,320 | 2009 | 176,160 | 2009 | 176,160 |
| 2010 | 370,000 | 334,926 | 704,926 | 2010 | 167,463 | 2010 | 167,463 |
| 2011 | 390,000 | 316,796 | 706,796 | 2011 | 158,398 | 2011 | 158,398 |
| 2012 | 410,000 | 297,490 | 707,490 | 2012 | 148,745 | 2012 | 148,745 |
| 2013 | 430,000 | 276,376 | 706,376 | 2013 | 138,188 | 2013 | 138,188 |
| 2014 | 450,000 | 253,586 | 703,586 | 2014 | 126,793 | 2014 | 126,793 |
| 2015 | 475,000 | 229,286 | 704,286 | 2015 | 114,643 | 2015 | 114,643 |
| 2016 | 505,000 | 202,686 | 707,686 | 2016 | 101,343 | 2016 | 101,343 |
| 2017 | 530,000 | 174,406 | 704,406 | 2017 | 87,203 | 2017 | 87,203 |
| 2018 | 565,000 | 143,930 | 708,930 | 2018 | 71,965 | 2018 | 71,965 |
| 2019 | 595,000 | 111,442 | 706,442 | 2019 | 55,721 | 2019 | 55,721 |
| 2020 | 635,000 | 76,634 | 711,634 | 2020 | 38,317 | 2020 | 38,317 |
| 2021 | 675,000 | 39,486 | 714,486 | 2021 | 19,743 | 2021 | 19,743 |
| | <u>\$ 6,730,000</u> | <u>\$ 3,178,590</u> | <u>\$ 9,908,590</u> | | <u>\$ 1,589,295</u> | | <u>\$ 1,589,295</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2005A (TIF #3) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | January 1, 2005 |
| Date of maturity | December 1, 2022 |
| Authorized issue | \$ 5,550,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.00% to 5.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 275,000 | \$ 247,738 | \$ 522,738 | 2008 | \$ 123,869 | 2008 | \$ 123,869 |
| 2009 | 285,000 | 239,488 | 524,488 | 2009 | 119,744 | 2009 | 119,744 |
| 2010 | 295,000 | 230,224 | 525,224 | 2010 | 115,112 | 2010 | 115,112 |
| 2011 | 305,000 | 217,688 | 522,688 | 2011 | 108,844 | 2011 | 108,844 |
| 2012 | 320,000 | 206,250 | 526,250 | 2012 | 103,125 | 2012 | 103,125 |
| 2013 | 330,000 | 193,450 | 523,450 | 2013 | 96,725 | 2013 | 96,725 |
| 2014 | 345,000 | 180,250 | 525,250 | 2014 | 90,125 | 2014 | 90,125 |
| 2015 | 355,000 | 166,450 | 521,450 | 2015 | 83,225 | 2015 | 83,225 |
| 2016 | 370,000 | 152,250 | 522,250 | 2016 | 76,125 | 2016 | 76,125 |
| 2017 | 390,000 | 132,824 | 522,824 | 2017 | 66,412 | 2017 | 66,412 |
| 2018 | 410,000 | 112,350 | 522,350 | 2018 | 56,175 | 2018 | 56,175 |
| 2019 | 435,000 | 90,824 | 525,824 | 2019 | 45,412 | 2019 | 45,412 |
| 2020 | 455,000 | 67,988 | 522,988 | 2020 | 33,994 | 2020 | 33,994 |
| 2021 | 480,000 | 44,100 | 524,100 | 2021 | 22,050 | 2021 | 22,050 |
| 2022 | 500,000 | 22,500 | 522,500 | 2022 | 11,250 | 2022 | 11,250 |
| | \$ 5,550,000 | \$ 2,304,374 | \$ 7,854,374 | | \$ 1,152,187 | | \$ 1,152,187 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005B (TIF #1) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | January 1, 2005 |
| Date of maturity | December 1, 2011 |
| Authorized issue | \$ 1,030,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|-----------|--------------|--------------|-----------|------------|-----------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 260,000 | \$ 35,900 | \$ 295,900 | 2008 | \$ 17,950 | 2008 | \$ 17,950 |
| 2009 | 255,000 | 28,100 | 283,100 | 2009 | 14,050 | 2009 | 14,050 |
| 2010 | 250,000 | 19,812 | 269,812 | 2010 | 9,906 | 2010 | 9,906 |
| 2011 | 245,000 | 9,188 | 254,188 | 2011 | 4,594 | 2011 | 4,594 |
| | \$ 1,010,000 | \$ 93,000 | \$ 1,103,000 | | \$ 46,500 | | \$ 46,500 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005C (WATER) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | January 1, 2005 |
| Date of maturity | December 1, 2013 |
| Authorized issue | \$ 2,330,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.50% to 4.00% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 180,000 | \$ 71,788 | \$ 251,788 | 2008 | \$ 35,894 | 2008 | \$ 35,894 |
| 2009 | 335,000 | 66,388 | 401,388 | 2009 | 33,194 | 2009 | 33,194 |
| 2010 | 355,000 | 55,500 | 410,500 | 2010 | 27,750 | 2010 | 27,750 |
| 2011 | 370,000 | 43,074 | 413,074 | 2011 | 21,537 | 2011 | 21,537 |
| 2012 | 365,000 | 29,200 | 394,200 | 2012 | 14,600 | 2012 | 14,600 |
| 2013 | 365,000 | 14,600 | 379,600 | 2013 | 7,300 | 2013 | 7,300 |
| | \$ 1,970,000 | \$ 280,550 | \$ 2,250,550 | | \$ 140,275 | | \$ 140,275 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (TOTAL ISSUE) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | February 1, 2005 |
| Date of maturity | December 1, 2018 |
| Authorized issue | \$ 14,650,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.25% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------|--------------|---------------|--------------|--------------|------------|--------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 1,080,000 | \$ 625,310 | \$ 1,705,310 | 2008 | \$ 312,655 | 2008 | \$ 312,655 |
| 2009 | 1,110,000 | 592,910 | 1,702,910 | 2009 | 296,455 | 2009 | 296,455 |
| 2010 | 1,140,000 | 559,610 | 1,699,610 | 2010 | 279,805 | 2010 | 279,805 |
| 2011 | 1,185,000 | 519,710 | 1,704,710 | 2011 | 259,855 | 2011 | 259,855 |
| 2012 | 1,240,000 | 460,460 | 1,700,460 | 2012 | 230,230 | 2012 | 230,230 |
| 2013 | 1,295,000 | 398,460 | 1,693,460 | 2013 | 199,230 | 2013 | 199,230 |
| 2014 | 1,360,000 | 333,710 | 1,693,710 | 2014 | 166,855 | 2014 | 166,855 |
| 2015 | 1,405,000 | 283,390 | 1,688,390 | 2015 | 141,695 | 2015 | 141,695 |
| 2016 | 1,460,000 | 230,000 | 1,690,000 | 2016 | 115,000 | 2016 | 115,000 |
| 2017 | 1,530,000 | 157,000 | 1,687,000 | 2017 | 78,500 | 2017 | 78,500 |
| 2018 | 1,610,000 | 80,500 | 1,690,500 | 2018 | 40,250 | 2018 | 40,250 |
| | \$ 14,415,000 | \$ 4,241,060 | \$ 18,656,060 | | \$ 2,120,530 | | \$ 2,120,530 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (STREET PORTION)
 December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | February 1, 2005 |
| Date of maturity | December 1, 2013 |
| Authorized issue | \$ 4,090,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.25% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|-------------------|---------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 615,000 | \$ 166,750 | \$ 781,750 | 2008 | \$ 83,375 | 2008 | \$ 83,375 |
| 2009 | 635,000 | 148,300 | 783,300 | 2009 | 74,150 | 2009 | 74,150 |
| 2010 | 650,000 | 129,250 | 779,250 | 2010 | 64,625 | 2010 | 64,625 |
| 2011 | 680,000 | 106,500 | 786,500 | 2011 | 53,250 | 2011 | 53,250 |
| 2012 | 710,000 | 72,500 | 782,500 | 2012 | 36,250 | 2012 | 36,250 |
| 2013 | 740,000 | 37,000 | 777,000 | 2013 | 18,500 | 2013 | 18,500 |
| | <u>\$ 4,030,000</u> | <u>\$ 660,300</u> | <u>\$ 4,690,300</u> | | <u>\$ 330,150</u> | | <u>\$ 330,150</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (SEWER PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | February 1, 2005 |
| Date of maturity | December 1, 2018 |
| Authorized issue | \$ 6,985,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.25% to 5.00% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|---------------------|---------------------|---------------------|---------------|---------------------|-------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 450,000 | \$ 299,424 | \$ 749,424 | 2008 | \$ 149,712 | 2008 | \$ 149,712 |
| 2009 | 465,000 | 285,926 | 750,926 | 2009 | 142,963 | 2009 | 142,963 |
| 2010 | 480,000 | 271,974 | 751,974 | 2010 | 135,987 | 2010 | 135,987 |
| 2011 | 500,000 | 255,176 | 755,176 | 2011 | 127,588 | 2011 | 127,588 |
| 2012 | 520,000 | 230,174 | 750,174 | 2012 | 115,087 | 2012 | 115,087 |
| 2013 | 545,000 | 204,174 | 749,174 | 2013 | 102,087 | 2013 | 102,087 |
| 2014 | 765,000 | 176,924 | 941,924 | 2014 | 88,462 | 2014 | 88,462 |
| 2015 | 740,000 | 148,620 | 888,620 | 2015 | 74,310 | 2015 | 74,310 |
| 2016 | 760,000 | 120,500 | 880,500 | 2016 | 60,250 | 2016 | 60,250 |
| 2017 | 800,000 | 82,500 | 882,500 | 2017 | 41,250 | 2017 | 41,250 |
| 2018 | 850,000 | 42,500 | 892,500 | 2018 | 21,250 | 2018 | 21,250 |
| | <u>\$ 6,875,000</u> | <u>\$ 2,117,892</u> | <u>\$ 8,992,892</u> | | <u>\$ 1,058,946</u> | | <u>\$ 1,058,946</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (LIBRARY PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | February 1, 2005 |
| Date of maturity | December 1, 2018 |
| Authorized issue | \$ 3,575,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.25% to 5.00% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|--------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 15,000 | \$ 159,136 | \$ 174,136 | 2008 | \$ 79,568 | 2008 | \$ 79,568 |
| 2009 | 10,000 | 158,684 | 168,684 | 2009 | 79,342 | 2009 | 79,342 |
| 2010 | 10,000 | 158,386 | 168,386 | 2010 | 79,193 | 2010 | 79,193 |
| 2011 | 5,000 | 158,034 | 163,034 | 2011 | 79,017 | 2011 | 79,017 |
| 2012 | 10,000 | 157,786 | 167,786 | 2012 | 78,893 | 2012 | 78,893 |
| 2013 | 10,000 | 157,284 | 167,284 | 2013 | 78,642 | 2013 | 78,642 |
| 2014 | 595,000 | 156,786 | 751,786 | 2014 | 78,393 | 2014 | 78,393 |
| 2015 | 665,000 | 134,770 | 799,770 | 2015 | 67,385 | 2015 | 67,385 |
| 2016 | 700,000 | 109,500 | 809,500 | 2016 | 54,750 | 2016 | 54,750 |
| 2017 | 730,000 | 74,500 | 804,500 | 2017 | 37,250 | 2017 | 37,250 |
| 2018 | 760,000 | 38,000 | 798,000 | 2018 | 19,000 | 2018 | 19,000 |
| | \$ 3,510,000 | \$ 1,462,866 | \$ 4,972,866 | | \$ 731,433 | | \$ 731,433 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2005E (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2022 |
| Authorized issue | \$ 12,800,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.60% to 4.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------|--------------|---------------|--------------|--------------|------------|--------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 430,000 | \$ 487,438 | \$ 917,438 | 2008 | \$ 243,719 | 2008 | \$ 243,719 |
| 2009 | 465,000 | 471,850 | 936,850 | 2009 | 235,925 | 2009 | 235,925 |
| 2010 | 480,000 | 454,994 | 934,994 | 2010 | 227,497 | 2010 | 227,497 |
| 2011 | 495,000 | 437,474 | 932,474 | 2011 | 218,737 | 2011 | 218,737 |
| 2012 | 510,000 | 419,158 | 929,158 | 2012 | 209,579 | 2012 | 209,579 |
| 2013 | 530,000 | 400,034 | 930,034 | 2013 | 200,017 | 2013 | 200,017 |
| 2014 | 1,005,000 | 378,834 | 1,383,834 | 2014 | 189,417 | 2014 | 189,417 |
| 2015 | 1,045,000 | 338,634 | 1,383,634 | 2015 | 169,317 | 2015 | 169,317 |
| 2016 | 1,090,000 | 296,834 | 1,386,834 | 2016 | 148,417 | 2016 | 148,417 |
| 2017 | 1,135,000 | 253,234 | 1,388,234 | 2017 | 126,617 | 2017 | 126,617 |
| 2018 | 1,180,000 | 207,834 | 1,387,834 | 2018 | 103,917 | 2018 | 103,917 |
| 2019 | 1,235,000 | 160,042 | 1,395,042 | 2019 | 80,021 | 2019 | 80,021 |
| 2020 | 1,290,000 | 109,100 | 1,399,100 | 2020 | 54,550 | 2020 | 54,550 |
| 2021 | 645,000 | 55,566 | 700,566 | 2021 | 27,783 | 2021 | 27,783 |
| 2022 | 670,000 | 28,474 | 698,474 | 2022 | 14,237 | 2022 | 14,237 |
| | \$ 12,205,000 | \$ 4,499,500 | \$ 16,704,500 | | \$ 2,249,750 | | \$ 2,249,750 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2005E (TIF #1 PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 1,000,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.625% to 4.15% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 40,000 | \$ 39,308 | \$ 79,308 | 2008 | \$ 19,654 | 2008 | \$ 19,654 |
| 2009 | 65,000 | 37,858 | 102,858 | 2009 | 18,929 | 2009 | 18,929 |
| 2010 | 65,000 | 35,502 | 100,502 | 2010 | 17,751 | 2010 | 17,751 |
| 2011 | 70,000 | 33,128 | 103,128 | 2011 | 16,564 | 2011 | 16,564 |
| 2012 | 70,000 | 30,538 | 100,538 | 2012 | 15,269 | 2012 | 15,269 |
| 2013 | 75,000 | 27,914 | 102,914 | 2013 | 13,957 | 2013 | 13,957 |
| 2014 | 75,000 | 24,914 | 99,914 | 2014 | 12,457 | 2014 | 12,457 |
| 2015 | 80,000 | 21,914 | 101,914 | 2015 | 10,957 | 2015 | 10,957 |
| 2016 | 85,000 | 18,714 | 103,714 | 2016 | 9,357 | 2016 | 9,357 |
| 2017 | 90,000 | 15,314 | 105,314 | 2017 | 7,657 | 2017 | 7,657 |
| 2018 | 90,000 | 11,712 | 101,712 | 2018 | 5,856 | 2018 | 5,856 |
| 2019 | 95,000 | 8,068 | 103,068 | 2019 | 4,034 | 2019 | 4,034 |
| 2020 | 100,000 | 4,150 | 104,150 | 2020 | 2,075 | 2020 | 2,075 |
| | \$ 1,000,000 | \$ 309,034 | \$ 1,309,034 | | \$ 154,517 | | \$ 154,517 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2005E (TIF #3 PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2022 |
| Authorized issue | \$ 5,300,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.625% to 4.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|---------------------|---------------------|--------------|---------------------|------------|---------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 25,000 | \$ 215,496 | \$ 240,496 | 2008 | \$ 107,748 | 2008 | \$ 107,748 |
| 2009 | 25,000 | 214,588 | 239,588 | 2009 | 107,294 | 2009 | 107,294 |
| 2010 | 25,000 | 213,682 | 238,682 | 2010 | 106,841 | 2010 | 106,841 |
| 2011 | 25,000 | 212,770 | 237,770 | 2011 | 106,385 | 2011 | 106,385 |
| 2012 | 25,000 | 211,844 | 236,844 | 2012 | 105,922 | 2012 | 105,922 |
| 2013 | 25,000 | 210,908 | 235,908 | 2013 | 105,454 | 2013 | 105,454 |
| 2014 | 480,000 | 209,908 | 689,908 | 2014 | 104,954 | 2014 | 104,954 |
| 2015 | 500,000 | 190,708 | 690,708 | 2015 | 95,354 | 2015 | 95,354 |
| 2016 | 520,000 | 170,708 | 690,708 | 2016 | 85,354 | 2016 | 85,354 |
| 2017 | 540,000 | 149,908 | 689,908 | 2017 | 74,954 | 2017 | 74,954 |
| 2018 | 565,000 | 128,308 | 693,308 | 2018 | 64,154 | 2018 | 64,154 |
| 2019 | 590,000 | 105,424 | 695,424 | 2019 | 52,712 | 2019 | 52,712 |
| 2020 | 615,000 | 81,088 | 696,088 | 2020 | 40,544 | 2020 | 40,544 |
| 2021 | 645,000 | 55,564 | 700,564 | 2021 | 27,782 | 2021 | 27,782 |
| 2022 | 670,000 | 28,474 | 698,474 | 2022 | 14,237 | 2022 | 14,237 |
| | <u>\$ 5,275,000</u> | <u>\$ 2,399,378</u> | <u>\$ 7,674,378</u> | | <u>\$ 1,199,689</u> | | <u>\$ 1,199,689</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2005E (INFRASTRUCTURE PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 6,500,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.60% to 4.15% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | <u>Requirements</u> | | | <u>Interest Due</u> | | | |
|--|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 365,000 | \$ 232,636 | \$ 597,636 | 2008 | \$ 116,318 | 2008 | \$ 116,318 |
| 2009 | 375,000 | 219,404 | 594,404 | 2009 | 109,702 | 2009 | 109,702 |
| 2010 | 390,000 | 205,810 | 595,810 | 2010 | 102,905 | 2010 | 102,905 |
| 2011 | 400,000 | 191,576 | 591,576 | 2011 | 95,788 | 2011 | 95,788 |
| 2012 | 415,000 | 176,776 | 591,776 | 2012 | 88,388 | 2012 | 88,388 |
| 2013 | 430,000 | 161,212 | 591,212 | 2013 | 80,606 | 2013 | 80,606 |
| 2014 | 450,000 | 144,012 | 594,012 | 2014 | 72,006 | 2014 | 72,006 |
| 2015 | 465,000 | 126,012 | 591,012 | 2015 | 63,006 | 2015 | 63,006 |
| 2016 | 485,000 | 107,412 | 592,412 | 2016 | 53,706 | 2016 | 53,706 |
| 2017 | 505,000 | 88,012 | 593,012 | 2017 | 44,006 | 2017 | 44,006 |
| 2018 | 525,000 | 67,812 | 592,812 | 2018 | 33,906 | 2018 | 33,906 |
| 2019 | 550,000 | 46,550 | 596,550 | 2019 | 23,275 | 2019 | 23,275 |
| 2020 | 575,000 | 23,862 | 598,862 | 2020 | 11,931 | 2020 | 11,931 |
| | <u>\$ 5,930,000</u> | <u>\$ 1,791,086</u> | <u>\$ 7,721,086</u> | | <u>\$ 895,543</u> | | <u>\$ 895,543</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2005F (TIF #1) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2020 |
| Authorized issue | \$ 4,725,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.75% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | <u>Requirements</u> | | | <u>Interest Due</u> | | | |
|--|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 115,000 | \$ 224,438 | \$ 339,438 | 2008 | \$ 112,219 | 2008 | \$ 112,219 |
| 2009 | 285,000 | 218,974 | 503,974 | 2009 | 109,487 | 2009 | 109,487 |
| 2010 | 300,000 | 205,438 | 505,438 | 2010 | 102,719 | 2010 | 102,719 |
| 2011 | 315,000 | 191,188 | 506,188 | 2011 | 95,594 | 2011 | 95,594 |
| 2012 | 330,000 | 176,226 | 506,226 | 2012 | 88,113 | 2012 | 88,113 |
| 2013 | 350,000 | 160,550 | 510,550 | 2013 | 80,275 | 2013 | 80,275 |
| 2014 | 365,000 | 143,924 | 508,924 | 2014 | 71,962 | 2014 | 71,962 |
| 2015 | 385,000 | 126,588 | 511,588 | 2015 | 63,294 | 2015 | 63,294 |
| 2016 | 410,000 | 108,300 | 518,300 | 2016 | 54,150 | 2016 | 54,150 |
| 2017 | 430,000 | 88,824 | 518,824 | 2017 | 44,412 | 2017 | 44,412 |
| 2018 | 455,000 | 68,400 | 523,400 | 2018 | 34,200 | 2018 | 34,200 |
| 2019 | 480,000 | 46,788 | 526,788 | 2019 | 23,394 | 2019 | 23,394 |
| 2020 | 505,000 | 23,986 | 528,986 | 2020 | 11,993 | 2020 | 11,993 |
| | <u>\$ 4,725,000</u> | <u>\$ 1,783,624</u> | <u>\$ 6,508,624</u> | | <u>\$ 891,812</u> | | <u>\$ 891,812</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS TAXABLE GENERAL OBLIGATION BONDS, SERIES 2005G (TIF #3) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | June 1, 2005 |
| Date of maturity | December 1, 2015 |
| Authorized issue | \$ 500,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 4.75% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|------------|------------|--------------|-----------|------------|-----------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 25,000 | \$ 22,562 | \$ 47,562 | 2008 | \$ 11,281 | 2008 | \$ 11,281 |
| 2009 | 25,000 | 21,376 | 46,376 | 2009 | 10,688 | 2009 | 10,688 |
| 2010 | 25,000 | 20,188 | 45,188 | 2010 | 10,094 | 2010 | 10,094 |
| 2011 | 25,000 | 19,000 | 44,000 | 2011 | 9,500 | 2011 | 9,500 |
| 2012 | 25,000 | 17,812 | 42,812 | 2012 | 8,906 | 2012 | 8,906 |
| 2013 | 25,000 | 16,624 | 41,624 | 2013 | 8,312 | 2013 | 8,312 |
| 2014 | 160,000 | 15,438 | 175,438 | 2014 | 7,719 | 2014 | 7,719 |
| 2015 | 165,000 | 7,838 | 172,838 | 2015 | 3,919 | 2015 | 3,919 |
| | \$ 475,000 | \$ 140,838 | \$ 615,838 | | \$ 70,419 | | \$ 70,419 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 6,065,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|--------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 45,000 | \$ 230,470 | \$ 275,470 | 2008 | \$ 115,235 | 2008 | \$ 115,235 |
| 2009 | 340,000 | 228,760 | 568,760 | 2009 | 114,380 | 2009 | 114,380 |
| 2010 | 350,000 | 215,840 | 565,840 | 2010 | 107,920 | 2010 | 107,920 |
| 2011 | 695,000 | 202,540 | 897,540 | 2011 | 101,270 | 2011 | 101,270 |
| 2012 | 615,000 | 176,130 | 791,130 | 2012 | 88,065 | 2012 | 88,065 |
| 2013 | 650,000 | 152,760 | 802,760 | 2013 | 76,380 | 2013 | 76,380 |
| 2014 | 675,000 | 128,060 | 803,060 | 2014 | 64,030 | 2014 | 64,030 |
| 2015 | 700,000 | 102,410 | 802,410 | 2015 | 51,205 | 2015 | 51,205 |
| 2016 | 305,000 | 75,810 | 380,810 | 2016 | 37,905 | 2016 | 37,905 |
| 2017 | 310,000 | 64,220 | 374,220 | 2017 | 32,110 | 2017 | 32,110 |
| 2018 | 325,000 | 52,440 | 377,440 | 2018 | 26,220 | 2018 | 26,220 |
| 2019 | 340,000 | 40,090 | 380,090 | 2019 | 20,045 | 2019 | 20,045 |
| 2020 | 350,000 | 27,170 | 377,170 | 2020 | 13,585 | 2020 | 13,585 |
| 2021 | 365,000 | 13,870 | 378,870 | 2021 | 6,935 | 2021 | 6,935 |
| | \$ 6,065,000 | \$ 1,710,570 | \$ 7,775,570 | | \$ 855,285 | | \$ 855,285 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (REFUNDING 2000 PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2015 |
| Authorized issue | \$ 2,570,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 25,000 | \$ 97,660 | \$ 122,660 | 2008 | \$ 48,830 | 2008 | \$ 48,830 |
| 2009 | 320,000 | 96,710 | 416,710 | 2009 | 48,355 | 2009 | 48,355 |
| 2010 | 330,000 | 84,550 | 414,550 | 2010 | 42,275 | 2010 | 42,275 |
| 2011 | 350,000 | 72,010 | 422,010 | 2011 | 36,005 | 2011 | 36,005 |
| 2012 | 360,000 | 58,710 | 418,710 | 2012 | 29,355 | 2012 | 29,355 |
| 2013 | 380,000 | 45,030 | 425,030 | 2013 | 22,515 | 2013 | 22,515 |
| 2014 | 395,000 | 30,590 | 425,590 | 2014 | 15,295 | 2014 | 15,295 |
| 2015 | 410,000 | 15,580 | 425,580 | 2015 | 7,790 | 2015 | 7,790 |
| | \$ 2,570,000 | \$ 500,840 | \$ 3,070,840 | | \$ 250,420 | | \$ 250,420 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (STREET PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 3,395,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|--------------|--------------|--------------|------------|------------|------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 20,000 | \$ 129,010 | \$ 149,010 | 2008 | \$ 64,505 | 2008 | \$ 64,505 |
| 2009 | 20,000 | 128,250 | 148,250 | 2009 | 64,125 | 2009 | 64,125 |
| 2010 | 20,000 | 127,490 | 147,490 | 2010 | 63,745 | 2010 | 63,745 |
| 2011 | 245,000 | 126,730 | 371,730 | 2011 | 63,365 | 2011 | 63,365 |
| 2012 | 255,000 | 117,420 | 372,420 | 2012 | 58,710 | 2012 | 58,710 |
| 2013 | 270,000 | 107,730 | 377,730 | 2013 | 53,865 | 2013 | 53,865 |
| 2014 | 280,000 | 97,470 | 377,470 | 2014 | 48,735 | 2014 | 48,735 |
| 2015 | 290,000 | 86,830 | 376,830 | 2015 | 43,415 | 2015 | 43,415 |
| 2016 | 305,000 | 75,810 | 380,810 | 2016 | 37,905 | 2016 | 37,905 |
| 2017 | 310,000 | 64,220 | 374,220 | 2017 | 32,110 | 2017 | 32,110 |
| 2018 | 325,000 | 52,440 | 377,440 | 2018 | 26,220 | 2018 | 26,220 |
| 2019 | 340,000 | 40,090 | 380,090 | 2019 | 20,045 | 2019 | 20,045 |
| 2020 | 350,000 | 27,170 | 377,170 | 2020 | 13,585 | 2020 | 13,585 |
| 2021 | 365,000 | 13,870 | 378,870 | 2021 | 6,935 | 2021 | 6,935 |
| | \$ 3,395,000 | \$ 1,194,530 | \$ 4,589,530 | | \$ 597,265 | | \$ 597,265 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (RISK PORTION) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2011 |
| Authorized issue | \$ 100,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|-----------|------------|--------------|----------|------------|----------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ - | \$ 3,800 | \$ 3,800 | 2008 | \$ 1,900 | 2008 | \$ 1,900 |
| 2009 | - | 3,800 | 3,800 | 2009 | 1,900 | 2009 | 1,900 |
| 2010 | - | 3,800 | 3,800 | 2010 | 1,900 | 2010 | 1,900 |
| 2011 | 100,000 | 3,800 | 103,800 | 2011 | 1,900 | 2011 | 1,900 |
| | \$ 100,000 | \$ 15,200 | \$ 115,200 | | \$ 7,600 | | \$ 7,600 |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2007B (TOTAL ISSUE) December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,660,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 120,000 | \$ 63,080 | \$ 183,080 | 2008 | \$ 31,540 | 2008 | \$ 31,540 |
| 2009 | 115,000 | 58,520 | 173,520 | 2009 | 29,260 | 2009 | 29,260 |
| 2010 | 120,000 | 54,150 | 174,150 | 2010 | 27,075 | 2010 | 27,075 |
| 2011 | 125,000 | 49,590 | 174,590 | 2011 | 24,795 | 2011 | 24,795 |
| 2012 | 130,000 | 44,840 | 174,840 | 2012 | 22,420 | 2012 | 22,420 |
| 2013 | 135,000 | 39,900 | 174,900 | 2013 | 19,950 | 2013 | 19,950 |
| 2014 | 140,000 | 34,770 | 174,770 | 2014 | 17,385 | 2014 | 17,385 |
| 2015 | 150,000 | 29,450 | 179,450 | 2015 | 14,725 | 2015 | 14,725 |
| 2016 | 150,000 | 23,750 | 173,750 | 2016 | 11,875 | 2016 | 11,875 |
| 2017 | 85,000 | 18,050 | 103,050 | 2017 | 9,025 | 2017 | 9,025 |
| 2018 | 90,000 | 14,820 | 104,820 | 2018 | 7,410 | 2018 | 7,410 |
| 2019 | 95,000 | 11,400 | 106,400 | 2019 | 5,700 | 2019 | 5,700 |
| 2020 | 100,000 | 7,790 | 107,790 | 2020 | 3,895 | 2020 | 3,895 |
| 2021 | 105,000 | 3,990 | 108,990 | 2021 | 1,995 | 2021 | 1,995 |
| | <u>\$ 1,660,000</u> | <u>\$ 454,100</u> | <u>\$ 2,114,100</u> | | <u>\$ 227,050</u> | | <u>\$ 227,050</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2007B (TIF#1 PORTION)
December 31, 2007

