

**VILLAGE OF MOUNT PROSPECT,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

YEAR ENDED DECEMBER 31, 2009

Prepared by:
Finance Department

David O. Erb
Finance Director

Lynn M. Jarog
Deputy Finance Director



VILLAGE OF MOUNS PROSPECT, ILLINOIS

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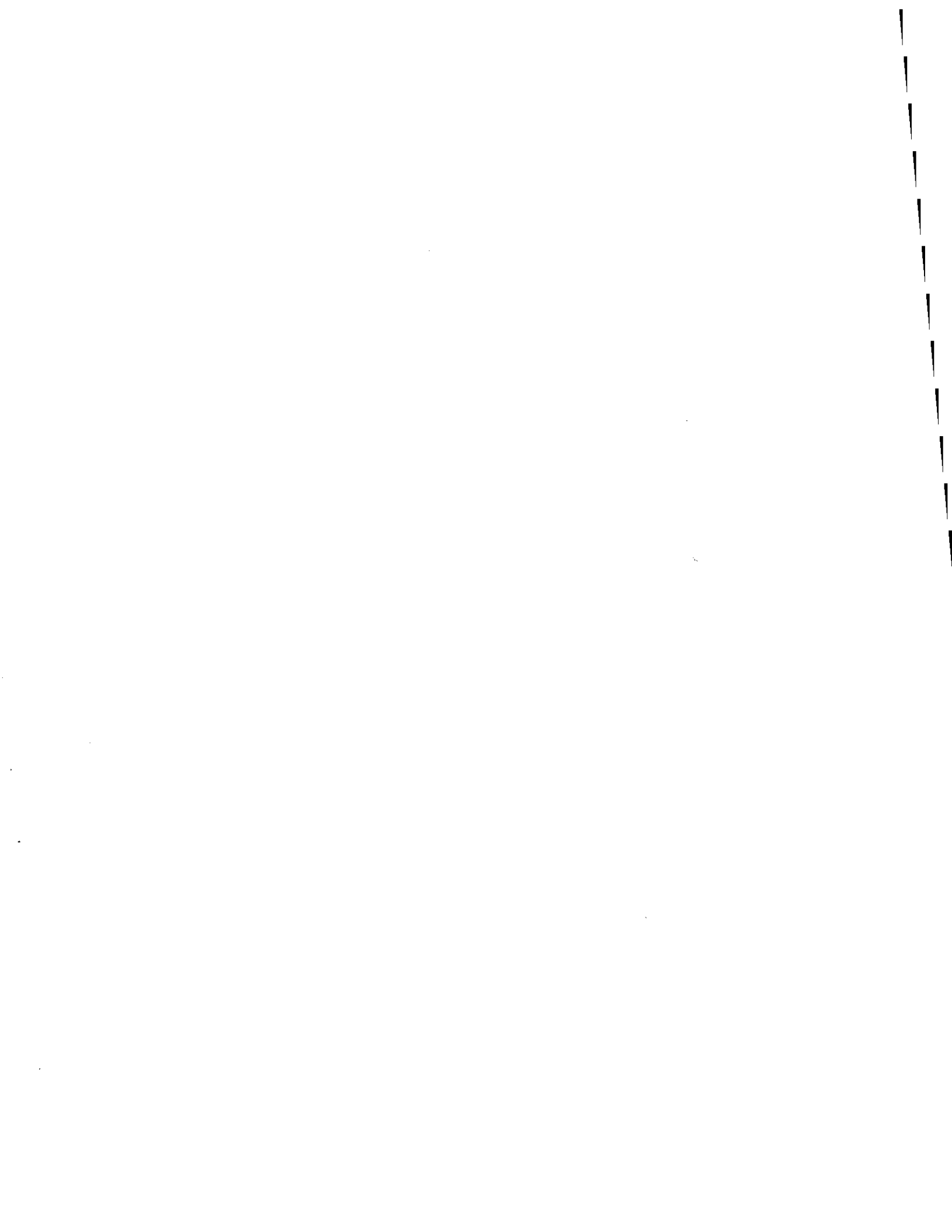
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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Mount Prospect including:

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Principal Officials

December 31, 2009

LEGISLATIVE

Irvana K. Wilks, Mayor

Paul W. Hoefert

John J. Matuszak

Arlene A. Juracek

Steven S. Polit

A. John Korn

Michael A. Zadel

ADMINISTRATIVE

Michael E. Janonis, Village Manager

David Strahl, Assistant Village Manager

David O. Erb, Finance Director/Treasurer

William J. Cooney, Jr., Director of Community Development

Nancy M. Morgan, Director of Human Services

Michael J. Figolah, Fire Chief

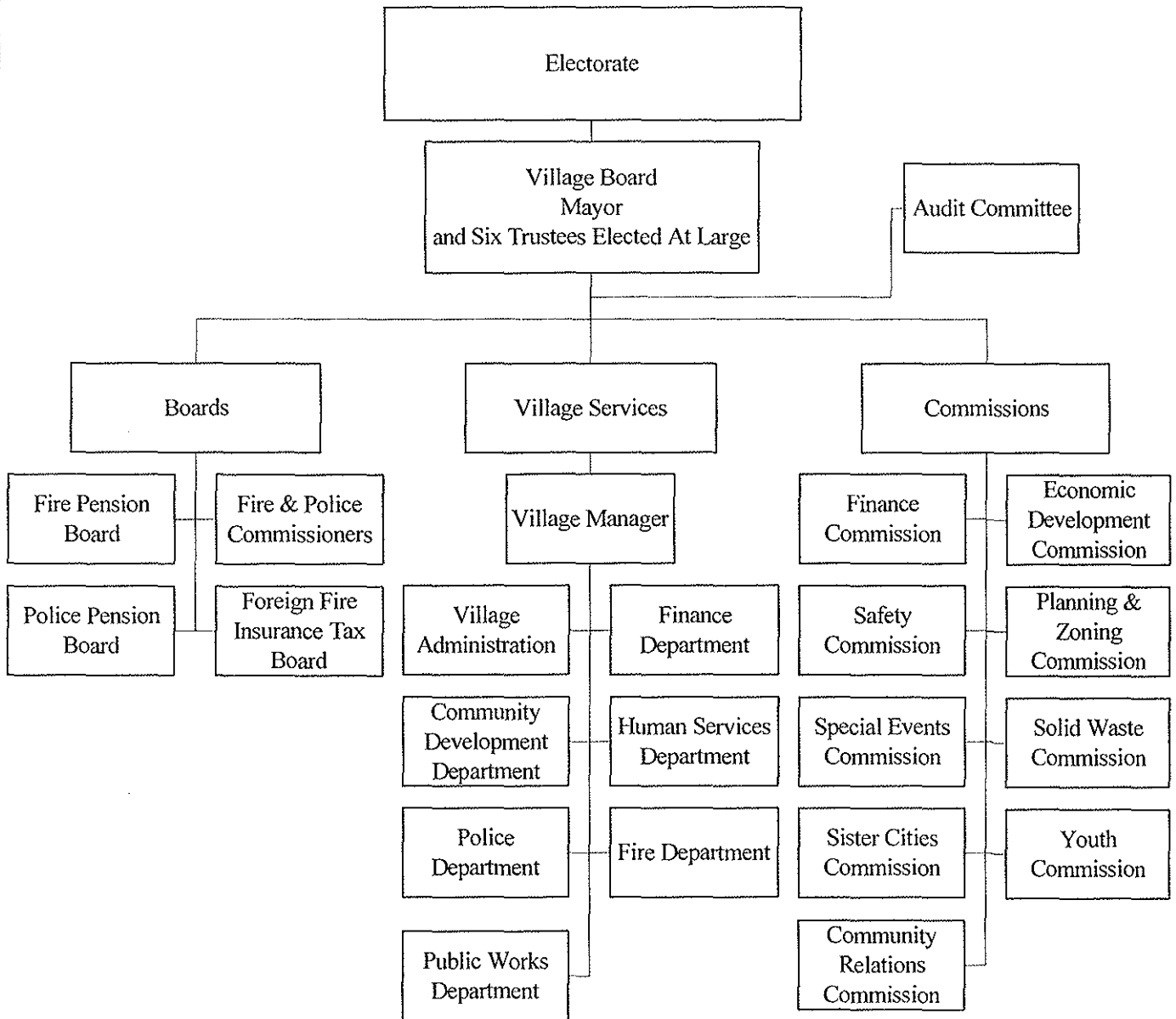
John Dahlberg, Police Chief

Glen R. Andler, Director of Public Works

M. Lisa Angell, Village Clerk

VILLAGE OF MOUNT PROSPECT

Organizational Structure



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Mount Prospect
Illinois

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

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



A stylized, handwritten signature in black ink, appearing to be "J.R. Emer".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director