| | |
|-------------------------|-----------------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2016 |
| Authorized issue | \$ 510,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|-------------------|-------------------|-------------------|--------------|------------------|------------|------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 50,000 | \$ 19,380 | \$ 69,380 | 2008 | \$ 9,690 | 2008 | \$ 9,690 |
| 2009 | 50,000 | 17,480 | 67,480 | 2009 | 8,740 | 2009 | 8,740 |
| 2010 | 50,000 | 15,580 | 65,580 | 2010 | 7,790 | 2010 | 7,790 |
| 2011 | 55,000 | 13,680 | 68,680 | 2011 | 6,840 | 2011 | 6,840 |
| 2012 | 55,000 | 11,590 | 66,590 | 2012 | 5,795 | 2012 | 5,795 |
| 2013 | 60,000 | 9,500 | 69,500 | 2013 | 4,750 | 2013 | 4,750 |
| 2014 | 60,000 | 7,220 | 67,220 | 2014 | 3,610 | 2014 | 3,610 |
| 2015 | 65,000 | 4,940 | 69,940 | 2015 | 2,470 | 2015 | 2,470 |
| 2016 | 65,000 | 2,470 | 67,470 | 2016 | 1,235 | 2016 | 1,235 |
| | <u>\$ 510,000</u> | <u>\$ 101,840</u> | <u>\$ 611,840</u> | | <u>\$ 50,920</u> | | <u>\$ 50,920</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS, SERIES 2007B (FIRE STATION PORTION) December 31, 2007

| | |
|-----------------------|------------------|
| Date of issue | October 23, 2007 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,150,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.80% |

| | |
|-------------------------|-----------------------------|
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|---------------------|-------------------|---------------------|--------------|-------------------|------------|-------------------|
| | Principal | Interest | Total | June 1 | Amount | December 1 | Amount |
| 2008 | \$ 70,000 | \$ 43,700 | \$ 113,700 | 2008 | \$ 21,850 | 2008 | \$ 21,850 |
| 2009 | 65,000 | 41,040 | 106,040 | 2009 | 20,520 | 2009 | 20,520 |
| 2010 | 70,000 | 38,570 | 108,570 | 2010 | 19,285 | 2010 | 19,285 |
| 2011 | 70,000 | 35,910 | 105,910 | 2011 | 17,955 | 2011 | 17,955 |
| 2012 | 75,000 | 33,250 | 108,250 | 2012 | 16,625 | 2012 | 16,625 |
| 2013 | 75,000 | 30,400 | 105,400 | 2013 | 15,200 | 2013 | 15,200 |
| 2014 | 80,000 | 27,550 | 107,550 | 2014 | 13,775 | 2014 | 13,775 |
| 2015 | 85,000 | 24,510 | 109,510 | 2015 | 12,255 | 2015 | 12,255 |
| 2016 | 85,000 | 21,280 | 106,280 | 2016 | 10,640 | 2016 | 10,640 |
| 2017 | 85,000 | 18,050 | 103,050 | 2017 | 9,025 | 2017 | 9,025 |
| 2018 | 90,000 | 14,820 | 104,820 | 2018 | 7,410 | 2018 | 7,410 |
| 2019 | 95,000 | 11,400 | 106,400 | 2019 | 5,700 | 2019 | 5,700 |
| 2020 | 100,000 | 7,790 | 107,790 | 2020 | 3,895 | 2020 | 3,895 |
| 2021 | 105,000 | 3,990 | 108,990 | 2021 | 1,995 | 2021 | 1,995 |
| | <u>\$ 1,150,000</u> | <u>\$ 352,260</u> | <u>\$ 1,502,260</u> | | <u>\$ 176,130</u> | | <u>\$ 176,130</u> |

CITY OF DES PLAINES

LONG TERM DEBT REQUIREMENTS GENERAL OBLIGATION NOTES, SERIES 2004 December 31, 2007

| | |
|-------------------------|-----------------------|
| Date of issue | February 26, 2004 |
| Date of maturity | December 1, 2008 |
| Authorized issue | \$ 750,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|-----------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2008 | \$ 150,000 | \$ 3,376 | \$ 153,376 | 2008 | \$ 1,688 | 2008 | \$ 1,688 |
| | <u>\$ 150,000</u> | <u>\$ 3,376</u> | <u>\$ 153,376</u> | | <u>\$ 1,688</u> | | <u>\$ 1,688</u> |

CITY OF DES PLAINES
LONG TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE NOTE, SERIES 2002 - RIVER MILL
December 31, 2007

| | |
|-------------------------|----------------|
| Date of issue | June 1, 2002 |
| Date of maturity | June 1, 2020 |
| Authorized issue | \$ 459,776 |
| Interest rates | 5.25% |
| Interest dates | June 1 |
| Principal maturity date | June 1 |
| Payable at | River Mill LLC |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | <u>Requirements</u> | | |
|--|---------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2008 | \$ 21,019 | \$ 19,860 | \$ 40,879 |
| 2009 | 22,123 | 18,756 | 40,879 |
| 2010 | 23,284 | 17,595 | 40,879 |
| 2011 | 24,506 | 16,373 | 40,879 |
| 2012 | 25,793 | 15,086 | 40,879 |
| 2013 | 27,147 | 13,732 | 40,879 |
| 2014 | 28,572 | 12,307 | 40,879 |
| 2015 | 30,072 | 10,807 | 40,879 |
| 2016 | 31,651 | 9,228 | 40,879 |
| 2017 | 33,313 | 7,566 | 40,879 |
| 2018 | 35,062 | 5,817 | 40,879 |
| 2019 | 36,903 | 3,976 | 40,879 |
| 2020 | 38,840 | 2,039 | 40,879 |
| | <u>\$ 378,285</u> | <u>\$ 153,142</u> | <u>\$ 531,427</u> |

CITY OF DES PLAINES
LONG TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE NOTE, SERIES 2003 - LAB GRACELAND
December 31, 2007

| | |
|-------------------------|--------------------------------|
| Date of issue | October 6, 2003 |
| Date of maturity | June 1, 2020 |
| Authorized issue | \$ 471,000 |
| Interest rates | 5.25% |
| Interest dates | June 1 |
| Principal maturity date | June 1 |
| Payable at | LAB Graceland Development Ltd. |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | <u>Requirements</u> | | |
|--|---------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2008 | \$ 22,235 | \$ 21,009 | \$ 43,244 |
| 2009 | 23,403 | 19,841 | 43,244 |
| 2010 | 24,631 | 18,613 | 43,244 |
| 2011 | 25,924 | 17,320 | 43,244 |
| 2012 | 27,285 | 15,959 | 43,244 |
| 2013 | 28,718 | 14,526 | 43,244 |
| 2014 | 30,225 | 13,019 | 43,244 |
| 2015 | 31,812 | 11,432 | 43,244 |
| 2016 | 33,482 | 9,762 | 43,244 |
| 2017 | 35,240 | 8,004 | 43,244 |
| 2018 | 37,090 | 6,154 | 43,244 |
| 2019 | 39,038 | 4,206 | 43,244 |
| 2020 | 41,087 | 2,157 | 43,244 |
| | <u>\$ 400,170</u> | <u>\$ 162,002</u> | <u>\$ 562,172</u> |

CITY OF DES PLAINES
SHORT TERM DEBT REQUIREMENTS
EQUIPMENT LOAN (TOWER LADDER FIRE TRUCK)
December 31, 2007

| | |
|-------------------------|---|
| Date of issue | June 29, 2007 |
| Date of maturity | June 1, 2012 |
| Authorized amount | \$ 400,000 |
| Interest rates | 4.11% |
| Interest dates | March 1, June 1, September 1 and December 1 |
| Principal maturity date | June 1 |
| Payable at | CitiCapital Municipal Finance |

| Fiscal Year Ending December 31 | Requirements | | | Interest Due | | | |
|---|--------------|-----------|------------|--------------|----------|-------------|------------|
| | Principal | Interest | Total | March 1 | June 1 | September 1 | December 1 |
| 2008 | \$ 74,894 | \$ 13,755 | \$ 88,649 | \$ 3,725 | \$ 3,535 | \$ 3,344 | \$ 3,151 |
| 2009 | 78,020 | 10,629 | 88,649 | 2,955 | 2,758 | 2,559 | 2,357 |
| 2010 | 81,277 | 7,372 | 88,649 | 2,154 | 1,948 | 1,740 | 1,530 |
| 2011 | 84,669 | 3,980 | 88,649 | 1,318 | 1,104 | 888 | 669 |
| 2012 | 43,651 | 674 | 44,324 | 449 | 225 | - | - |
| | \$ 362,511 | \$ 36,410 | \$ 398,920 | \$ 10,601 | \$ 9,571 | \$ 8,531 | \$ 7,708 |

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

The Honorable Mayor
Members of the City Council
City of Des Plaines, Illinois

We have examined the City of Des Plaines, Illinois', (City's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2007. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institution of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City's compliance with specified requirements.

In our opinion, the City complied in all material respects, with the aforementioned requirements for the year ended December 31, 2007.

Virchow, Krause & Company, LLP

Oak Brook, Illinois
July 24, 2008

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Statistical Section

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

| <u>Contents</u> | <u>Page</u> |
|---|--------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time. | 191 – 197 |
| Revenue Capacity These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax. | 198 - 214 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future. | 215 - 219 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the Government's financial activities take place. | 220 - 223 |
| Operating Information These schedules contain information about the Government's service and resources to help the reader understand how the Government's financial information relates to the services the Government provides and the activities it performs. | 224 - 231 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Government implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF DES PLAINES

CHANGES IN NET ASSETS Last Five Calendar Years (accrual basis of accounting) December 31, 2007

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| Expenses | | | | | |
| Governmental activities | | | | | |
| General government | \$ 5,491,601 | \$ 9,700,124 | \$ 5,905,963 | \$ 6,752,529 | \$ 6,267,556 |
| Public safety | 26,348,625 | 28,066,656 | 28,982,520 | 34,102,357 | 31,161,886 |
| Public works | 9,665,540 | 10,519,422 | 10,957,745 | 8,730,946 | 10,282,409 |
| Streets and highways | 5,891,769 | 2,836,098 | 8,522,062 | 9,692,117 | 6,902,837 |
| Economic development | 5,871,898 | 12,009,233 | 7,695,464 | 2,885,691 | 1,780,760 |
| Interest | 2,925,987 | 3,337,330 | 4,610,023 | 4,049,875 | 4,172,033 |
| Total governmental activities expenses | <u>56,195,420</u> | <u>66,468,863</u> | <u>66,673,777</u> | <u>66,213,515</u> | <u>60,567,481</u> |
| Business-type activities | | | | | |
| Water | 7,717,105 | 8,123,930 | 8,924,500 | 8,706,183 | 8,693,595 |
| Parking system | 652,738 | 593,148 | 781,808 | 1,206,169 | 1,015,561 |
| Emergency communications | 3,736,381 | 3,994,408 | 4,172,076 | 4,816,445 | 4,724,236 |
| Total business-type activities | <u>12,106,224</u> | <u>12,711,486</u> | <u>13,878,384</u> | <u>14,728,797</u> | <u>14,433,392</u> |
| Total primary government expenses | <u>\$ 68,301,644</u> | <u>\$ 79,180,349</u> | <u>\$ 80,552,161</u> | <u>\$ 80,942,312</u> | <u>\$ 75,000,873</u> |
| Component unit - public library | <u>\$ 4,803,525</u> | <u>\$ 5,282,629</u> | <u>\$ 5,493,487</u> | <u>\$ 5,696,530</u> | <u>\$ 6,041,020</u> |
| Program Revenues | | | | | |
| Governmental activities | | | | | |
| Charges for services | | | | | |
| General government | \$ 2,945,480 | \$ 3,644,050 | \$ 4,293,840 | \$ 3,150,016 | \$ 3,417,462 |
| Public safety | 1,465,598 | 1,196,534 | 1,189,971 | 3,398,632 | 3,135,477 |
| Public works | 3,550,663 | 4,230,909 | 4,486,652 | 2,673,882 | 3,187,494 |
| Streets and highways | 1,388,056 | 1,610,978 | 1,377,833 | 1,717,115 | 1,752,532 |
| Economic development | 50,129 | 87,200 | 187,626 | - | - |
| Operating grants and contributions | 2,161,494 | 2,563,445 | 2,159,872 | 599,948 | 1,483,651 |
| Capital grants and contributions | 562,988 | 613,719 | 222,311 | 945,493 | 1,823,040 |
| Total governmental activities program Revenues | <u>12,124,408</u> | <u>13,946,835</u> | <u>13,918,105</u> | <u>12,485,086</u> | <u>14,799,656</u> |
| Business-type activities | | | | | |
| Charges for services | | | | | |
| Water | 9,165,940 | 9,666,082 | 10,301,213 | 9,639,028 | 9,736,135 |
| Parking system | 184,809 | 174,123 | 209,090 | 261,747 | 329,478 |
| Emergency communications | 3,968,410 | 3,974,111 | 4,450,986 | 4,581,164 | 5,089,957 |
| Operating grants and contributions | - | - | - | 309,784 | 25,546 |
| Capital grants and contributions | - | - | - | - | - |
| Total business-type activities program Revenues | <u>13,319,159</u> | <u>13,814,316</u> | <u>14,961,289</u> | <u>14,791,723</u> | <u>15,181,116</u> |
| Total primary government program Revenues | <u>\$ 25,443,567</u> | <u>\$ 27,761,151</u> | <u>\$ 28,879,394</u> | <u>\$ 27,276,809</u> | <u>\$ 29,980,772</u> |
| Component unit - public library | | | | | |
| Charges for services | \$ 144,098 | \$ 148,898 | \$ 147,392 | \$ 154,056 | \$ 152,787 |
| Operating grants | 73,400 | 112,598 | 148,902 | 137,227 | 108,801 |
| Capital grants | 50,482 | - | - | - | - |
| Total component unit - public library Revenues | <u>\$ 267,980</u> | <u>\$ 261,496</u> | <u>\$ 296,294</u> | <u>\$ 291,283</u> | <u>\$ 261,588</u> |
| Net (expense)/revenue | | | | | |
| Governmental activities | (44,071,012) | (52,522,028) | (52,755,672) | (53,728,429) | (45,767,825) |
| Business-type activities | 1,212,935 | 1,102,830 | 1,082,905 | 62,926 | 747,724 |
| Total primary government net expense | <u>\$ (42,858,077)</u> | <u>\$ (51,419,198)</u> | <u>\$ (51,672,767)</u> | <u>\$ (53,665,503)</u> | <u>\$ (45,020,101)</u> |
| Component unit - public library net Expense | <u>\$ (4,535,545)</u> | <u>\$ (5,021,133)</u> | <u>\$ (5,197,193)</u> | <u>\$ (5,405,247)</u> | <u>\$ (5,779,432)</u> |

CITY OF DES PLAINES

CHANGES IN NET ASSETS Last Five Calendar Years (accrual basis of accounting) December 31, 2007

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|----------------------|-----------------------|-----------------------|----------------------|----------------------|
| General Revenues and Other Changes in Net Assets | | | | | |
| Governmental activities | | | | | |
| Taxes | | | | | |
| Property | \$ 17,002,913 | \$ 17,828,162 | \$ 19,949,024 | \$ 22,115,583 | \$ 23,773,249 |
| Replacement | 716,865 | 821,910 | 1,193,354 | 1,238,962 | 1,530,070 |
| Sales | 7,845,715 | 7,806,132 | 8,104,425 | 9,220,053 | 9,265,270 |
| Utility | 2,410,726 | 2,358,182 | 2,594,534 | 2,579,105 | 2,510,644 |
| Income | 3,870,529 | 3,644,821 | 4,284,621 | 5,197,409 | 5,296,209 |
| Home rule sales | 3,828,194 | 3,952,935 | 4,119,582 | 4,887,837 | 5,735,928 |
| Food and beverage | 795,868 | 769,662 | 807,421 | 933,162 | 964,590 |
| Hotel/motel | 670,314 | 706,308 | 789,748 | 1,242,613 | 1,298,403 |
| Real estate transfer | 973,516 | 1,004,785 | 1,114,479 | 1,186,212 | 975,339 |
| Local option motor fuel | 631,840 | 1,052,946 | 929,005 | 1,527,438 | 1,687,130 |
| Other | 1,961,501 | 1,967,450 | 1,982,000 | 2,541,496 | 3,454,589 |
| Investment income | 276,627 | 569,439 | 895,113 | 1,445,882 | 816,908 |
| Miscellaneous | 2,134,017 | 130,091 | 181,237 | 246,840 | 296,990 |
| Gain (loss) on sale of capital assets | (69,879) | 81,816 | 45,300 | 3,479,486 | (6,108,598) |
| Contributions | 29,040 | - | - | - | - |
| Component unit transfers | 12,531 | - | - | - | - |
| Transfers | 192,120 | (4,746,515) | (847,230) | (45,809) | 210,074 |
| Total governmental activities | 43,282,437 | 37,948,124 | 46,142,613 | 57,796,269 | 51,706,795 |
| Business-type activities | | | | | |
| Investment income | 7,917 | 11,039 | 29,041 | 76,614 | 223,390 |
| Miscellaneous | 87,801 | 47,345 | 13,651 | 6,626 | 161,232 |
| Contributions | 136,878 | - | - | - | - |
| Transfers | (192,120) | 4,746,515 | 847,230 | 45,809 | (210,074) |
| Total business-type activities | 40,476 | 4,804,899 | 889,922 | 129,049 | 174,548 |
| Total primary government | \$ 43,322,913 | \$ 42,753,023 | \$ 47,032,535 | \$ 57,925,318 | \$ 51,881,343 |
| Component unit - public library | | | | | |
| Taxes | | | | | |
| Property | \$ 4,235,753 | \$ 4,657,586 | \$ 5,129,546 | \$ 5,696,408 | \$ 5,970,175 |
| Replacement | 92,988 | 92,988 | 92,988 | 92,988 | 92,988 |
| Investment income | 11,615 | 3,771 | 8,526 | 29,406 | 52,417 |
| Other general revenues | 27,600 | 17,905 | 53,423 | 36,001 | 25,675 |
| Component unit transfers | (12,531) | - | - | - | - |
| Total component unit - public library | \$ 4,355,425 | \$ 4,772,250 | \$ 5,284,483 | \$ 5,854,803 | \$ 6,141,255 |
| Changes in Net Assets | | | | | |
| Governmental activities | \$ (788,575) | \$ (14,573,904) | \$ (6,613,059) | \$ 4,067,840 | \$ 5,938,970 |
| Business-type activities | 1,253,411 | 5,907,729 | 1,972,827 | 191,975 | 922,272 |
| Total primary government | \$ 464,836 | \$ (8,666,175) | \$ (4,640,232) | \$ 4,259,815 | \$ 6,861,242 |
| Total component unit - public library | \$ (180,120) | \$ (248,883) | \$ 87,290 | \$ 449,556 | \$ 361,823 |

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CITY OF DES PLAINES

NET ASSETS BY COMPONENT Last Five Calendar Years (accrual basis of accounting) December 31, 2007

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | |
| Invested in Capital Assets, net of related debt | \$ 101,112,363 | \$ 92,567,545 | \$ 80,553,806 | \$ 84,159,240 | \$ 94,992,957 |
| Restricted | 11,895,745 | 12,681,078 | 9,879,543 | 5,730,529 | 4,848,350 |
| Unrestricted | 7,190,498 | 330,345 | 5,783,030 | 10,394,451 | 4,594,811 |
| Total Governmental Activities net assets | \$ 120,198,606 | \$ 105,578,968 | \$ 96,216,379 | \$ 100,284,220 | \$ 104,436,118 |
| Business-type Activities | | | | | |
| Invested in Capital Assets, net of related debt | \$ 23,133,889 | \$ 28,369,911 | \$ 31,767,374 | \$ 32,091,486 | \$ 31,379,369 |
| Restricted | - | - | - | - | - |
| Unrestricted | 3,391,064 | 4,382,465 | 5,611,933 | 5,479,796 | 7,328,004 |
| Total Business-type Activities net assets | \$ 26,524,953 | \$ 32,752,376 | \$ 37,379,307 | \$ 37,571,282 | \$ 38,707,373 |
| Primary Government | | | | | |
| Invested in Capital Assets, net of related debt | \$ 124,246,252 | \$ 120,937,456 | \$ 112,321,180 | \$ 116,250,726 | \$ 126,372,326 |
| Restricted | 11,895,745 | 12,681,078 | 9,879,543 | 5,730,529 | 4,848,350 |
| Unrestricted | 10,581,562 | 4,712,810 | 11,394,963 | 15,874,247 | 11,922,815 |
| Total Primary Government net assets | \$ 146,723,559 | \$ 138,331,344 | \$ 133,595,686 | \$ 137,855,502 | \$ 143,143,491 |
| Component Unit - Public Library | | | | | |
| Invested in Capital Assets, net of related debt | \$ 279,720 | \$ 358,776 | \$ 324,570 | \$ 289,865 | \$ 254,678 |
| Restricted | 525,051 | 197,112 | 318,608 | 802,869 | 1,301,241 |
| Unrestricted | - | - | - | - | - |
| Total Component Unit net assets | \$ 804,771 | \$ 555,888 | \$ 643,178 | \$ 1,092,734 | \$ 1,555,919 |

CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS Last Ten Calendar Years (modified accrual basis of accounting) December 31, 2007

| | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | |
| Reserved | \$ 46,796 | \$ 22,188 | \$ 43,844 | \$ 20,874 |
| Unreserved | <u>7,840,661</u> | <u>6,496,435</u> | <u>6,670,089</u> | <u>3,578,880</u> |
| Total general fund | <u>7,887,457</u> | <u>6,518,623</u> | <u>6,713,933</u> | <u>3,599,754</u> |
| All Other Governmental Funds | | | | |
| Reserved | 757,996 | 5,666,988 | 6,727,783 | 10,953,776 |
| Unreserved, reported in | | | | |
| Special revenue funds | 9,531,356 | 4,059,943 | 4,554,863 | 5,040,269 |
| Capital projects funds | <u>23,094,120</u> | <u>20,585,509</u> | <u>7,268,480</u> | <u>10,306,941</u> |
| Total all other governmental funds | <u>33,383,472</u> | <u>30,312,440</u> | <u>18,551,126</u> | <u>26,300,986</u> |
| Total Fund Balances | <u>\$ 41,270,929</u> | <u>\$ 36,831,063</u> | <u>\$ 25,265,059</u> | <u>\$ 29,900,740</u> |

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 10,323 | \$ 20,097 | \$ 14,104 | \$ 12,159 | \$ 3,853,331 | \$ 6,881,187 |
| 4,451,730 | 9,044,751 | 8,127,664 | 7,208,910 | 3,929,509 | 1,075,635 |
| <u>4,462,053</u> | <u>9,064,848</u> | <u>8,141,768</u> | <u>7,221,069</u> | <u>7,782,840</u> | <u>7,956,822</u> |
| 10,494,344 | 9,553,545 | 12,476,268 | 9,732,766 | 9,056,602 | 5,148,408 |
| 2,092,525 | (436,909) | (3,806,028) | (811,113) | (4,143,559) | (6,416,203) |
| 4,251,563 | 4,419,476 | 5,834,777 | 7,852,816 | 5,399,856 | 4,424,994 |
| <u>16,838,432</u> | <u>13,536,112</u> | <u>14,505,017</u> | <u>16,774,469</u> | <u>10,312,899</u> | <u>3,157,199</u> |
| <u>\$ 21,300,485</u> | <u>\$ 22,600,960</u> | <u>\$ 22,646,785</u> | <u>\$ 23,995,538</u> | <u>\$ 18,095,739</u> | <u>\$ 11,114,021</u> |

CITY OF DES PLAINES

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Calendar Years

(modified accrual basis of accounting)

December 31, 2007

| | 1998 | 1999 | 2000 | 2001 |
|---|---------------|----------------|-----------------|---------------|
| Revenues | | | | |
| Taxes | \$ 32,593,257 | \$ 30,878,148 | \$ 32,676,992 | \$ 32,905,548 |
| Licenses and permits | 3,290,537 | 2,810,194 | 2,596,606 | 2,727,812 |
| Intergovernmental | 1,642,747 | 6,503,091 | 7,630,834 | 8,118,287 |
| Charges for services | 3,067,422 | 4,791,842 | 4,992,218 | 5,307,708 |
| Fines and forfeits | 1,367,444 | 941,628 | 858,783 | 810,126 |
| Investment income | 2,056,289 | 813,024 | 2,562,462 | 1,083,618 |
| Contributions | 533,820 | - | - | - |
| Miscellaneous | 422,961 | 776,691 | 698,119 | 219,399 |
| Total revenues | 44,974,477 | 47,514,618 | 52,016,014 | 51,172,498 |
| Expenditures | | | | |
| General government | 3,949,874 | 4,283,921 | 3,909,208 | 5,113,311 |
| Public safety | 17,287,211 | 19,969,517 | 21,042,864 | 23,235,960 |
| Municipal development | 1,769,879 | 1,796,728 | 1,972,582 | 2,016,173 |
| Public works | 9,732,358 | 13,424,129 | 11,148,279 | 9,913,709 |
| Streets and highways | - | - | - | - |
| Human resources and social services | 487,717 | 452,970 | 547,460 | 572,531 |
| Civic and cultural | 60,524 | 142,571 | 148,268 | 204,360 |
| Community Development Block Grant Program | 290,371 | 433,657 | 324,864 | 458,156 |
| Economic development | - | - | - | - |
| Capital outlay | 6,575,943 | 17,796,943 | 22,896,731 | 9,280,333 |
| Pension cost | 1,541,221 | - | - | - |
| Debt service | | | | |
| Principal retirement | 1,970,000 | 2,727,145 | 3,947,145 | 3,602,145 |
| Interest and fiscal charges | 1,552,699 | 3,065,851 | 2,986,520 | 3,188,630 |
| Total expenditures | 45,217,797 | 64,093,432 | 68,923,921 | 57,585,308 |
| Excess (deficiency) of revenues over expenditures | (243,320) | (16,578,814) | (16,907,907) | (6,412,810) |
| Other financing sources (uses) | | | | |
| Proceeds from issuance of debt | 22,000,000 | 10,000,000 | 4,110,000 | 12,630,000 |
| Premium on bond issuance | - | - | - | - |
| Discount on bond issuance | - | - | - | - |
| Note proceeds | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - |
| Payments to escrow agent | - | - | - | (1,784,201) |
| Transfers in | 2,579,829 | 3,475,843 | 2,726,593 | 3,216,733 |
| Transfers (out) | (2,466,705) | (3,355,882) | (2,563,241) | (3,052,262) |
| Total other financing sources (uses) | 22,113,124 | 10,119,961 | 4,273,352 | 11,010,270 |
| Net Changes in Fund Balance | \$ 21,869,804 | \$ (6,458,853) | \$ (12,634,555) | \$ 4,597,460 |
| Debt service as a percentage of noncapital expenditures | 9.5% | 12.5% | 15.1% | 14.1% |