MAYOR
Irvana K. Wilks

TRUSTEES
Paul Wm. Hoefert
Arlene A. Juracek
A. John Korn
John J. Matuszak
Steven S. Polit
Michael A. Zadel



VILLAGE MANAGER
Michael E. Janonis

VILLAGE CLERK
M. Lisa Angell

Phone: 847/392-6000
Fax: 847/392-6022
www.mountprospect.org

Village of Mount Prospect

50 South Emerson Street, Mount Prospect, Illinois 60056

May 5, 2010

The Honorable Irvana K. Wilks, Village President
Members of the Board of Trustees
Village Manager Michael E. Janonis, and
Citizens of the Village of Mount Prospect, Illinois

The Comprehensive Annual Financial Report of the Village of Mount Prospect, Illinois for the fiscal year ended December 31, 2009 is submitted herewith. The report consists of management's representations concerning the finances of the Village of Mount Prospect. Also included in the report are the finances of the Mount Prospect Public Library, a component unit of the Village. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village.

To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Mount Prospect's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework on internal controls had been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The Village has implemented GASB Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis - for state and local governments, including infrastructure reporting. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach and Amen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Mount Prospect for the year ended December 31, 2009, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon their audit that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Village of Mount Prospect

The Village of Mount Prospect, a home rule community as defined by the Illinois Constitution, was incorporated February 3, 1917 and is located 22 miles northwest from downtown Chicago in Cook County. The Village currently has land area of 10.3 square miles and a population of 56,265.

The Village operates under the Council/Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Mayor and six-member Board of Trustees. The Village Board is responsible for, among other things, passing ordinances, adopting the budget, appointing committee members and hiring the Village Manager and Village Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The Mayor is elected to a four-year term. The Mayor and Village Trustees are elected at large. The Village provides a full range of services including police, fire, public works (including water and sewer), human services, finance, community development and television services.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Finance Director by mid-August each year. Revenue estimates are completed by the Finance Department in preparation for departmental budget reviews with the Village Manager and Finance Director in early September. Initial budget requests are compiled by the end of September when a proposed budget is prepared and delivered to the Village Board and Finance Commission. The proposed budget is also made available for public inspection in the Village Clerk's Office and at the Mount Prospect Library. A series of meetings are held with the Finance Commission in October along with hearings before the Village Board at two (2) Committee of the Whole meetings in late October and early November. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31st of each year, the close of the Village's previous budget year. The budget is prepared by fund and by department. Budget amendments require approval of the Village Board. Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Corporate Fund and major special revenue funds, this comparison is presented in the required supplementary information. For governmental funds, other than the General Corporate Fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report.

Major Initiatives

The Village staff, following directives of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect the Village's commitment to ensuring that its citizens are able to live and work in an enviable environment. Also included in this section are any other major activities of note that occurred during the year. The most significant of these projects and activities are discussed below:

- The Village's **Street Improvement Program** was originally approved in 1996 as a 10 year accelerated paving plan to eliminate the large backlog of streets in need of reconstruction or resurfacing. During the first five years, the reconstruction backlog was targeted. The last five years were to place an emphasis on eliminating the resurfacing backlog. After reevaluating the condition of the street system in 2004 the accelerated program was reduced over the past two years and was extended an additional three years to 2009. 2009 was the thirteenth year of the program. During the first five years all streets in the reconstruction category (16.6 miles) were completed at an average of 3.3 miles per year and at an average cost of \$689,000 per mile. In addition, during the thirteen years of the program, 77.6 miles of streets have been resurfaced; an average of 6 miles per year at a cost of \$317,000 per mile. Total funds budgeted in 2009 were \$2,941,000 (\$950,000 from MFT and \$1,991,000 from Street Improvement Construction Fund).