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| \$ 34,788,165 | \$ 36,682,228 | \$ 29,421,135 | \$ 31,999,844 | \$ 35,327,688 | \$ 38,408,908 |
| 3,044,361 | 3,702,236 | 4,649,570 | 5,035,156 | 4,087,868 | 3,837,256 |
| 7,460,661 | 7,104,318 | 15,686,591 | 16,490,108 | 17,506,403 | 19,744,856 |
| 6,290,962 | 4,075,411 | 4,775,440 | 5,270,418 | 5,217,844 | 6,115,781 |
| 840,796 | 1,159,037 | 1,147,014 | 952,933 | 1,369,000 | 1,431,591 |
| 870,395 | 276,630 | 569,439 | 895,080 | 1,445,831 | 816,908 |
| - | - | - | - | - | - |
| 259,695 | 243,176 | 2,672,277 | 191,419 | 1,004,746 | 463,875 |
| <u>53,555,035</u> | <u>53,243,036</u> | <u>58,921,466</u> | <u>60,834,958</u> | <u>65,959,380</u> | <u>70,819,175</u> |
| 4,488,140 | 4,952,301 | 5,751,293 | 6,561,256 | 7,244,757 | 7,585,644 |
| 25,744,068 | 24,954,192 | 28,003,280 | 28,697,511 | 31,076,746 | 30,618,015 |
| 1,941,033 | - | - | - | - | - |
| 12,481,026 | 8,289,415 | 9,450,181 | 10,205,911 | 9,737,407 | 7,831,725 |
| - | 2,906,623 | 5,120,479 | 1,688,099 | 927,067 | 5,259,528 |
| 587,576 | - | - | - | - | - |
| - | - | - | - | - | - |
| 452,907 | - | - | - | - | - |
| - | 10,564,290 | 11,854,692 | 7,126,888 | 2,653,204 | 1,962,384 |
| 9,515,908 | 4,298,170 | 9,277,240 | 20,361,771 | 15,015,630 | 17,051,160 |
| - | - | - | - | - | - |
| - | 7,214,635 | - | - | - | - |
| 3,818,404 | - | 4,847,212 | 5,607,651 | 6,055,440 | 6,649,830 |
| 3,395,460 | - | 3,263,697 | 4,392,379 | 4,801,392 | 4,135,049 |
| <u>62,424,522</u> | <u>63,179,626</u> | <u>77,568,074</u> | <u>84,641,466</u> | <u>77,511,643</u> | <u>81,093,335</u> |
| <u>(8,869,487)</u> | <u>(9,936,590)</u> | <u>(18,646,608)</u> | <u>(23,806,508)</u> | <u>(11,552,263)</u> | <u>(10,274,160)</u> |
| 4,860,548 | 16,985,000 | 18,050,000 | 39,255,000 | - | 8,125,000 |
| - | 60,458 | 11,365 | 1,042,125 | - | - |
| - | (104,548) | (88,961) | (296,416) | - | - |
| 377,229 | 502,301 | - | - | - | - |
| - | 423,182 | 81,816 | 845,300 | 5,232,723 | 2,292,098 |
| (4,817,933) | (6,863,167) | - | (16,263,176) | - | (7,634,233) |
| 4,525,236 | 2,887,468 | 954,933 | 2,344,347 | 3,854,740 | 2,604,792 |
| <u>(4,351,922)</u> | <u>(2,682,817)</u> | <u>(680,000)</u> | <u>(1,935,000)</u> | <u>(3,435,000)</u> | <u>(1,790,143)</u> |
| <u>593,158</u> | <u>11,207,877</u> | <u>18,329,153</u> | <u>24,992,180</u> | <u>5,652,463</u> | <u>3,597,514</u> |
| <u>\$ (8,276,329)</u> | <u>\$ 1,271,287</u> | <u>\$ (317,455)</u> | <u>\$ 1,185,672</u> | <u>\$ (5,899,800)</u> | <u>\$ (6,676,646)</u> |
| 13.6% | 14.0% | 11.9% | 15.6% | 17.4% | 16.4% |

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CITY OF DES PLAINES

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Levy Years December 31, 2007

| Levy Year | Equalized Assessed Value | | | | Total Equalized Assessed Value | Total Direct Rate | Total Actual Value |
|-----------|--------------------------|---------------------|---------------------|-------------------|--------------------------------|-------------------|--------------------|
| | Residential Property | Commercial Property | Industrial Property | Railroad Property | | | |
| 1997 | \$ 526,131,203 | \$ 375,624,183 | \$ 423,737,365 | \$ 791,783 | \$ 1,326,284,534 | 0.894 | \$ 3,982,836,438 |
| 1998 | 580,267,786 | 389,500,690 | 442,521,371 | 752,059 | 1,413,041,906 | 0.849 | 4,243,369,087 |
| 1999 | 606,150,920 | 407,796,209 | 449,927,215 | 753,430 | 1,464,627,774 | 0.882 | 4,398,281,603 |
| 2000 | 603,869,556 | 388,661,968 | 460,257,802 | 807,746 | 1,453,597,072 | 0.880 | 4,365,156,372 |
| 2001 | 746,001,992 | 441,890,666 | 479,650,600 | 821,286 | 1,668,364,544 | 0.818 | 5,010,103,735 |
| 2002 | 815,636,863 | 452,257,361 | 508,406,299 | 930,959 | 1,777,231,482 | 0.830 | 5,337,031,477 |
| 2003 | 820,152,717 | 435,374,304 | 504,398,708 | 1,008,971 | 1,760,934,700 | 0.895 | 5,288,092,192 |
| 2004 | 968,894,536 | 466,225,897 | 538,079,254 | 1,254,325 | 1,974,454,012 | 0.852 | 5,929,291,327 |
| 2005 | 1,048,729,126 | 486,965,767 | 562,477,260 | 1,277,551 | 2,099,449,704 | 0.865 | 6,304,653,765 |
| 2006 | 1,098,297,899 | 456,777,248 | 553,576,732 | 1,417,627 | 2,110,069,506 | 0.928 | 6,330,208,518 |

Source: Cook County Clerk's Office

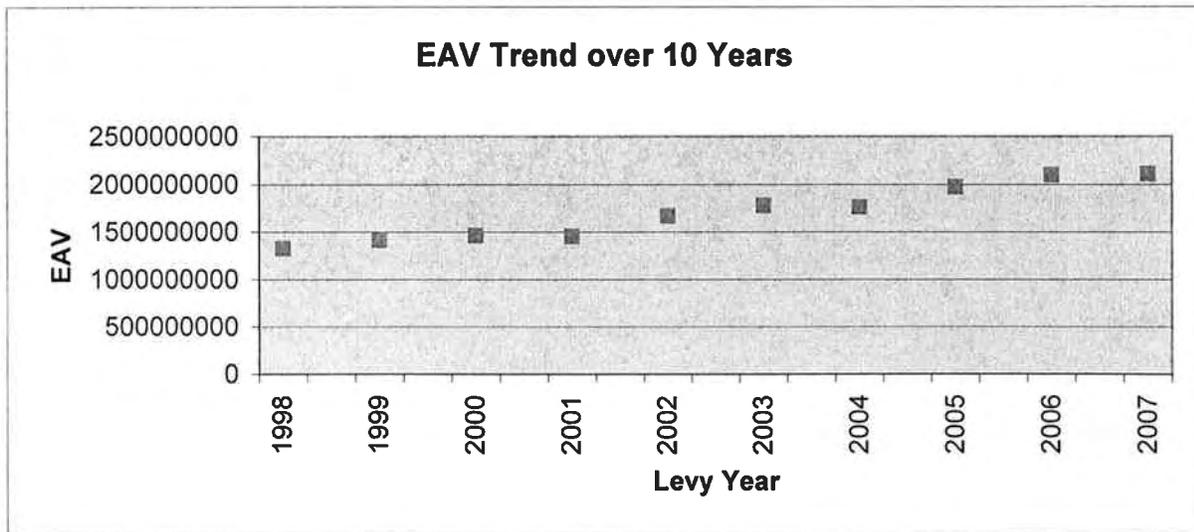
Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year ended December 31, 2007 is based on the 2006 assessed value.)

CITY OF DES PLAINES

TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2007

| Levy Year | Equalized Assessed Value | Percentage Increase (Decrease) | Estimated Actual Value | Ratio of Equalized Assessed Value to Estimated Actual Value |
|-----------|--------------------------|--------------------------------|------------------------|---|
| 1998 | 1,326,284,534 | 0.38% | 3,978,853,602 | 33.33% |
| 1999 | 1,413,041,906 | 6.54% | 4,239,125,718 | 33.33% |
| 2000 | 1,464,627,774 | 3.65% | 4,393,883,322 | 33.33% |
| 2001 | 1,453,595,691 | -0.75% | 4,360,787,073 | 33.33% |
| 2002 | 1,668,364,544 | 14.78% | 5,005,093,632 | 33.33% |
| 2003 | 1,777,231,482 | 6.53% | 5,331,694,446 | 33.33% |
| 2004 | 1,760,934,700 | -0.92% | 5,282,804,100 | 33.33% |
| 2005 | 1,974,454,012 | 12.13% | 5,923,362,036 | 33.33% |
| 2006 | 2,099,449,704 | 6.33% | 6,298,349,112 | 33.33% |
| 2007 | 2,110,069,506 | 0.51% | 6,330,208,518 | 33.33% |

Source: Cook County Clerk's office



CITY OF DES PLAINES

MAINE TOWNSHIP TYPICAL TAX RATES PER \$100 OF EQUALIZED ASSESSED VALUATION Last Ten Calendar Years

| Tax Levy Year | Total | City | Library | Cook County | Water Reclamation District | Park District | School (1) | Other (2) |
|---------------------|-------|-------|---------|----------------|----------------------------------|------------------|------------|-----------|
| 1997 | 8.224 | 0.894 | 0.202 | 1.020 | 0.451 | 0.455 | 5.034 | 0.168 |
| 1998 | 7.917 | 0.849 | 0.215 | 0.983 | 0.444 | 0.449 | 4.817 | 0.160 |
| 1999 | 7.856 | 0.882 | 0.253 | 0.947 | 0.419 | 0.447 | 4.749 | 0.159 |
| 2000 | 8.074 | 0.880 | 0.290 | 0.893 | 0.415 | 0.462 | 4.966 | 0.168 |
| 2001 | 7.312 | 0.818 | 0.253 | 0.845 | 0.401 | 0.408 | 4.437 | 0.150 |
| 2002 | 7.025 | 0.830 | 0.244 | 0.751 | 0.371 | 0.422 | 4.263 | 0.144 |
| 2003 | 7.266 | 0.895 | 0.273 | 0.718 | 0.361 | 0.444 | 4.426 | 0.149 |
| 2004 | 7.110 | 0.852 | 0.268 | 0.653 | 0.347 | 0.427 | 4.431 | 0.132 |
| 2005 | 6.966 | 0.865 | 0.278 | 0.547 | 0.315 | 0.350 | 4.416 | 0.195 |
| 2006 | 7.179 | 0.928 | 0.294 | 0.500 | 0.284 | 0.356 | 4.619 | 0.198 |

Notes:

(1) School District No. 62, High School District No. 207, and Community College District No. 535.

(2) Suburban T.B. Sanitarium, Northwest Mosquito Abatement District, Maine Township, Road and Bridge, General Assistance, Consolidated General Elections and Forest Preserve.

(3) The Library tax rate is included within the City's tax rate.

Source: Cook County Clerk

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2006 PROPERTY TAX LEVY COLLECTED IN 2007
 December 31, 2007

| | 1999 | | 2000 | | 2001 | | 2002 | |
|----------------------------------|--|------------------------|--|------------------------|--|------------------------|--|--|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | |
| City of Des Plaines | \$ 0.882 | 0.112 % | \$ 0.880 | 0.109 % | \$ 0.818 | 0.112 % | \$ 0.830 | |
| Des Plaines Library | 0.253 | 0.032 | 0.29 | 0.036 | 0.253 | 0.035 | 0.244 | |
| High School District 207 | 2.198 | 0.280 | 2.298 | 0.285 | 2.026 | 0.277 | 1.936 | |
| Oakton College District | 0.203 | 0.026 | 0.213 | 0.026 | 0.186 | 0.025 | 0.179 | |
| School District 62 | 2.348 | 0.299 | 2.455 | 0.304 | 2.225 | 0.304 | 2.148 | |
| Des Plaines Park District | 0.447 | 0.057 | 0.462 | 0.057 | 0.408 | 0.056 | 0.422 | |
| Cook County | 0.877 | 0.112 | 0.893 | 0.111 | 0.845 | 0.116 | 0.751 | |
| Metro Water Reclamation District | 0.419 | 0.053 | 0.415 | 0.051 | 0.401 | 0.055 | 0.371 | |
| N.W. Mosquito Abatement District | 0.01 | 0.001 | 0.011 | 0.001 | 0.01 | 0.001 | 0.009 | |
| Suburban T.B. Sanitarium | 0.008 | 0.001 | 0.008 | 0.001 | 0.007 | 0.001 | 0.006 | |
| Maine Township | 0.141 | 0.018 | 0.149 | 0.018 | 0.133 | 0.018 | 0.129 | |
| Cook County Forest Preserve | <u>0.07</u> | <u>0.009</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | |
| TOTAL | \$ <u>7.856</u> | <u>100.00</u> % | \$ <u>8.074</u> | <u>100.00</u> % | \$ <u>7.312</u> | <u>100.00</u> % | \$ <u>7.025</u> | |

Source: Cook County Clerk

| 2003 | | 2004 | | 2005 | | 2006 | | |
|-----------------|---|-----------------|---|-----------------|---|-----------------|---|-----------------|
| Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | |
| 0.118 % | \$ 0.895 | 0.124 % | \$ 0.852 | 11.98 % | \$ 0.865 | 0.124 % | \$ 0.928 | 0.129 % |
| 0.035 | 0.273 | 0.038 | 0.268 | 3.77 | 0.278 | 0.040 | 0.294 | 0.041 |
| 0.276 | 2.012 | 0.278 | 1.795 | 25.25 | 1.757 | 0.252 | 1.826 | 0.254 |
| 0.025 | 0.186 | 0.026 | 0.161 | 2.26 | 0.158 | 0.023 | 0.166 | 0.023 |
| 0.306 | 2.228 | 0.308 | 2.475 | 34.81 | 2.501 | 0.359 | 2.627 | 0.366 |
| 0.060 | 0.444 | 0.061 | 0.427 | 6.01 | 0.35 | 0.050 | 0.356 | 0.050 |
| 0.107 | 0.718 | 0.099 | 0.653 | 9.18 | 0.547 | 0.079 | 0.500 | 0.070 |
| 0.053 | 0.361 | 0.050 | 0.347 | 4.88 | 0.315 | 0.045 | 0.284 | 0.040 |
| 0.001 | 0.01 | 0.001 | 0.009 | 0.13 | 0.009 | 0.001 | 0.009 | 0.001 |
| 0.001 | 0.004 | 0.001 | 0.001 | 0.01 | 0.005 | 0.001 | 0.005 | 0.001 |
| 0.018 | 0.095 | 0.013 | 0.122 | 1.72 | 0.121 | 0.017 | 0.127 | 0.018 |
| <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.060</u> | <u>0.009</u> | <u>0.057</u> | <u>0.008</u> |
| <u>100.00 %</u> | <u>\$ 7.226</u> | <u>100.00 %</u> | <u>\$ 7.110</u> | <u>100.00 %</u> | <u>\$ 6.966</u> | <u>100.00 %</u> | <u>\$ 7.179</u> | <u>100.00 %</u> |

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CITY OF DES PLAINES

ELK GROVE TOWNSHIP TYPICAL TAX RATES PER \$100 OF EQUALIZED ASSESSED VALUATION Last Ten Calendar Years

| Tax Levy Year | Total | City | Library | Cook County | Water Reclamation District | Park District | School (1) | Other (2) |
|---------------------|-------|-------|---------|----------------|----------------------------------|------------------|------------|-----------|
| 1997 | 7.923 | 0.894 | 0.202 | 1.020 | 0.451 | 0.585 | 4.661 | 0.110 |
| 1998 | 7.673 | 0.849 | 0.215 | 0.983 | 0.444 | 0.568 | 4.510 | 0.104 |
| 1999 | 7.633 | 0.882 | 0.253 | 0.947 | 0.419 | 0.557 | 4.474 | 0.101 |
| 2000 | 7.873 | 0.880 | 0.290 | 0.893 | 0.415 | 0.571 | 4.720 | 0.104 |
| 2001 | 7.149 | 0.818 | 0.253 | 0.845 | 0.401 | 0.502 | 4.240 | 0.090 |
| 2002 | 6.792 | 0.830 | 0.244 | 0.751 | 0.371 | 0.473 | 4.038 | 0.085 |
| 2003 | 7.250 | 0.895 | 0.273 | 0.718 | 0.361 | 0.498 | 4.419 | 0.086 |
| 2004 | 6.716 | 0.852 | 0.268 | 0.653 | 0.347 | 0.455 | 4.069 | 0.072 |
| 2005 | 6.573 | 0.865 | 0.278 | 0.593 | 0.315 | 0.459 | 3.973 | 0.090 |
| 2006 | 6.737 | 0.928 | 0.294 | 0.500 | 0.284 | 0.474 | 4.124 | 0.133 |

Notes:

(1) School District No. 59, High School District No. 214, and Community College District No. 512

(2) Suburban T.B. Sanitarium, Northwest Mosquito Abatement District, Elk Grove Township, Road and Bridge, General Assistance, Consolidated General Elections and Forest Preserve.

Source: Cook County Clerk

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2006 PROPERTY TAX LEVY COLLECTED IN 2007
 December 31, 2007

| | 1999 | | 2000 | | 2001 | |
|----------------------------------|--|----------------|--|----------------|--|----------------|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage |
| City of Des Plaines | \$ 1.135 | 0.1487 % | \$ 0.880 | 0.1118 % | \$ 0.818 | 0.1144 % |
| Des Plaines Library | 2.183 | 0.2860 | 0.29 | 0.0368 | 0.253 | 0.0354 |
| High School District 214 | 0.27 | 0.0354 | 2.257 | 0.2867 | 1.989 | 0.2782 |
| Harper College District 512 | 2.021 | 0.2648 | 0.347 | 0.0441 | 0.308 | 0.0431 |
| School District 59 | 0.557 | 0.0730 | 2.116 | 0.2688 | 1.943 | 0.2718 |
| Mt. Prospect Park District | 0.877 | 0.1149 | 0.571 | 0.0725 | 0.502 | 0.0702 |
| Cook County | 0.419 | 0.0549 | 0.893 | 0.1134 | 0.845 | 0.1182 |
| Metro Water Reclamation District | 0.01 | 0.0013 | 0.415 | 0.0527 | 0.401 | 0.0561 |
| N.W. Mosquito Abatement District | 0.07 | 0.0092 | 0.011 | 0.0014 | 0.01 | 0.0014 |
| Suburban T.B. Sanitarium | 0.008 | 0.0010 | 0.008 | 0.0010 | 0.007 | 0.0010 |
| Elk Grove Township | <u>0.083</u> | <u>0.0109</u> | <u>0.085</u> | <u>0.0108</u> | <u>0.073</u> | <u>0.0102</u> |
| TOTAL | <u>\$ 7.633</u> | <u>100.00%</u> | <u>\$ 7.873</u> | <u>100.00%</u> | <u>\$ 7.149</u> | <u>100.00%</u> |

Source: Cook County Clerk

| 2002 | | 2003 | | 2004 | | 2005 | | 2006 | |
|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| Tax per \$100 | |
| of Equalized | | of Equalized | | of Equalized | | of Equalized | | of Equalized | |
| Assessed | | Assessed | | Assessed | | Assessed | | Assessed | |
| Valuation | Percentage |
| \$ 0.830 | 0.1236 % | \$ 0.895 | 0.1239 % | \$ 0.852 | 0.1269 % | \$ 0.865 | 0.1316 % | \$ 0.928 | 0.1377 % |
| 0.244 | 0.0363 | 0.273 | 0.0378 | 0.268 | 0.0399 | 0.278 | 0.0423 | 0.294 | 0.0436 |
| 1.888 | 0.2811 | 1.982 | 0.2743 | 1.818 | 0.2707 | 1.759 | 0.2676 | 1.823 | 0.2706 |
| 0.295 | 0.0439 | 0.31 | 0.0429 | 0.279 | 0.0415 | 0.281 | 0.0428 | 0.288 | 0.0427 |
| 1.855 | 0.2762 | 2.127 | 0.2944 | 1.972 | 0.2936 | 1.933 | 0.2941 | 2.013 | 0.2988 |
| 0.473 | 0.0704 | 0.473 | 0.0655 | 0.455 | 0.0677 | 0.459 | 0.0698 | 0.474 | 0.0704 |
| 0.751 | 0.1118 | 0.718 | 0.0994 | 0.653 | 0.0972 | 0.607 | 0.0923 | 0.5 | 0.0742 |
| 0.371 | 0.0552 | 0.361 | 0.0500 | 0.347 | 0.0517 | 0.315 | 0.0479 | 0.284 | 0.0422 |
| 0.0009 | 0.0001 | 0.01 | 0.0014 | 0.009 | 0.0013 | 0.009 | 0.0014 | 0.009 | 0.0013 |
| 0.0006 | 0.0001 | 0.004 | 0.0006 | 0.001 | 0.0001 | 0.005 | 0.0008 | 0.005 | 0.0007 |
| <u>0.007</u> | <u>0.0010</u> | <u>0.072</u> | <u>0.0100</u> | <u>0.0620</u> | <u>0.0092</u> | <u>0.062</u> | <u>0.0094</u> | <u>0.119</u> | <u>0.0177</u> |
| <u>\$ 6.716</u> | <u>100.00%</u> | <u>\$ 7.225</u> | <u>100.00%</u> | <u>\$ 6.716</u> | <u>100.00%</u> | <u>\$ 6.573</u> | <u>100.00%</u> | <u>\$ 6.737</u> | <u>100.00%</u> |

CITY OF DES PLAINES

PROPERTY TAX RATES AND EXTENSIONS Last Ten Calendar Years

| <u>Property Tax Levy Year</u> | <u>1997</u> | <u>1998</u> | <u>1999</u> | <u>2000</u> |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Property tax rates (1) | | | | |
| General corporate | 0.6202 | 0.5996 | 0.5958 | 0.6183 |
| Police pension | 0.0460 | 0.0421 | 0.0563 | 0.0682 |
| Firefighters' pension | 0.0625 | 0.0576 | 0.0595 | 0.0638 |
| General bond retirement | <u>0.1651</u> | <u>0.1494</u> | <u>0.1702</u> | <u>0.1290</u> |
| Total property tax rates | <u>0.8938</u> | <u>0.8487</u> | <u>0.8818</u> | <u>0.8793</u> |
| Property tax extensions (2) | | | | |
| General corporate | \$ 8,225,259 | \$ 8,472,017 | \$ 8,726,178 | \$ 8,987,963 |
| Police pension | 609,550 | 596,659 | 824,487 | 991,401 |
| Firefighters' pension | 828,544 | 816,323 | 870,981 | 927,050 |
| General bond retirement | <u>2,189,915</u> | <u>2,111,727</u> | <u>2,493,027</u> | <u>1,874,585</u> |
| Total property tax extensions | <u>\$ 11,853,268</u> | <u>\$ 11,996,726</u> | <u>\$ 12,914,673</u> | <u>\$ 12,780,999</u> |

Notes:

(1) Property tax rates are per \$100 of equalized assessed valuation.

(2) Property tax extensions include 3% "loss levy" for general corporate purposes and 5% for debt service.

Source: Cook County Clerk

| <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 0.5886 | 0.5825 | 0.5856 | 0.5896 | 0.6071 | 0.6657 |
| 0.0764 | 0.0884 | 0.1139 | 0.1041 | 0.0998 | 0.1099 |
| 0.0595 | 0.0759 | 0.1070 | 0.0843 | 0.0807 | 0.0865 |
| <u>0.0930</u> | <u>0.0832</u> | <u>0.0885</u> | <u>0.0740</u> | <u>0.0766</u> | <u>0.0657</u> |
| <u>0.8175</u> | <u>0.8300</u> | <u>0.8950</u> | <u>0.8520</u> | <u>0.8642</u> | <u>0.9278</u> |
| | | | | | |
| \$ 9,821,316 | \$ 10,347,230 | \$ 10,304,439 | \$ 11,641,985 | \$ 12,745,221 | \$ 14,046,349 |
| 1,273,393 | 1,569,830 | 2,004,048 | 2,054,752 | 2,096,245 | 2,318,002 |
| 992,275 | 1,348,139 | 1,881,800 | 1,663,764 | 1,693,403 | 1,825,751 |
| <u>1,552,010</u> | <u>1,478,413</u> | <u>1,557,566</u> | <u>1,461,847</u> | <u>1,607,211</u> | <u>1,385,507</u> |
| | | | | | |
| <u>\$ 13,638,994</u> | <u>\$ 14,743,612</u> | <u>\$ 15,747,853</u> | <u>\$ 16,822,348</u> | <u>\$ 18,142,080</u> | <u>\$ 19,575,609</u> |

CITY OF DES PLAINES

PRINCIPAL PROPERTY TAX PAYERS Current Calendar Year and Two Years Ago December 31, 2007

| <u>Taxpayer</u> | <u>Type of Business/Property</u> | <u>2006 Equalized Assessed Valuation</u> |
|---------------------------------------|----------------------------------|--|
| Universal Oil Products Tax Department | Chemicals | \$ 36,259,952 |
| O'Hare Lakes Office Plaza LLC | Real Estate | 27,136,528 |
| Mr. Properties | Real Estate | 19,548,872 |
| Abbott Labs Tax Department | Real Property | 16,741,351 |
| C & O Pts | Real Property | 16,152,120 |
| Marc Realty | Real Estate | 15,278,453 |
| Sysco Food Services | Food Wholesalers | 12,597,986 |
| MLRP Messenger LLC | Real Property | 12,421,445 |
| Crane and Norcross | Real Property | 12,275,717 |
| First Washington Mgmt | Real Estate | <u>11,930,817</u> |
| Marriot Corp | Real Property | |
| Juno Lighting Inc | Real Property | |
| 1111 Touhy | Real Estate | |
| Flatrock Partners II LP | Real Estate | |
| Center Point Property | Industrial Property | |
| Met Life Escrow Dept | Office Building | |
| Deloitte & Touche | Management Consulting | |
| Finance Barbacia | Office Building | |
| LaSalle National Bank | Real Estate | |
| Great Lakes REIT Inc | Real Estate | |
| Crane and Norcross | Real Estate | |
| Trident Development | Real Estate | |
| Total | | <u>\$ 180,343,241</u> |

Data Sources

(1) Based on City's Municipal Development Department records and estimated constructions cost declared by applicants at time of application.

(2) Cook County Clerk

Note: The City began to compile information on principle tax payers in levy year 2004.

| Percentage of Total Taxable Assessed Value | 2004 Equalized Assessed Valuation | Percentage of Total Taxable Assessed Value |
|---|---|--|
| 1.72% | \$ 29,077,922 | 2.06% |
| 1.29% | | |
| 0.93% | | |
| 0.79% | | |
| 0.77% | | |
| 0.72% | | |
| 0.60% | | |
| 0.59% | | |
| 0.58% | | |
| 0.57% | | |
| | \$ 24,335,080 | 1.72% |
| | 14,846,344 | 1.05% |
| | 14,620,583 | 1.03% |
| | 13,218,451 | 0.94% |
| | 12,778,005 | 0.90% |
| | 12,070,183 | 0.85% |
| | 11,214,117 | 0.79% |
| | 9,893,472 | 0.70% |
| | <u>8,697,797</u> | 0.62% |
| 8.55% | <u>\$ 150,751,954</u> | 10.66% |

CITY OF DES PLAINES

PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Calendar Years December 31, 2007

| Tax Levy Year | Year of Collections | Total Tax Levy (1) | Collections of Current Years' Taxes During Fiscal Period | Percentage of Levy Collected Fiscal Period (1) | Collections of Prior Years' Taxes During Fiscal Period (2) |
|---------------------|------------------------|--------------------------|--|--|--|
| 1997 | 1998 | 11,467,529 | 11,693,909 | 101.97% | 190,291 |
| 1998 | 1999 | 11,604,249 | 11,633,832 | 100.25% | 151,498 |
| 1999 | 2000 | 12,492,414 | 12,315,911 | 98.59% | 189,098 |
| 2000 | 2001 | 12,374,071 | 11,976,199 | 96.78% | 88,241 |
| 2001 | 2002 | 13,213,041 | 13,150,527 | 99.53% | 59,934 |
| 2002 | 2003 | 14,286,846 | 14,180,390 | 99.25% | 52,385 |
| 2003 | 2004 | 15,333,356 | 15,078,645 | 98.34% | 25,441 |
| 2004 | 2005 | 16,299,049 | 16,336,965 | 100.23% | 129,775 |
| 2005 | 2006 | 17,583,947 | 17,619,047 | 100.20% | 1,624 |
| 2006 | 2007 | 18,979,823 | 18,807,403 | 99.09% | (104,222) |

Notes:

(1) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy," and therefore, the percentage of levy collected may exceed 100%.

(2) Negative amount indicates that refunds made in the current year of prior year tax payments exceeded the current year's collection of prior year's taxes.

(3) Levy amount and collections refer only to City, and not the Library Component Unit.

Source: Cook County Clerk

| <u>Total Collections</u> | <u>Ratio of Total Collections to Tax Levy</u> |
|------------------------------|---|
| 11,884,200 | 103.63% |
| 11,785,330 | 101.56% |
| 12,505,009 | 100.10% |
| 12,064,440 | 97.50% |
| 13,210,461 | 99.98% |
| 14,232,775 | 99.62% |
| 15,104,086 | 98.50% |
| 16,466,740 | 101.03% |
| 17,620,671 | 100.21% |
| 18,703,181 | 98.54% |

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CITY OF DES PLAINES

PROPERTY VALUE AND CONSTRUCTION Last Ten Calendar Years December 31, 2007

| Calendar Year | Property Value (2) | <u>Construction (1)</u> | | | | Total Value of All Construction (including Commercial) |
|---------------|--------------------|-------------------------|--------|---------------------|--------|--|
| | | <u>Single Family</u> | | <u>Multi Family</u> | | |
| | | Number of Permits | Value | Number of Permits | Value | |
| 1998 | 3,978,854 | 45 | 6,943 | - | - | 41,862 |
| 1999 | 4,239,126 | 62 | 11,290 | 4 | 6,666 | 105,051 |
| 2000 | 4,391,623 | 29 | 6,078 | 1 | 2,000 | 49,915 |
| 2001 | 4,358,364 | 23 | 5,249 | 2 | 14,740 | 60,977 |
| 2002 | 5,005,094 | 24 | 6,856 | 6 | 17,857 | 64,346 |
| 2003 | 5,331,694 | 26 | 9,198 | 14 | 22,942 | 95,851 |
| 2004 | 5,282,804 | 48 | 17,166 | 29 | 63,455 | 174,657 |
| 2005 | 5,923,362 | 47 | 18,994 | 153 | 67,714 | 136,586 |
| 2006 | 6,298,349 | 36 | 14,519 | 10 | 20,081 | 115,998 |
| 2007 | 6,330,209 | 19 | 7,159 | 5 | 26,617 | 114,259 |

Source:

(1) Based on City's Municipal Development Department records and estimated construction costs declared by applicants at time of application.

(2) Cook County Clerk

Property Values in Thousands.

CITY OF DES PLAINES

TAXABLE SALES BY CATEGORY Last Ten Calendar Years (in thousands of dollars) December 31, 2007

| | 1998 | 1999 | 2000 | 2001 |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General merchandise | \$ 63,532,292 | \$ 68,494,256 | \$ 68,968,437 | \$ 70,034,794 |
| Food stores | 87,502,882 | 86,457,181 | 88,213,247 | 91,654,187 |
| Drinking & eating places | 64,745,646 | 68,654,705 | 71,146,033 | 69,976,392 |
| Apparel | 2,397,461 | 2,813,770 | 2,686,228 | 2,253,848 |
| Furniture, household & radio | 5,657,178 | 8,539,020 | 10,085,660 | 8,902,055 |
| Lumber, building & hardware | 14,373,874 | 15,084,259 | 27,361,572 | 26,496,169 |
| Automotive & filling stations | 149,863,843 | 158,892,617 | 155,923,036 | 160,729,389 |
| Drugs and miscellaneous retail | 65,170,738 | 71,749,856 | 82,624,077 | 101,592,093 |
| Agriculture & all others | 203,427,144 | 197,081,102 | 189,737,501 | 165,909,412 |
| Manufacturers | 55,401,711 | 53,285,351 | 58,414,859 | 52,608,389 |
| Total | \$ 712,072,769 | \$ 731,052,117 | \$ 755,160,650 | \$ 750,156,728 |
| City direct sales tax rate | 1.00% | 1.00% | 1.00% | 1.00% |

Source: Illinois Department of Revenue

Note: Effective July 1, 2006 the Home Rule Tax is one percent.

| | | | | |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| General merchandise | \$ 635,323 | \$ 684,943 | \$ 689,684 | \$ 700,348 |
| Food stores | 875,029 | 864,572 | 882,132 | 916,542 |
| Drinking & eating places | 647,456 | 686,547 | 711,460 | 699,764 |
| Apparel | 23,975 | 28,138 | 26,862 | 22,538 |
| Furniture, household & radio | 56,572 | 85,390 | 100,857 | 89,021 |
| Lumber, building & hardware | 143,739 | 150,843 | 273,616 | 264,962 |
| Automotive & filling stations | 1,498,638 | 1,588,926 | 1,559,230 | 1,607,294 |
| Drugs and miscellaneous retail | 651,707 | 717,499 | 826,241 | 1,015,921 |
| Agriculture & all others | 2,034,271 | 1,970,811 | 1,897,375 | 1,659,094 |
| Manufacturers | 554,017 | 532,854 | 584,149 | 526,084 |
| Total | \$ 7,120,728 | \$ 7,310,521 | \$ 7,551,607 | \$ 7,501,567 |
| City direct sales tax rate | 1.00% | 1.00% | 1.00% | 1.00% |

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|----|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ | 70,852,672 | \$ 70,967,263 | \$ 75,693,674 | \$ 72,371,754 | \$ 67,575,860 | \$ 72,349,187 |
| | 93,126,536 | 97,392,087 | 97,536,943 | 105,023,780 | 107,634,554 | 111,530,323 |
| | 70,057,263 | 67,735,819 | 67,689,011 | 72,432,529 | 81,943,708 | 81,685,374 |
| | 1,987,674 | 1,969,944 | 2,027,145 | 2,638,151 | 3,461,525 | 3,337,621 |
| | 12,751,905 | 6,554,433 | 9,072,989 | 10,806,660 | 7,685,148 | 8,003,659 |
| | 27,646,684 | 24,820,381 | 32,004,002 | 36,796,001 | 39,117,507 | 36,036,504 |
| | 150,466,805 | 197,679,686 | 188,702,457 | 206,285,264 | 212,204,995 | 216,995,152 |
| | 113,425,964 | 106,558,735 | 96,348,194 | 86,526,477 | 92,275,196 | 95,113,803 |
| | 150,639,615 | 155,201,069 | 136,163,547 | 135,355,631 | 146,835,031 | 138,711,660 |
| | 53,299,395 | 55,692,040 | 75,375,283 | 82,206,231 | 79,989,845 | 84,243,953 |
| \$ | <u>744,254,513</u> | <u>\$ 784,571,457</u> | <u>\$ 780,613,245</u> | <u>\$ 810,442,478</u> | <u>\$ 838,723,369</u> | <u>\$ 848,007,236</u> |
| | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

| | | | | | | |
|----|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ | 708,527 | \$ 709,673 | \$ 756,937 | \$ 723,718 | \$ 675,759 | \$ 723,492 |
| | 931,265 | 973,921 | 975,369 | 1,050,238 | 1,076,346 | 1,115,303 |
| | 700,573 | 677,358 | 676,890 | 724,325 | 819,437 | 816,854 |
| | 19,877 | 19,699 | 20,271 | 26,382 | 34,615 | 33,376 |
| | 127,519 | 65,544 | 90,730 | 108,067 | 76,851 | 80,037 |
| | 276,467 | 248,204 | 320,040 | 367,960 | 391,175 | 360,365 |
| | 1,504,668 | 1,976,797 | 1,887,025 | 2,062,853 | 2,122,050 | 2,169,952 |
| | 1,134,260 | 1,065,587 | 963,482 | 865,265 | 922,752 | 951,138 |
| | 1,506,396 | 1,552,011 | 1,361,635 | 1,353,556 | 1,468,350 | 1,387,117 |
| | 532,994 | 556,920 | 753,753 | 822,062 | 799,898 | 842,440 |
| \$ | <u>7,442,545</u> | <u>\$ 7,845,715</u> | <u>\$ 7,806,132</u> | <u>\$ 8,104,425</u> | <u>\$ 8,387,234</u> | <u>\$ 8,480,072</u> |
| | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