- Completed the fourth year of a multi-year effort to **standardize neighborhood intersection controls and speed limits**. Tasks included engineering evaluations of four neighborhood zones, sign installations/modifications in seven neighborhood zones and post studies following sign modifications in seven neighborhood zones. 301 stop sign modifications (115 added, 186 replaced), 302 speed limit sign improvements (64 added, 238 replaced), and the removal of 115 signs (33 stop signs, 7 yield signs, 75 speed limit signs). Total estimated funds expended in 2009 are \$225,000. This program is expected to be completed in 2010.
- 2009 saw the completion of the fifth year of a multi-year commitment to rehabilitate approximately 260,000 LF of **combined sewer mains** ranging in size from 8" to 72" diameter. As part of this year's effort, over 9,383 linear feet of combination sewer were repaired using the cured-in-place (CIPP) lining process. In addition, approximately 273 linear feet of severely failed (Category 4 & 5) sewer pipe was excavated and replaced. In total, during the first five years of this program, 58,630 linear feet of pipe has been lined and 727 linear feet of pipe has been replaced. 100% of all Category 5 defects, 83% of all Category 4 defects, and 10% of all Category 3 defects have been repaired to date. Total Water and Sewer funds expended during 2009 were \$1,067,000.
- Construction of the **Fire Station 14** replacement project got underway with a March 21st groundbreaking ceremony. Two companion projects, expansion of the Public Works Facility to accommodate Fire Vehicle Maintenance and an enhanced Emergency Operations Center (EOC) also broke ground. The companion projects are expected to be substantially complete yet this year while the Fire Station will come on-line in Spring 2010. A combination of bond proceeds and surplus funds were used to fund the projects.
- Another important objective became a reality when the **Community Connections Center** opened its doors in August. This joint venture between the Village, Library, School Districts, and various Social Service agencies will bring a host of social, educational and Village services to an area of town with a high concentration of low/moderate income families. The surrounding neighborhood has enthusiastically embraced the Center.
- With the recession all but shutting down economic development opportunities, the continued redevelopment of **Randhurst Shopping Center** from an enclosed mall to a street-based "Lifestyle" center remains a lone bright spot in the Chicagoland area. A state of the art AMC theatre and Hampton Suites will anchor the center. A number of national retailers continue to express interests in locating at the site. While the bulk of the center is scheduled to open in Spring of 2011, several out lot developments will open in both 2009 and 2010. The revitalized Center should inject new revenues into Village coffers.
- **Emergency Preparedness** efforts continued with an emphasis on strengthening communication channels and development of a Medical Reserve Corps. One hundred "go kits" were distributed to Village employees who have "responder" duties in the event of an emergency incident. The kits contain protective gear and other supplies that facilitate a quick response to events.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local economy. The Village has been negatively affected by the slowdown in the housing market and the economy in general. There are a number of factors that influence the economy of a specific community, and various measures are used to gauge the economic outlook. Perhaps four of the most objective measures are the level of retail sales, the employment level of the community, income levels in the community and building activity. In Illinois, sales taxes are allocated based upon the point-of-sale, and

accordingly represent the sales in the community. Total sales tax receipts in the calendar year ended December 31, 2009 were \$9,055,194 compared to \$10,066,919 for the previous year, a decrease of 10.1%. Since the Village's portion of sales tax receipts is based on a 1% tax rate, these receipts represent total retail sales of approximately \$906 million for 2009. The Village projects that this revenue source will increase 5.5% during 2010 then see positive annual growth, albeit slight (1%), in 2011. The decline in sales tax in previous periods of economic slowdown had been between 2-3%. The Village will continue its efforts in the area of economic development and is optimistic that retail sales will return over the next few years.

Mount Prospect's average unemployment rate for 2009 was 7.9%. This was an increase from the prior year of 340 basis points (4.5% in 2008). Again, an indication that the economy during 2009 was in the midst of a slowdown. The increase in the Village's unemployment rate similar to that for the State of Illinois unemployment (340 basis points), but well below the total overall rate (7.9% versus 11.0%) indicating that the impact of the economic downturn is less than the statewide average. Mount Prospect's median family income, \$67,262 as of the 2000 Census, was 25% higher than the norms for Cook County and 21% higher than the median for the State of Illinois.