CITY OF DES PLAINES

RATIO OF OUTSTANDING DEBT BY TYPE Last Ten Calendar Years December 31, 2007

| <u>Governmental Activities</u> | | | | | | |
|--------------------------------|--|---|---|---|---|----------------------------------|
| Fiscal Year | Debt Service General Obligation Bonds | Tax Increment Financing General Obligation Bonds | Capital Projects General Obligation Bonds | Equipment Replacement Installment Notes Payable | Tax Increment Revenue Note Incentive Agreement | Short Term Note Payable |
| 1998 | 15,567,620 | 34,865,000 | - | - | - | - |
| 1999 | 14,180,475 | 12,230,000 | 31,295,000 | - | - | - |
| 2000 | 12,106,115 | 11,500,000 | 34,200,000 | - | - | - |
| 2001 | 12,793,970 | 14,730,000 | 37,640,000 | - | - | - |
| 2002 | 7,101,825 | 13,685,000 | 40,730,000 | - | 376,183 | - |
| 2003 | 11,874,573 | 21,760,000 | 34,355,000 | - | 865,421 | - |
| 2004 | 10,527,469 | 35,545,000 | 34,545,000 | 600,000 | 840,313 | - |
| 2005 | 9,109,623 | 50,755,000 | 39,120,000 | 450,000 | 805,508 | - |
| 2006 | 7,843,230 | 42,205,000 | 43,070,000 | 300,000 | 768,876 | - |
| 2007 | 6,621,986 | 45,950,000 | 34,495,000 | 512,511 | 778,445 | 5,500,000 |

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

Source: Audited financial statements from January 1, 1998 to December 31, 2007

Business-type Activities

| <u>Water General Obligation Bonds</u> | <u>Water Installment Notes Payable</u> | <u>Total Primary Government</u> | <u>Percentage of Personal Income</u> |
|---|--|---|--|
| 6,572,380 | - | 57,005,000 | N/A |
| 6,124,525 | - | 63,830,000 | N/A |
| 5,713,885 | - | 63,520,000 | 4.81% |
| 5,221,030 | - | 70,385,000 | 4.34% |
| 4,703,175 | - | 66,596,183 | 4.59% |
| 4,240,427 | 800,000 | 73,895,421 | 4.13% |
| 3,767,531 | 605,000 | 86,430,313 | 3.53% |
| 3,335,377 | 405,000 | 103,980,508 | 2.94% |
| 2,826,770 | 205,000 | 97,218,876 | 3.14% |
| 2,313,014 | - | 96,170,956 | 3.27% |

CITY OF DES PLAINES

RATIO NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA Last Ten Calendar Years

| Fiscal Year | Population (1) | Equalized Assessed Value (2) | Net General Obligation Bonded Debt (3) | Ratio of Bonded Debt to Equalized Assessed Value | Bonded Debt Per Capita |
|----------------|----------------|------------------------------------|--|--|------------------------------|
| 1998 | 53,414 | 1,413,041,906 | 11,066,555 | 0.78 | 207.18 |
| 1999 | 53,414 | 1,475,215,750 | 9,804,960 | 0.66 | 183.57 |
| 2000 | 56,945 | 1,464,627,774 | 9,090,055 | 0.62 | 159.63 |
| 2001 | 56,945 | 1,453,597,072 | 10,280,851 | 0.71 | 180.54 |
| 2002 | 56,945 | 1,668,364,544 | 10,472,316 | 0.63 | 183.90 |
| 2003 | 56,945 | 1,777,231,482 | 10,535,271 | 0.59 | 185.01 |
| 2004 | 56,945 | 1,760,934,700 | 9,821,765 | 0.56 | 172.48 |
| 2005 | 56,945 | 1,974,454,012 | 8,576,418 | 0.43 | 150.61 |
| 2006 | 56,945 | 2,099,449,704 | 7,323,033 | 0.35 | 128.60 |
| 2007 | 58,710 | 2,110,069,506 | 6,120,233 | 0.29 | 104.25 |

Data Source

(1) U.S. Census Bureau/City of Des Plaines' Community Development Department.

(2) Cook County Clerk

(3) City of Des Plaines' Annual Financial Reports. Only debt that is property tax supported is being reported.

CITY OF DES PLAINES

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES Last Ten Calendar Years

| Fiscal Year | Principal | Interest | Total Debt Service | Total General Expenditures (1) | Ratio of Debt Service to Total General Expenditures |
|----------------|-----------|-----------|-----------------------|--------------------------------------|--|
| 1998 | 1,970,000 | 1,547,141 | 3,517,141 | 42,004,120 | 8.37 |
| 1999 | 2,022,145 | 1,584,385 | 3,606,530 | 47,696,793 | 7.56 |
| 2000 | 2,742,145 | 1,485,960 | 4,228,105 | 47,537,697 | 8.89 |
| 2001 | 2,342,145 | 1,363,594 | 3,705,739 | 50,115,498 | 7.39 |
| 2002 | 2,268,405 | 3,524,937 | 5,793,342 | 54,425,138 | 10.64 |
| 2003 | 2,510,315 | 1,156,501 | 3,666,816 | 59,347,472 | 6.18 |
| 2004 | 2,888,295 | 1,508,762 | 4,397,057 | 60,894,727 | 7.22 |
| 2005 | 3,347,651 | 2,657,519 | 6,005,170 | 68,650,154 | 8.75 |
| 2006 | 4,064,047 | 3,099,818 | 7,163,865 | 68,969,875 | 10.39 |
| 2007 | 6,421,244 | 3,987,525 | 10,408,769 | 75,245,127 | 13.83 |

Notes :

(1) Includes General, Special Revenue, Debt Service Funds and Component Unit - Library Funds

Data Source

City of Des Plaines Annual Financial Reports

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CITY OF DES PLAINES

SCHEDULE FOR DIRECT AND OVERLAPPING DEBT

December 31, 2007

| <u>Governmental Unit</u> | <u>Outstanding Bonds (1)</u> | <u>Applicable to the City Percent (3)</u> | <u>Amount</u> |
|-----------------------------------|----------------------------------|---|----------------------|
| City of Des Plaines (2) | \$ 6,120,233 | 100.00% | \$ 6,120,233 |
| Cook County | \$ 3,015,350,000 | 1.46% | \$ 44,024,110 |
| Cook County Forest Preserve | 108,475,000 | 1.46% | 1,583,735 |
| Water Reclamation District | 1,521,282,085 | 1.49% | 22,667,103 |
| Des Plaines Park District | 8,636,000 | 92.56% | 7,993,482 |
| Elk Grove Park District | 12,907,000 | 0.82% | 105,837 |
| Mt. Prospect Park District | 3,375,000 | 19.03% | 642,263 |
| School District No. 26 | 9,485,000 | 6.90% | 654,465 |
| School District No. 57 | 9,750,000 | 1.37% | 133,575 |
| School District No. 59 | 27,150,000 | 10.31% | 2,799,165 |
| School District No. 64 | 17,065,000 | 0.82% | 139,933 |
| High School District 207 | 14,505,000 | 35.64% | 5,169,582 |
| High School District 214 | 26,639,614 | 3.74% | 996,322 |
| Community College District 512 | 56,385,000 | 1.71% | 964,184 |
| Subtotal - Overlapping Debt (4) | <u>4,831,004,699</u> | | <u>87,873,756</u> |
| Total Direct and Overlapping Debt | <u>\$ 4,837,124,932</u> | | <u>\$ 93,993,989</u> |

Notes:

(1) Outstanding principal of general obligation bonds as of December 31, 2007. 100% of the principal of outstanding general obligation bonds of overlapping taxing district have been displayed in this schedule.

(2) Excluded City's self-supporting general obligation debt.

(3) Percentages are based on 2006 equalized assessed valuations.

(4) As of February 11, 2008

Data Sources

Assessed Valuation - Cook County Clerk

Outstanding bonds - Cook County Clerk

CITY OF DES PLAINES

DEMOGRAPHIC STATISTICS Last Ten Calendar Years

| <u>Fiscal Year</u> | <u>Population (1)</u> | <u>Personal Income (thousand)</u> | <u>Median Household Income (1)</u> | <u>Per Capita Income (1)</u> |
|--------------------|-----------------------|-----------------------------------|------------------------------------|------------------------------|
| 1998 | 53,414 | N/A | N/A | N/A |
| 1999 | 53,414 | N/A | N/A | N/A |
| 2000 | 56,945 | 3,054,416 | 53,638 | N/A |
| 2001 | 56,945 | 3,054,416 | 53,638 | N/A |
| 2002 | 56,945 | 3,054,416 | 53,638 | 24,146 |
| 2003 | 56,945 | 3,054,416 | 53,638 | 24,146 |
| 2004 | 56,945 | 3,054,416 | 53,638 | 24,146 |
| 2005 | 56,945 | 3,054,416 | 53,638 | 24,146 |
| 2006 | 56,945 | 3,054,416 | 53,638 | 24,146 |
| 2007 | 58,710 | 3,149,087 | 53,638 | 24,146 |

Data Sources

(1) U.S. Census Bureau.

(2) Bureau of Labor Statistics

(3) This includes only the public schools located within the City.

| <u>Median Age (1)</u> | <u>Education Level in Years of Schooling</u> | <u>School Enrollment (3)</u> | <u>Unemploy- ment Rate (2)</u> |
|---------------------------|--|----------------------------------|--|
| N/A | N/A | 8,386 | 4.6 |
| N/A | N/A | 8,523 | 4.3 |
| 39.7 | 12+ | 8,511 | 4.2 |
| 39.7 | 12+ | 8,639 | 6.3 |
| 39.7 | 12+ | N/A | 7.8 |
| 39.7 | 12+ | 8,603 | 8.0 |
| 39.7 | 12+ | 8,808 | 6.2 |
| 39.7 | 12+ | 8,759 | 5.7 |
| 39.7 | 12+ | 8,451 | 4.2 |
| 39.7 | 12+ | 8,384 | 4.1 |

PRINCIPAL EMPLOYERS
Current Year and One Year Ago
December 31, 2007

| Employer | 2007 | | | 2006 | | |
|------------------------------|---------------|------|--|---------------|------|--|
| | Employees | Rank | Percentage City Total Employment | Employees | Rank | Percentage City Total Employment |
| Universal Oil Products | 2,000 | 1 | 3.7% | 2,000 | 1 | 3.0% |
| Oakton Community College | 990 | 2 | 1.8% | 1,490 | 2 | 2.3% |
| Hart Schaffner & Marx | 882 | 3 | 1.6% | - | 0 | 0.0% |
| School District 62 | 720 | 4 | 1.3% | 696 | 4 | 1.1% |
| Ciba Vision Corp. | 700 | 5 | 1.3% | - | 0 | 0.0% |
| Juno Lighting | 700 | 6 | 1.3% | 647 | 5 | 1.0% |
| City of Des Plaines | 665 | 7 | 1.2% | 608 | 6 | 0.9% |
| Sysco Food Services | 650 | 8 | 1.2% | 600 | 7 | 0.9% |
| Wheels Inc. | 575 | 9 | 1.1% | 600 | 7 | 0.9% |
| Holy Family | 560 | 10 | 1.0% | 560 | 9 | 0.8% |
| Littel Fuse | | | | 797 | 3 | 1.2% |
| Park District | | | | 586 | 8 | 0.9% |
| Lawson | | | | 525 | 10 | 0.8% |
| Siba | | | | 400 | 11 | 0.6% |
| Maine West | | | | 325 | 12 | 0.5% |
| East Maine District 63 | | | | 205 | 13 | 0.3% |
| Total | 8,442 | | 15.6% | 10,039 | | 15.2% |
| City Total Employment | 53,987 | | 15.6% | 65,965 | | 15.2% |

Note: The City began to compile information on principal employers in 2006.

Source: 2008 Illinois Manufacturer's Directory, 2008 Illinois Services Directory, 2008 Illinois Industrial Directory, Goodman Williams Group, and Individual Employers Approximations

CITY OF DES PLAINES

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Five Calendar Years December 31, 2007

| <u>Function/Program</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| Legislative | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| City Clerk | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| General Government | | | | | |
| Manager's office | 12.90 | 12.00 | 13.00 | 13.50 | 14.50 |
| I/T | 3.00 | 3.00 | 4.00 | 4.00 | 4.00 |
| Finance | 10.50 | 10.50 | 10.50 | 17.25 | 16.75 |
| Police | | | | | |
| Officers | 109.00 | 106.00 | 103.00 | 105.00 | 105.00 |
| Civilians | 36.75 | 39.50 | 27.50 | 25.75 | 27.25 |
| Fire | | | | | |
| Firefighters and officers | 93.00 | 93.00 | 92.00 | 92.00 | 102.00 |
| Civilians | 2.50 | 2.50 | 2.50 | 5.50 | 3.50 |
| Engineering | 14.00 | 11.75 | 12.00 | 13.00 | 9.75 |
| Public works | 57.50 | 62.50 | 62.50 | 61.75 | 61.75 |
| Water | 32.00 | 32.13 | 32.13 | 27.75 | 27.75 |
| Community Development | 18.00 | 17.50 | 18.00 | 21.00 | 20.75 |
| Emergency Communications | 33.50 | 46.50 | 46.50 | 46.50 | 47.00 |
| Subtotal | 422.65 | 436.88 | 423.63 | 438.00 | 445.00 |
| Library | <u>84.50</u> | <u>87.00</u> | <u>90.00</u> | <u>90.00</u> | <u>90.00</u> |
| Total | <u>507.15</u> | <u>523.88</u> | <u>513.63</u> | <u>528.00</u> | <u>535.00</u> |

Source: Finance Department Budget documents

Note: Prior to 2002, Police and Fire Department positions were not indicated to allow a breakdown between officers or firefighters and civilians.

Prior to 2001, no full time equivalent figures were included in the budgets.

CITY OF DES PLAINES

OPERATING INDICATORS BY FUNCTION / PROGRAMS Last Ten Calendar Years December 31, 2007

| <u>Function/Program</u> | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> |
|---|-------------|-------------|-------------|-------------|-------------|
| Police | | | | | |
| Physical arrests (1) | 1,758 | 1,108 | 1,183 | 1,230 | 1,160 |
| Compliance and Parking Violations | 21,043 | 24,505 | 24,829 | 24,292 | 23,148 |
| Traffic violations | 13,508 | 14,474 | 12,907 | 11,804 | 14,000 |
| Fire | | | | | |
| Emergency Medical Calls | 4,097 | 4,202 | 4,348 | 4,357 | 4,601 |
| Fires/Reports of Fires | 2,016 | 1,986 | 2,087 | 2,193 | 1,931 |
| Inspections | 1,049 | 1,037 | 1,076 | 1,038 | 1,073 |
| Engineering | | | | | |
| Street resurfacing (square yards) | N/A | 11,700 | 14,100 | 15,500 | 7,900 |
| Sidewalks removed & replaced (sq ft) (4) | N/A | 234,000 | 280,000 | 176,000 | 101,000 |
| Snow and ice control (tons of salt) | 3,771 | 3,536 | 5,568 | 2,027 | 3,474 |
| Community Development | | | | | |
| Building permits issued | N/A | 3,063 | 3,100 | 3,617 | 3,624 |
| Overall inspection totals | N/A | N/A | N/A | N/A | N/A |
| Health | | | | | |
| Home health visits | 63 | N/A | 94 | 79 | 85 |
| Library | | | | | |
| Volumes in collection (5) | 216,197 | 215,817 | 233,773 | 249,879 | 269,321 |
| Total volumes borrowed | 776,872 | 747,931 | 701,557 | 853,490 | 962,178 |
| Total annual attendance | 349,366 | 326,098 | 327,775 | 454,781 | 535,574 |
| Total resident library cards still active | 34,969 | 35,828 | 40,116 | 39,076 | 42,753 |
| Water | | | | | |
| Water Main Breaks | 84 | 143 | 113 | 75 | 121 |
| New Connections | N/A | N/A | N/A | N/A | N/A |
| Number of Consumers | N/A | 16,075 | 16,075 | 16,075 | 16,109 |
| Miles of Water Mains | N/A | 201 | 201 | 201 | 201 |
| Average daily consumption | N/A | 9,848,141 | 8,751,040 | 8,449,784 | 8,835,458 |
| Daily average consumptions per Capita | N/A | 184 | 149 | 144 | 155 |
| Number of Fire Hydrants | N/A | 2,212 | 2,212 | 2,212 | 2,212 |
| Sewer | | | | | |
| Sanitary sewer replaced (linear feet) | N/A | 300 | 2,400 | 1,100 | 2,800 |
| Sanitary sewer televised (linear feet) | N/A | N/A | 35,475 | 49,067 | 38,009 |
| Sanitary sewer cleaned (linear feet) | 137,090 | 110,870 | 228,503 | 386,645 | 313,477 |
| Sanitary sewer lined (linear feet) | N/A | N/A | N/A | N/A | N/A |
| Municipal Parking Lots | | | | | |
| Metra (2) | (3) | (3) | (3) | 19,409 | 24,848 |
| City Owned (2) | 64,122 | 70,387 | 70,422 | 57,735 | 63,267 |
| Transit | | | | | |
| Taxi Cab cards issued | 435 | 393 | 352 | 636 | 397 |
| Handicapped Placards issued | 104 | 106 | 126 | 131 | 109 |

Source: Various City departments

(1) Physical arrest made regardless of the number of charges associated with an arrest.

(2) Consumers are approximately calculated by revenue divided by the daily rate.

(3) Revenue of 1997 Through 2000 Combined for City owned and Metra Leased Parking.

(4) In years 1999 through 2001 a much higher Capital Improvements budget was allocated to street repair.

(5) Volumes in Collection includes Books, Audio, Video, Magazines and Newspapers Print and Microfilm, Subscriptions, Online Databases.

| 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------|-----------|-----------|-----------|-----------|
| 1,172 | 738 | 1,236 | 2,013 | 2,679 |
| 20,874 | 15,330 | 16,421 | 17,818 | 15,290 |
| 12,293 | 10,800 | 11,728 | 11,214 | 16,119 |
| 4,790 | 4,606 | 4,969 | 5,167 | 5,038 |
| 1,891 | 2,156 | 2,298 | 2,276 | 2,610 |
| 1,000 | 925 | 963 | 6,138 | 7,226 |
| 3,600 | 8,000 | 7,500 | 6,600 | 37,000 |
| 89,000 | 80,000 | 50,000 | 78,000 | 21,000 |
| 3,511 | 3,467 | 4,359 | 1,676 | 5,026 |
| 3,624 | 3,890 | 3,895 | 3,582 | 3,267 |
| N/A | 19,514 | 21,380 | 19,191 | 14,463 |
| 56 | 83 | 58 | 55 | 90 |
| 293,460 | 301,437 | 301,546 | 312,469 | 313,696 |
| 1,078,456 | 1,083,691 | 1,077,145 | 1,100,133 | 1,088,404 |
| 556,108 | 550,517 | 521,881 | 577,554 | 509,668 |
| 34,592 | 34,727 | 35,205 | 35,765 | 35,427 |
| 126 | 96 | 169 | 74 | 128 |
| N/A | 26 | 76 | 70 | 65 |
| 16,109 | 16,303 | 16,497 | 17,086 | 16,983 |
| 201 | 235 | 235 | 237 | 241 |
| 8,835,458 | 7,768,744 | 8,458,430 | 7,702,836 | 7,639,118 |
| 155 | 136 | 136 | 135 | 130 |
| 2,212 | 2,583 | 2,583 | 2,597 | 2,615 |
| 1,100 | 1,500 | 1,500 | 300 | 300 |
| 25,719 | 28,900 | 59,782 | 26,446 | 5,187 |
| 312,088 | 186,333 | 364,360 | 403,483 | 267,301 |
| N/A | N/A | N/A | 4,954 | N/A |
| 24,116 | 38,283 | 54,435 | 50,815 | 47,225 |
| 58,810 | 21,027 | 10,384 | 19,618 | 34,714 |
| 403 | 244 | 481 | 420 | 324 |
| 71 | 43 | 59 | 40 | 67 |

CITY OF DES PLAINES

CAPITAL ASSETS STATISTICS BY FUNCTION Last Nine Calendar Years December 31, 2007

| <u>Function/Program</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> |
|--|-------------|-------------|-------------|-------------|
| Police | | | | |
| Station | 1 | 1 | 1 | 1 |
| Sworn Police Officers | 101 | 107 | 107 | 109 |
| Fire Stations | | | | |
| Station | 3 | 3 | 3 | 3 |
| Sworn Firefighters | 94 | 94 | 94 | 94 |
| Other Public Works | | | | |
| Streets (miles)** | 145 | 145 | 145 | 145 |
| Streetlights* | | | | |
| Traffic Signals | 1 | 1 | 1 | 1 |
| Water | | | | |
| Water mains (miles) | 201 | 201 | 201 | 201 |
| Fire hydrants | 2,212 | 2,212 | 2,212 | 2,212 |
| Storage capacity (millions of gallons) | 19 | 19 | 19 | 19 |

* These items were not tracked previous to 2006.

** The City of Des Plaines also maintains an additional 95 miles of state and county highways and roads.

Source: Various City departments

| <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|-------------|-------------|-------------|-------------|-------------|
| 1 | 1 | 1 | 1 | 1 |
| 102 | 103 | 103 | 105 | 105 |
| 3 | 3 | 3 | 3 | 3 |
| 92 | 92 | 92 | 92 | 102 |
| 145 | 145 | 145 | 145 | 145 |
| | | | 576 | 680 |
| 1 | 1 | 1 | 1 | 1 |
| 201 | 235 | 235 | 237 | 237 |
| 2,212 | 2583 | 2,583 | 2,597 | 2,615 |
| 19 | 19 | 19 | 19 | 19 |

CITY OF DES PLAINES

WATER SOLD
Last Ten Calendar Years
(in thousands)
December 31, 2007

| | 1998 | 1999 | 2000 | 2001 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Gallons sold</u> | | | | |
| Residential | \$ 1,593,111 | \$ 1,322,252 | \$ 1,568,760 | \$ 1,567,103 |
| Commercial | 605,024 | 626,351 | 680,761 | 729,871 |
| Industrial | 371,284 | 391,893 | 400,898 | 349,019 |
| Totals | <u>\$ 2,569,419</u> | <u>\$ 2,340,496</u> | <u>\$ 2,650,419</u> | <u>\$ 2,645,993</u> |
| Water rate per 1,000 gallons | \$2.65 | \$2.69 | \$2.69 | \$2.73 |
| Storm Sewer rate per 1,000 gallons | \$0.51 | \$0.76 | \$0.76 | \$0.76 |

Source: *City of Des Plaines Water Consumption Report*

| <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 1,518,821 | \$ 1,345,030 | \$ 1,340,980 | \$ 1,341,733 | \$ 1,852,194 | \$ 1,435,498 |
| 667,965 | 626,582 | 626,560 | 627,368 | 597,343 | 710,984 |
| <u>380,686</u> | <u>377,827</u> | <u>343,278</u> | <u>461,071</u> | <u>333,270</u> | <u>241,646</u> |
| <u>\$ 2,567,472</u> | <u>\$ 2,349,439</u> | <u>\$ 2,310,818</u> | <u>\$ 2,430,172</u> | <u>\$ 2,782,807</u> | <u>\$ 2,388,128</u> |
| \$3.26 | \$3.44 | \$3.61 | \$3.79 | \$3.88 | \$3.88 |
| \$0.76 | \$0.76 | \$0.76 | \$0.76 | \$0.76 | \$0.76 |

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2007

| | |
|--|---------------|
| Date of incorporation (Town of Rand) | 1857 |
| Form of government | City Manager |
| Building permits: | |
| Permits issued | 3,267 |
| Estimated value | \$113,259,090 |
| Fire protection: | |
| Number of stations | 3 |
| Number of sworn firefighters | 102 |
| Police protection: | |
| Number of stations | 1 |
| Number of sworn police officers | 105 |
| Municipal water plant | |
| Number of consumers | 16,983 |
| Daily average consumption (gallons) | 7,639,118 |
| Daily average consumption per capita (gallons) | 130 |
| Miles of water mains | 237 |
| Number of fire hydrants | 2,615 |
| Employees as of December 31 | |
| Full time | 498 |
| Part time | 170.0 |
| Total | <u>668.0</u> |
| Population | |
| 1880 | 818 |
| 1890 | 986 |
| 1900 | 1,666 |
| 1910 | 2,348 |
| 1920 | 3,451 |
| 1930 | 8,798 |
| 1940 | 9,518 |
| 1950 | 14,994 |
| 1960 | 34,886 |
| 1970 | 57,237 |
| 1980 | 53,568 |
| 1990 | 53,414 |
| 2000 | 56,945 |
| 2007 | 58,710 |

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2007

Area and land use - City of Des Plaines

Total area December 31, 2007 - 9,195.13 acres or 14.36 square miles (Based on municipal boundary data.)

Distribution of land uses

| | Acres | Percent of Total |
|--------------------------------|-----------------------------------|---------------------|
| Residential | 3,897.35 | 42.4% |
| Manufacturing | 1,473.20 | 16.0% |
| Wholesale and retail | Combined with Commercial Services | |
| Commercial services | 694.63 | 7.6% |
| Education and recreation | 1,447.09 | 15.7% |
| Streets, alleys, and railroads | 1,236.91 | 13.5% |
| Total developed | 8,749.18 | 95.2% |
| Vacant land | 445.95 | 4.8% |
| Total | 9,195.13 | 100.0% |

Housing Units

| | |
|-----------------|--------|
| Single Family | 16,804 |
| Multiple Family | 6,424 |
| Total | 23,228 |

Data Sources

U.S. Census Bureau and Various City Departments

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CONTINUING DISCLOSURE

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2008 DISCLOSURE

Relating to

CITY OF DES PLAINES

Cook County, Illinois

CUSIP NUMBER 250217

\$9,500,000 General Obligation Refunding Bonds, Series 1996A

\$10,000,000 General Obligation Corporate Purpose Bonds, Series 1999

\$4,110,000 General Obligation Corporate Purpose Bonds, Series 2000

\$5,470,000 General Obligation Corporate Purpose bonds, Series 2001

\$4,800,000 General Obligation Corporate Purpose Refunding Bonds, Series 2002A

\$7,835,000 General Obligation Bonds, Series 2003A

\$2,355,000 General Obligation Corporate Purpose Refunding Bonds, Series 2003B

\$2,250,000 General Obligation Taxable General Obligation Bonds, Series 2003C

\$4,545,000 Taxable General Obligation Refunding Bonds, Series 2003D

\$8,400,000 General Obligation Bonds, Series 2004A

\$8,900,000 Taxable General Obligation Bonds, Series 2004B

\$5,550,000 General Obligation Bonds, Series 2005A

\$1,030,000 General Obligation Refunding Bonds, Series 2005B

\$2,330,000 General Obligation Refunding Bonds, Series 2005C

\$14,650,000 General Obligation Refunding Bonds, Series 2005D

\$12,800,000 General Obligation Bonds, Series 2005E

\$4,725,000 Taxable General Obligation Bonds, Series 2005F

\$500,000 Taxable General Obligation Bonds, Series 2005G

\$6,065,000 General Obligation Refunding Bonds, Series 2007A

\$1,660,000 General Obligation Refunding Bonds, Series 2007B

and

\$2,575,000 Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A

For further information please contact:

Mr. Bruce Raymond

Assistant to the Director of Finance

City of Des Plaines

1420 Miner Street

Des Plaines, Illinois 60016-4498

Telephone Number: (847) 391-5326

Fax Number: (847) 391-5402

Retailers' Occupation, Service Occupation and Use Tax(1)

| State Fiscal Year Ending June 30 | State Sales Tax Distributions(2) | Home Rule Sales Tax Distributions | Total Distributions | Percentage Change + (-) |
|-------------------------------------|-------------------------------------|--------------------------------------|------------------------|----------------------------|
| 1998 | \$7,029,230 | \$2,261,181 | \$ 9,290,411 | 2.78%(3) |
| 1999 | 7,176,166 | 2,820,427 | 9,996,593 | 7.60% |
| 2000 | 7,485,012 | 3,684,512 | 11,169,524 | 11.73% |
| 2001 | 7,560,867 | 3,832,348 | 11,393,215 | 2.00% |
| 2002 | 7,382,615 | 3,737,356 | 11,119,971 | (2.40%) |
| 2003 | 7,719,732 | 3,786,409 | 11,506,141 | 3.47% |
| 2004 | 7,869,504 | 3,881,000 | 11,750,504 | 2.12% |
| 2005 | 7,819,815 | 3,970,243 | 11,790,058 | 0.34% |
| 2006 | 8,377,712 | 4,223,008 | 12,600,721 | 6.88% |
| 2007 | 8,333,032 | 5,517,995 | 13,851,027 | 9.92% |
| Growth from 1998 to 2007 | | | | 49.09% |

- Notes: (1) Source: Illinois Department of Revenue.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
 (3) The 1998 percentage is based on a 1997 sales tax receipts of \$9,039,239.

DEBT INFORMATION

General Obligation Debt - By Issue(1)

| Issue Date | Issue Date | Principal Outstanding | Supported By |
|--|--|--------------------------|--|
| 10/21/1996 | General Obligation Refunding Bonds, Series 1996A | \$ 440,000 | Property Taxes/Special Revenues |
| 2/1/1999 | General Obligation Corporate Purpose Bonds, Series 1999 | 5,560,000 | Sales & Utility Taxes/Fees |
| 6/19/2000 | General Obligation Corporate Purpose Bonds, Series 2000 | 280,000 | Sales & Utility Taxes/Fees |
| 6/4/2001 | General Obligation Corporate Purpose Bonds, Series 2001 | 885,000 | Property Taxes/Sales & Utility Taxes/Fees |
| 5/6/2002 | General Obligation Corporate Purpose Refunding Bonds, Series 2002A | 3,475,000 | Property Taxes/Special Revenues |
| 9/3/2003 | General Obligation Bonds, Series 2003A | 6,550,000 | TIF Revenues/Property Taxes |
| 9/3/2003 | General Obligation Corporate Purpose Refunding Bonds, Series 2003B | 470,000 | Property Taxes/Special Revenues |
| 9/3/2003 | Taxable General Obligation Bonds, Series 2003C | 2,250,000 | TIF Revenues |
| 10/30/2003 | Taxable General Obligation Refunding Bonds, Series 2003D | 3,575,000 | TIF Revenues |
| 6/3/2004 | General Obligation Bonds, Series 2004A | 7,275,000 | TIF Revenues/Special Revenues |
| 6/3/2004 | Taxable General Obligation Bonds, Series 2004B | 8,090,000 | TIF Revenues |
| 1/3/2005 | General Obligation Bonds, Series 2005A | 5,550,000 | TIF Revenues |
| 1/3/2005 | General Obligation Bonds, Series 2005B | 1,010,000 | TIF Revenues |
| 1/3/2005 | General Obligation Bonds, Series 2005C | 1,970,000 | Water Fund |
| 2/1/2005 | General Obligation Refunding Bonds, Series 2005D | 14,415,000 | Sales & Utility Taxes/Fees |
| 6/1/2005 | General Obligation Bonds, Series 2005E | 12,205,000 | Sewer Fees/TIF Revenues |
| 6/1/2005 | Taxable General Obligation Bonds, Series 2005F | 4,725,000 | TIF Revenues |
| 6/1/2005 | General Obligation Bonds, Series 2005G | 475,000 | TIF Revenues |
| 10/23/2007 | General Obligation Refunding Bonds, Series 2007A | 6,065,000 | Property Taxes/ Sales & Utility Taxes/Fees |
| 10/23/2007 | General Obligation Refunding Bonds, Series 2007B | 1,660,000 | Property Taxes/TIF Revenues |
| 4/1/2008 | Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A | 2,575,000 | TIF Revenues |
| Total Outstanding General Obligation Debt | | \$ 89,500,000 | |
| Total | | \$ 89,500,000 | |
| Less: Self Supporting Debt | | (83,379,767) | |
| Total Property Tax Supported General Obligation Debt | | \$6,120,233 | |

Note: (1) Source: the City.

General Obligation Bonded Debt(1)
(Principal Only)

| Calendar Year | Total Debt | Less: Total Self-Supporting | Total Property Tax Supporting Principal | Cumulative Property Tax Supported Principal Retired | |
|---------------|---------------------|--------------------------------|---|---|---------|
| | | | | Amount | Percent |
| 2008 | \$ 7,480,000 | \$ 6,221,982 | \$1,258,018 | | 20.56% |
| 2009 | 7,720,000 | 6,665,600 | 2,312,418 | | 37.78% |
| 2010 | 7,940,000 | 6,878,994 | 3,373,424 | | 55.12% |
| 2011 | 8,235,000 | 7,173,191 | 4,435,233 | | 72.47% |
| 2012 | 6,050,000 | 5,910,000 | 4,575,233 | | 74.76% |
| 2013 | 6,340,000 | 6,195,000 | 4,720,233 | | 77.13% |
| 2014 | 6,155,000 | 6,000,000 | 4,875,233 | | 79.66% |
| 2015 | 6,415,000 | 6,255,000 | 5,035,233 | | 82.27% |
| 2016 | 6,115,000 | 5,950,000 | 5,200,233 | | 84.97% |
| 2017 | 6,135,000 | 5,970,000 | 5,365,233 | | 87.66% |
| 2018 | 6,450,000 | 6,275,000 | 5,540,233 | | 90.52% |
| 2019 | 4,895,000 | 4,710,000 | 5,725,233 | | 93.55% |
| 2020 | 5,145,000 | 4,950,000 | 5,920,233 | | 96.73% |
| 2021 | 3,255,000 | 3,055,000 | 6,120,233 | | 100.00% |
| 2022 | 1,170,000 | 1,170,000 | 0 | | |
| Total | \$89,500,000 | \$83,379,767 | \$6,120,233 | | |

Note: (1) Source: the City.

Detailed Overlapping Bonded Debt(1)

| | Total Debt(2) | Applicable to the City | |
|---|---------------|------------------------|---------------------|
| | | Percent(3) | Amount |
| Schools: | | | |
| School District No. 26 | \$ 9,485,000 | 6.90% | \$ 654,465 |
| School District No. 57 | 9,750,000 | 1.37% | 133,575 |
| School District No. 59 | 27,150,000 | 10.31% | 2,799,165 |
| School District No. 64 | 17,065,000 | 0.82% | 139,933 |
| High School District No. 207 | 14,505,000 | 35.64% | 5,169,582 |
| High School District No. 214 | 26,639,614 | 3.74% | 996,322 |
| Harper Community College District No. 512 | 56,385,000 | 1.71% | 964,184 |
| Total Schools | | | \$10,857,225 |
| Other: | | | |
| Cook County | 3,015,350,000 | 1.46% | \$44,024,110 |
| Cook County Forest Preserve District | 108,475,000 | 1.46% | 1,583,735 |
| Metropolitan Water Reclamation District | 1,521,282,085 | 1.49% | 22,667,103 |
| Elk Grove Park District | 12,907,000 | 0.82% | 105,837 |
| Des Plaines Park District | 8,636,000 | 92.56% | 7,993,482 |
| Mt. Prospect Park District | 3,375,000 | 19.03% | 642,263 |
| Total Others | | | \$77,016,530 |
| Total Overlapping Debt | | | \$87,873,755 |

Notes: (1) Source: Cook County Clerk.
(2) As of February 11, 2008.
(2) Percentage based on 2006 EAV's.

Statement of Bonded Indebtedness(1)
(As of February 11, 2008)

| | Amount Applicable | Ratio To | | Per Capita (2000 Census 56,945) |
|--|----------------------|-----------------------|---------------------|---------------------------------------|
| | | Equalized Assessed | Estimated Actual | |
| City EAV of Taxable Property, 2006 | \$2,110,069,506 | 100.00% | 33.33% | \$ 37,054.52 |
| Estimated Actual Value, 2006 | \$6,330,208,518 | 300.00% | 100.00% | \$111,163.55 |
| Total Direct Bonded Debt | \$ 89,500,000 | 4.24% | 1.41% | \$ 1,571.69 |
| Less: Self Supporting | (83,379,767) | (3.95%) | (1.32%) | (1,464.22) |
| Net Direct Debt | \$ 6,120,233 | 0.29% | 0.10% | \$ 107.48 |
| Overlapping Bonded Debt: | | | | |
| Schools | \$ 10,857,225 | 0.51% | 0.17% | \$ 190.66 |
| Other | 77,016,530 | 3.65% | 1.22% | 1,352.47 |
| Total Overlapping Bonded Debt | \$ 87,873,755 | 4.16% | 1.39% | \$ 1,543.13 |
| Total Direct and Overlapping Bonded Debt | \$ 93,993,988 | 4.45% | 1.48% | \$ 1,650.61 |

Note: (1) Source: Cook County Clerk.

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation(1)

| Property Class | Levy Years | | | | |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2002 | 2003 | 2004(2) | 2005 | 2006 |
| Residential | \$ 815,636,863 | \$ 820,152,717 | \$ 968,894,536 | \$1,048,729,126 | \$1,098,297,899 |
| Farm | 0 | 0 | 0 | 0 | 0 |
| Commercial | 452,257,361 | 435,374,304 | 466,225,897 | 486,965,767 | 456,777,248 |
| Industrial | 508,406,299 | 504,398,708 | 538,079,254 | 562,477,260 | 553,576,732 |
| Railroad | 930,959 | 1,008,971 | 1,254,325 | 1,277,551 | 1,417,627 |
| Total | \$1,777,231,482 | \$1,760,934,700 | \$1,974,454,012 | \$2,099,449,704 | \$2,110,069,506 |
| Percent Change +(-) | 6.53%(3) | (0.92%) | 12.13% | 6.33% | 0.51% |

- Notes: (1) Source: Cook County Clerk.
(2) Levy year was a triennial reassessment year.
(3) Percentage change based on 2001 EAV of \$1,668,364,544.