In a suburban setting where it is often difficult to distinguish the boundaries of one community from a neighboring community, the economic activity of the "region" is a major influence on the economies of the individual communities. The Village of Mount Prospect is located on the eastern edge of the "Golden Corridor" which extends along Interstate 90 from O'Hare Airport to Elgin, a stretch of approximately 25 miles. Along this corridor can be found the corporate headquarters of such corporations as Sears and Motorola. The corridor is also home to regional headquarters for such corporations as AT&T and Siemens. The Corridor will continue to grow, as thousands of acres remain available for development on its far western edge.

Long-term financial planning. In 2003, the Village conducted its first long-range financial planning workshop. The workshop was held in response to the slowing economy and its impact to the Village's financial condition. The goal of the workshop was to put the Village's financial condition back on firm ground in such a manner as to not overburden residents and businesses from a tax standpoint or reduce the scope and quality of municipal services that would jeopardize the livability and curb appeal of the community. The goal of the workshop was accomplished through a series of revenue enhancements, budget cuts and the planned drawdown of fund balance. Subsequent workshops were held in 2004 – 2005 and 2007 - 2009. During the 2009 workshop, financial status reports were provided for end-of-year results for 2008, updated projections for 2009 and a revised forecast for 2010. Pension funding and state revenue issues were also discussed.

A comprehensive debt service policy was presented at the 2009 workshop to guide the decision making process for whether or not debt funding should be considered. The policy includes:

- Conditions under which debt financing is considered
- Criteria for evaluating pay-as-you-go financing versus debt financing
- Debt issuance guidelines such as
 - When to use GO versus Revenue bonds;
 - Use of professional services such as bond counsel and financial advisors; and,
 - Competitive versus negotiated bond sales
- There are also debt capacity guidelines and debt limits to quantify whether issuing debt is appropriate
- Finally, there is direction for handling debt administration pre- and post-issuance

Another tool in managing the long-range finances of the Village is the Five-Year Capital Improvement Plan. This plan outlines the major capital expenditure/project initiatives of the Village over the next five years and identifies funding sources. Over the next five years (2010-2014), the Village will spend a planned \$45.9 million in water and sewer, flood control, street, public building, equipment and other miscellaneous capital projects.

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 Village of Mount Prospect for its comprehensive annual financial report for the year ended December 31, 2008. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

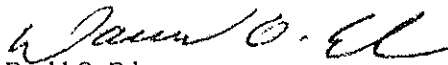
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Village of Mount Prospect has received a Certificate of Achievement since 1983. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for evaluation.

In addition, the Village of Mount Prospect also received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its annual budget for the fiscal year beginning on January 1, 2009 and ending December 31, 2009. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Village of Mount Prospect has received this award each year since 1994. The Village is awaiting word as to whether it received the Budget Award for its 2010 Budget document.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express special appreciation to Lynn Jarog, Deputy Finance Director, Tricia Farkas, Accounting Supervisor and Judy Chen and Nancy Warnock, Accountants who contributed greatly to its preparation. Additionally, I would like to acknowledge the Mayor, the Board of Trustees, the Finance Commission and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



David O. Erb
Finance Director

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

May 5, 2010

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the accompanying basic 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 Village of Mount Prospect, Illinois as of and for the year ended December 31, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited the basic financial statements of each of the Village of Mount Prospect, Illinois' nonmajor governmental funds, nonmajor enterprise funds, and internal service funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2009, as listed in the table of contents. These basic financial statements are the responsibility of the Village of Mount Prospect, Illinois management. Our responsibility is to express opinions on these basic financial statements based on our audit.

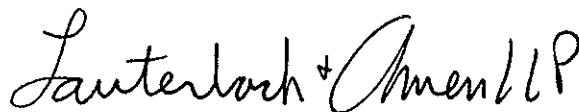
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes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

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

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

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

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

A handwritten signature in cursive script that reads "Lauterbach & Amen LLP".