Representative Tax Rates(1)
(Per \$100 EAV)

| City Rates: | Levy Years | | | | |
|---|------------|----------|----------|----------|----------|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| General Corporate(2) | \$0.7464 | \$0.8058 | \$0.7776 | \$0.7876 | \$0.8621 |
| Public Library | 0.2440 | 0.2730 | 0.2680 | 0.2777 | 0.2940 |
| Bonds and Interest | 0.0832 | 0.0885 | 0.0740 | 0.0766 | 0.0657 |
| Total City Rates(3) | \$1.0740 | \$1.1680 | \$1.1200 | \$1.1430 | \$1.2220 |
| Cook County | 0.6900 | 0.6300 | 0.5930 | 0.5330 | 0.5000 |
| Cook County Forest Preserve | 0.0610 | 0.0590 | 0.0600 | 0.0600 | 0.0570 |
| Metropolitan Water Reclamation District | 0.3710 | 0.3610 | 0.3470 | 0.3150 | 0.2840 |
| Maine Township | 0.0760 | 0.0790 | 0.0710 | 0.1210 | 0.1270 |
| School District Number 62 | 2.1480 | 2.2280 | 2.4750 | 2.5010 | 2.6270 |
| High School District Number 207 | 1.9360 | 2.0120 | 1.7950 | 1.7570 | 1.8260 |
| Community College Number 535 | 0.1790 | 0.1860 | 0.1610 | 0.1580 | 0.1660 |
| Des Plaines Park District | 0.4220 | 0.4440 | 0.4270 | 0.3500 | 0.3560 |
| Other Districts | 0.0680 | 0.0950 | 0.0610 | 0.0280 | 0.0140 |
| Total Tax Rates(4) | \$7.0250 | \$7.2620 | \$7.1100 | \$6.9660 | \$7.1790 |

- Notes: (1) Source: Cook County Clerk.
(2) Includes Police and Firemen's Pension.
(3) As a home rule municipality, the City has no statutory tax rate limits.
(4) Representative tax rates for other government units are from Maine Township tax code 22028, which represents 64.28% of the City's 2006 EAV, the most recent available.

City Tax Levies and Collections(I)

| Levy Year | Coll. Year | Taxes Levied | Total Collections(2) | |
|--------------|---------------|-----------------|----------------------|---------|
| | | | Amount | Percent |
| 2002..... | 2003..... | \$14,286,846 | \$14,257,055 | 99.79% |
| 2003..... | 2004..... | 15,333,356 | 15,109,920 | 98.54% |
| 2004..... | 2005..... | 16,299,048 | 16,336,965 | 100.23% |
| 2005..... | 2006..... | 17,583,947 | 17,578,485 | 99.97% |
| 2006..... | 2007..... | 18,979,823 | 18,807,403 | 99.09% |

Notes: (1) Source: Cook County Treasurer and the City.

- Notes: (1) Source: Cook County Clerk and the City.
 (2) Total Collections reflect all monies attributable to the specific tax but distributed to the taxing body over a period of time. This is updated annually by the County Treasurer and therefore is subject to revision as the treasurer makes allocations in the future. Excludes refunds and includes taxes held in reserve and interest earnings.
 (3) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy", and therefore the percentage of levy collected may exceed 100%.
 (4) Levy amount and collections refer only to City, and not the Library Component Unit.

Large City Taxpayers(I)

| Taxpayer Name | Product/Business | 2006 EAV(2) |
|---|---|---------------|
| Universal Oil Products | Chemicals Manufacturer, Catalysts Research and Development..... | \$ 36,259,952 |
| Ohare Lake Office Park LLC..... | Office Complex | 27,136,528 |
| MR Properties..... | Real Estate | 19,548,872 |
| Abbott Labs..... | Medical Laboratories | 16,741,351 |
| C & O Pts..... | Real Property | 16,152,120 |
| Marc Realty..... | Real Property | 15,278,453 |
| Sysco Food Services..... | Food Wholesalers | 12,597,986 |
| MLRP Messenger LLC..... | Real Property | 12,421,445 |
| Crane & Norcross..... | Real Property | 12,275,717 |
| First Washington Management..... | Real Property | 11,930,817 |
| Total | | \$180,343,241 |
| Ten largest as a percent of the District's 2006 EAV (\$2,110,069,506) | | 8.55% |

- Notes: (1) Source: Cook County Clerk.
 (2) Every effort has been made to reach and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2006 EAV is the most current available.

**Statement of Net Assets
Primary Government
Governmental Activities**

| | Audited As of December 31 | | | |
|---|---------------------------|----------------------|----------------------|----------------------|
| | 2003 | 2004 | 2005 | 2006 |
| ASSETS: | | | | |
| Cash..... | \$ 7,652,359 | \$ 5,294,764 | \$ 4,935,594 | \$ 14,985,550 |
| Investments..... | 12,469,235 | 19,730,482 | 26,197,998 | 5,204,718 |
| Receivables, Net of Allowances for Uncollectibles: | | | | |
| Property Taxes..... | 15,278,814 | 16,772,526 | 17,582,901 | 19,151,802 |
| Accounts..... | 3,156,900 | 986,284 | 1,226,592 | 1,214,281 |
| Accrued Interest..... | 99,740 | 90,421 | 110,984 | 10,696 |
| Other Taxes..... | 616,408 | 805,445 | 744,028 | 733,862 |
| Other..... | 202,377 | 143,394 | 112,020 | 265,908 |
| Prepaid Expenses..... | 878,668 | 688,787 | 697,840 | 680,591 |
| Due from Other Governments..... | 3,923,906 | 4,225,601 | 4,549,009 | 5,492,537 |
| Internal Balances..... | 0 | (1,954,021) | (3,231,704) | 192,492 |
| Deferred Charges..... | 645,551 | 686,461 | 486,112 | 444,805 |
| Net Pension Asset..... | 348,700 | 332,310 | 285,275 | 0 |
| Capital Assets Not Being Depreciated..... | 66,272,709 | 67,234,130 | 76,656,600 | 73,612,205 |
| Capital Assets, Net of Accumulated Depreciation..... | <u>98,859,228</u> | <u>97,767,127</u> | <u>95,041,459</u> | <u>100,457,453</u> |
| Total Assets..... | <u>\$210,404,595</u> | <u>\$212,803,711</u> | <u>\$225,394,708</u> | <u>\$222,446,900</u> |
| LIABILITIES: | | | | |
| Accounts Payable..... | \$ 2,105,592 | \$ 3,690,565 | \$ 5,553,118 | \$ 3,568,242 |
| Accrued Payroll..... | 348,018 | 750,149 | 660,003 | 236,277 |
| Other Payables..... | 17,174 | 110,382 | 33,433 | 881,506 |
| Accrued Interest Payable..... | 280,063 | 391,888 | 749,768 | 370,573 |
| Unearned Revenue..... | 15,901,356 | 17,042,855 | 17,812,056 | 19,423,597 |
| Deposits Payable..... | 11,473 | 33,036 | 47,410 | 162,062 |
| Claims Payable..... | 72,666 | 0 | 0 | 0 |
| Accrued Pension Contributions..... | 14,847 | 713,236 | 1,501,945 | 378,235 |
| Net Pension Obligation..... | 0 | 0 | 0 | 391,723 |
| Non Current Liabilities: | | | | |
| Due Within One Year..... | 6,623,966 | 7,482,328 | 6,602,538 | 7,093,508 |
| Due in More Than One Year..... | <u>64,830,834</u> | <u>77,010,304</u> | <u>96,218,058</u> | <u>89,656,957</u> |
| Total Liabilities..... | <u>\$ 90,205,989</u> | <u>\$107,224,743</u> | <u>\$129,178,329</u> | <u>\$122,162,680</u> |
| NET ASSETS: | | | | |
| Investment in Capital Assets, Net of Related Debt.... | \$101,112,363 | \$ 92,567,545 | \$ 80,553,806 | \$ 84,159,240 |
| Restricted For: | | | | |
| Streets and Highways..... | 658,868 | 885,973 | 292,421 | 0 |
| Public Safety..... | 1,872,914 | 1,879,351 | 1,624,728 | 1,426,250 |
| Economic Development..... | 4,126,368 | 7,932,906 | 7,511,810 | 4,252,552 |
| Debt Service..... | 5,237,595 | 1,982,848 | 450,584 | 51,727 |
| Unrestricted..... | <u>7,190,498</u> | <u>330,345</u> | <u>5,783,030</u> | <u>10,394,451</u> |
| Total Net Assets..... | <u>\$120,198,606</u> | <u>\$105,578,968</u> | <u>\$ 96,216,379</u> | <u>\$100,284,220</u> |

**Statement of Activities
Governmental Activities
Net (Expense) Revenue and Changes in Net Assets**

| Functions/Programs Primary Government | Audited Year Ended of December 31 | | | |
|---|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2003 | 2004 | 2005 | 2006 |
| General Government | \$ (2,266,275) | \$ (5,732,749) | \$ (1,375,338) | \$ (3,196,902) |
| Public Safety | (24,686,921) | (26,281,463) | (27,611,899) | (30,509,388) |
| Public Works | (5,641,889) | (6,288,513) | (6,471,093) | (6,057,064) |
| Streets and Highways | (2,728,171) | 1,040,060 | (5,179,481) | (7,742,903) |
| Economic Development | (5,821,769) | (11,922,033) | (7,507,838) | (2,172,297) |
| Interest | (2,925,987) | (3,337,330) | (4,610,023) | (4,049,875) |
| Total Governmental Activities(1) | <u>\$(44,071,012)</u> | <u>\$(52,522,028)</u> | <u>\$(52,755,672)</u> | <u>\$(53,728,429)</u> |
| General Revenues: | | | | |
| Taxes: | | | | |
| Property | \$ 17,002,913 | \$ 17,828,162 | \$ 19,949,024 | \$ 22,115,583 |
| Replacement | 716,865 | 821,910 | 1,193,354 | 1,238,962 |
| Sales | 7,845,715 | 7,806,132 | 8,104,425 | 9,220,053 |
| Utility | 2,410,726 | 2,358,182 | 2,594,534 | 2,579,105 |
| Income | 3,870,529 | 3,644,821 | 4,284,621 | 5,197,409 |
| Home Rule Sales | 3,828,194 | 3,952,935 | 4,119,582 | 4,887,837 |
| Food and Beverage Tax | 795,868 | 769,662 | 807,421 | 933,162 |
| Hotel/Motel | 670,314 | 706,308 | 789,748 | 1,242,613 |
| Real Estate Transfer | 973,516 | 1,004,785 | 1,114,479 | 1,186,212 |
| Local Option Motor Fuel | 631,840 | 1,052,946 | 929,005 | 1,527,438 |
| Other | 1,961,501 | 1,967,450 | 1,982,000 | 2,541,496 |
| Investment Income | 276,627 | 569,439 | 895,113 | 1,445,882 |
| Miscellaneous | 2,134,017 | 130,091 | 181,237 | 246,840 |
| Gain (Loss) on Sale of Capital Assets | (69,879) | 81,816 | 45,300 | 3,479,486 |
| Contributions | 29,040 | 0 | 0 | 0 |
| Transfers | 192,120 | (4,746,515) | (847,230) | (45,809) |
| Component Unit Transfers | <u>12,531</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | <u>\$ 43,282,437</u> | <u>\$ 37,948,124</u> | <u>\$ 46,142,613</u> | <u>\$ 57,796,269</u> |
| Change in Net Assets | \$ (788,575) | \$(14,573,904) | \$ (6,613,059) | \$ 4,067,840 |
| Prior Period Adjustments | 0 | (45,734) | (2,749,530) | 0 |
| Net Assets, January 1 | <u>120,987,181</u> | <u>120,198,606</u> | <u>105,578,968</u> | <u>96,216,380</u> |
| Net Assets, December 31 | <u><u>\$120,198,606</u></u> | <u><u>\$105,578,968</u></u> | <u><u>\$ 96,216,379</u></u> | <u><u>\$100,284,220</u></u> |

Note: (1) Expenses less Charges for Services, Operating Grants and Capital Grants.

General Fund Balance Sheet

| | Audited as of December 31 | | | | |
|---|---------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| ASSETS: | | | | | |
| Investments | \$ 1,373,965 | \$ 2,702,045 | \$ 5,191,774 | \$ 3,890,589 | \$ 1,884,571 |
| Cash and Equivalents | 1,617,300 | 2,442,978 | 250,151 | 307,994 | 2,435,869 |
| Receivables: | | | | | |
| Accounts | 533,873 | 505,028 | 582,391 | 749,053 | 761,344 |
| Property Taxes | 12,878,834 | 13,776,978 | 15,276,061 | 16,180,024 | 17,790,784 |
| Sales Taxes | 0 | 0 | 0 | 666,364 | 658,093 |
| Other Receivables | 619,116 | 629,213 | 841,170 | 111,024 | 202,972 |
| Accrued Interest | 8,611 | 14,440 | 18,951 | 11,126 | 859 |
| Due From Other Governments | 2,520,602 | 2,809,634 | 2,906,680 | 3,101,973 | 4,198,467 |
| Due From Other Funds | 1,443,589 | 1,625,778 | 941,985 | 4,591,084 | 4,509,152 |
| Prepaid Items | 10,323 | 20,097 | 14,104 | 12,159 | 5,908 |
| Total Assets | <u>\$21,006,213</u> | <u>\$24,526,191</u> | <u>\$26,023,267</u> | <u>\$29,621,390</u> | <u>\$32,448,019</u> |
| LIABILITIES AND FUND EQUITY: | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | \$ 1,092,954 | \$ 1,005,988 | \$ 1,048,512 | \$ 1,058,918 | \$ 1,720,278 |
| Accrued Payroll | 300,248 | 346,027 | 746,647 | 655,286 | 884,290 |
| Other Payables | 17,263 | 17,174 | 17,662 | 33,433 | 135,650 |
| Deferred Revenue | 13,292,075 | 14,077,307 | 15,355,442 | 16,405,846 | 18,808,683 |
| Due to Other Funds | 25,038 | 14,847 | 0 | 2,744,893 | 2,738,043 |
| Compensated Absences Payable | 1,816,582 | 0 | 0 | 0 | 0 |
| Accrued Pension Contributions | 0 | 0 | 713,236 | 1,501,945 | 378,235 |
| Total Liabilities | <u>\$16,544,160</u> | <u>\$15,461,343</u> | <u>\$17,881,499</u> | <u>\$22,400,321</u> | <u>\$24,665,179</u> |
| Fund Equity: | | | | | |
| Reserved | \$ 10,323 | \$ 20,097 | \$ 14,104 | \$ 12,159 | \$ 3,853,331 |
| Unreserved | 4,451,730 | 9,044,751 | 8,127,664 | 7,208,910 | 3,929,509 |
| Total Fund Equity | <u>\$ 4,462,053</u> | <u>\$ 9,064,848</u> | <u>\$ 8,141,768</u> | <u>\$ 7,221,069</u> | <u>\$ 7,782,840</u> |
| Total Liabilities and Fund Equity | <u>\$21,006,213</u> | <u>\$24,526,191</u> | <u>\$26,023,267</u> | <u>\$29,621,390</u> | <u>\$32,448,019</u> |

General Fund Revenues and Expenditures

| | Audited as of December 31 | | | |
|--|---------------------------|---------------------|---------------------|---------------------|
| | 2003 | 2004 | 2005 | 2006 |
| REVENUES: | | | | |
| Taxes | \$27,949,038 | \$20,099,129 | \$21,723,494 | \$23,461,237(1) |
| Licenses and Permits | 3,702,236 | 4,649,570 | 5,035,156 | 4,087,868 |
| Intergovernmental | 4,591,416 | 13,314,150 | 14,466,315 | 16,189,175(1) |
| Charges for Services | 2,770,366 | 2,981,739 | 3,198,838 | 3,472,029 |
| Fines and Forfeits | 971,523 | 821,080 | 805,710 | 999,024 |
| Investment Income | 97,526 | 135,795 | 300,596 | 394,117 |
| Miscellaneous | 189,861 | 236,775 | 119,941 | 170,247 |
| Total Revenues | <u>\$40,271,966</u> | <u>\$42,238,238</u> | <u>\$45,650,050</u> | <u>\$48,773,697</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General Government | \$ 4,676,420 | \$ 5,502,261 | \$ 6,425,706 | \$ 6,836,983 |
| Public Safety | 24,068,944 | 27,492,553 | 28,817,121 | 30,816,886 |
| Public Works | 7,805,766 | 8,614,884 | 9,329,949 | 9,526,298 |
| Streets and Highways | 719,254 | 759,230 | 835,979 | 927,067 |
| Economic Development | 535,487 | 662,840 | 571,594 | 815,210 |
| Total Expenditures | <u>\$37,805,871</u> | <u>\$43,031,768</u> | <u>\$45,980,349</u> | <u>\$48,922,444</u> |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 2,466,095 | \$ (793,530) | \$ (330,299) | \$ (148,747) |
| Other Financing Sources (Uses), net | <u>2,136,700</u> | <u>(360,000)</u> | <u>(695,000)</u> | <u>710,518</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses | \$ 4,602,795 | \$(1,153,530) | \$(1,025,299) | \$ 561,771 |
| Balance, January 1 | \$ 4,462,053 | \$ 9,064,848 | \$ 8,141,768 | \$ 7,221,069 |
| Residual Equity Transfers In/ Prior Period Adjustment | 0 | 230,450 | 104,600 | 0 |
| Balance, December 31 | <u>\$ 9,064,848</u> | <u>\$ 8,141,768</u> | <u>\$ 7,221,069</u> | <u>\$ 7,782,840</u> |

Note: Home-rule sales taxes in the amount of \$706,110 are included in intergovernmental.

**General Fund
Budget and Interim Information**

| | Budget Fiscal Year 2007 | Preliminary Unaudited 12 Months Ending December 31, 2007 | Budget Fiscal Year 2008 |
|----------------------------|-------------------------------|---|-------------------------------|
| REVENUES: | | | |
| Taxes | \$27,004,044 | \$26,544,349 | \$29,614,150 |
| Licenses & Permits | 4,292,500 | 3,825,731 | 4,339,400 |
| Intergovernmental | 15,929,285 | 16,279,389 | 16,299,000 |
| Charges for Services | 4,221,424 | 4,388,453 | 4,837,588 |
| Fines and Forfeits | 1,087,150 | 1,004,494 | 1,007,150 |
| Investment Income | 250,000 | 200,030 | 165,000 |
| Other | 250,600 | 235,893 | 112,600 |
| Total Revenues | <u>\$53,035,003</u> | <u>\$52,478,339</u> | <u>\$56,374,888</u> |
| EXPENDITURES: | | | |
| General Government | \$ 7,859,651 | \$ 7,828,219 | \$ 7,768,759 |
| Public Safety | 29,482,110 | 29,284,930 | 31,667,835 |
| Economic Development | 4,243,830 | 3,802,603 | 4,505,491 |
| Public Works | 7,375,345 | 7,263,325 | 6,358,084 |
| Streets & Highways | 4,130,695 | 4,208,893 | 4,992,734 |
| Total Expenditures | <u>\$53,091,631</u> | <u>\$52,387,970</u> | <u>\$55,292,903</u> |

Notes: (1) Source: the City.

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