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Fiscal Year Ended December 31, 2009

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page i), and the Village's financial statements (beginning on page 3).

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The primary focus of local governmental financial statements has been to summarize fund type information on a current financial resource basis. This approach has been modified by Governmental Accounting Standards Board (GASB) Statement No. 34. As a result, these financial statements now present two kinds of statements, each with a different snapshot of the Village's finances. The new financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 3-6) are designed to be corporate-like in that all of the governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") found on pages 3 and 4 is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 5-6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including police, fire, public works, and administration. Property taxes, the shared state sales and income tax and local utility taxes finance the majority of these services. The business-type activities reflect private sector type operations (water, sewer, and parking operations), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

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

The Governmental Major Fund (see pages 7-12) presentation is organized 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. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

(See independent auditor's report.)

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

While the Business-type Activities column on the Proprietary Fund Financial Statements (see pages 13-16) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the government-wide statements).

Infrastructure Assets

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

GOVERNMENT-WIDE STATEMENTS

Statement of Net Assets

The Village's combined net assets for the Primary Government (which is the Village's bottom line) as of December 31, 2009 were \$80.9 million. There was no change in the Village's combined net assets from 2008. Net assets of the Village's governmental activities were \$52.5 million, a decrease of \$0.7 million. The Village's unrestricted net assets for governmental activities, the part that can be used to finance day-to-day operations, were \$20.3 million down \$0.9 million from the 2008 unrestricted net asset total of \$21.2 million.

Table 1 reflects the condensed Statement of Net Assets. For more detailed information see the Statement of Net Assets found on page 3. Table 2 focuses on the changes in net assets of the governmental and business-type activities.

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(See independent auditor's report.)

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

Table 1
Statement of Net Assets
as of December 31, 2009 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 49.3	\$ 45.5	\$ 7.1	\$ 7.7	\$ 56.4	\$ 53.2
Capital assets	55.9	46.5	22.4	20.8	78.3	67.3
Total assets	\$ 105.2	\$ 92.0	\$ 29.5	\$ 28.5	\$ 134.7	\$ 120.5
Current liabilities	\$ 22.4	\$ 19.4	\$ 1.0	\$ 0.7	\$ 23.4	\$ 20.1
Noncurrent liabilities	30.3	19.3	0.1	0.2	30.4	19.5
Total liabilities	\$ 52.7	\$ 38.7	\$ 1.1	\$ 0.9	\$ 53.8	\$ 39.6
Net Assets						
Invested in capital assets, net of related debt	\$ 27.7	\$ 29.7	\$ 22.4	\$ 20.8	\$ 50.1	\$ 50.5
Restricted net assets	4.5	2.3	-	-	4.5	2.3
Unrestricted net assets	20.3	21.2	6.0	6.9	26.3	28.1
Total net assets	\$ 52.5	\$ 53.2	\$ 28.4	\$ 27.7	\$ 80.9	\$ 80.9

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 in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

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.

Current Year Impacts

Although the Village's combined net assets did not change from 2008, there were some changes to the governmental and business-type activities. Governmental activities net assets decreased \$0.7 million while the business-type activities net assets increased by \$0.7 million. The governmental activities total assets increased by \$13.2 million and the governmental activities total liabilities increased by \$14.0 million. The total assets increase of \$13.2 million in governmental activities was the result of an increase of \$3.8 million in current and other assets and an increase of \$9.5 million in capital assets. The \$3.8 million increase in current assets was due to an increase in cash and investments of \$2.3 million, an increase in receivables of \$1.0 million and an increase in due from other governments of \$0.5 million. Several Governmental Funds experienced budget deficits in 2009 as a result of lower than expected revenues. Also, delays in receiving state shared revenues have been as long as four months. The total net assets increase of \$0.7 million in business-type activities was primarily due to an increase in assets of \$1.0 million, and an increase in liabilities of \$0.2 million.

(See independent auditor's report.)

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

The increase in total liabilities of \$14.0 million for the governmental activities was due to an increase in liabilities related to debt service and other long-term obligations of \$11.0 million, an increase in accounts payable of \$2.2 million, and an increase in other liabilities of \$0.8 million. Liabilities for debt service were increased due to the issuance of \$12.6 million in general obligation bonds during 2009. Changes in the other categories resulted in the timing related to the normal course of operations.

Liabilities for business-type activities increased from \$0.9 million to \$1.1 million. This was due to an increase in various other liability categories.

Changes in Net Assets

The Village's combined change in net assets for the primary government in 2009 was a decrease of \$0.2 million. Activities for the governmental activities saw a decrease in net assets of \$0.9 million, a drop of \$1.7 million from 2008, while activities for the business-type funds saw an increase in net assets of \$0.7 million in 2009 versus an increase of \$1.4 million in 2008. The combined change in net assets in the prior year was \$2.2 million. The following chart lists the revenues and expenses for the current fiscal year.

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(See independent auditor's report.)

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

Table 2
Changes in Net Assets
as of December 31, 2009 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues						
Charges for service	\$ 8.6	\$ 7.8	\$ 8.7	\$ 9.0	\$ 17.3	\$ 16.8
Operating grants	1.1	1.8	-	-	1.1	1.8
Capital grants	0.4	0.8	-	-	0.4	0.8
General revenues						
Property taxes	16.5	15.9	1.5	1.5	18.0	17.4
Sales taxes	13.8	14.9	0.1	0.1	13.9	15.0
Income taxes	4.6	5.3	-	-	4.6	5.3
Utility taxes	4.5	4.8	-	-	4.5	4.8
Other taxes	3.4	2.9	-	-	3.4	2.9
Investment income	0.2	0.4	-	0.2	0.2	0.6
Contributions	-	0.1	-	-	-	0.1
Other	0.6	0.1	0.1	-	0.7	0.1
Total revenue	\$ 53.7	\$ 54.8	\$ 10.4	\$ 10.8	\$ 64.1	\$ 65.6
Expenses						
General government	\$ 7.2	\$ 6.7	\$ -	\$ -	\$ 7.2	\$ 6.7
Public safety	27.2	26.7	-	-	27.2	26.7
Highways and streets	12.1	13.5	-	-	12.1	13.5
Health	4.2	4.2	-	-	4.2	4.2
Welfare	2.3	1.7	-	-	2.3	1.7
Culture and recreation	0.4	0.4	-	-	0.4	0.4
Interest	1.0	0.8	-	-	1.0	0.8
Water and sewer	-	-	9.4	9.2	9.4	9.2
Parking	-	-	0.3	0.2	0.3	0.2
Total expenses	\$ 54.4	\$ 54.0	\$ 9.7	\$ 9.4	\$ 64.1	\$ 63.4
Change in net assets	\$ (0.7)	\$ 0.8	\$ 0.7	\$ 1.4	\$ -	\$ 2.2

(Note: There will be some slight differences in totals due to rounding).

(See independent auditor's report.)

Normal Impacts

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

Revenues:

Economic condition - This 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 Village approved rates - While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, sewer, licenses and fees, home rule sales tax, utility taxes, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) - Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market impacts on investment income - The Village's investment portfolio is managed using a short-term average maturity and the market condition may cause investment income to fluctuate less than alternative longer-term options.

Expenses:

Introduction of new programs - Within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs or unfunded mandates from other governmental levels.

Increasing authorized personnel - Changes in service demand may cause the Village Board to increase/decrease authorized staffing levels. Staffing costs (salary and related benefits) represent approximately 80% of the Village's General Fund operating costs.

Salary increases (annual adjustments and merit) - The ability to attract and retain human and intellectual resources requires the Village to strive for a competitive salary range position in the marketplace. In addition, the Village has 4 separate bargaining units representing various segments of the employee population.

Inflation - While overall inflation appears to be reasonably low, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some specific areas may experience unusually high price increases.

CURRENT YEAR IMPACTS

Governmental Activities

Revenue:

Total revenues for the Village's Governmental Activities for 2009 were \$53.7 million.

Property taxes are the largest revenue source for governmental activities accounting for \$16.5 million or an increase of \$0.6 million from the prior year. This revenue has historically been the most stable source for the Village. Sales tax was the second highest revenue source with \$13.8 million in revenue. This was a decrease of \$1.1 million from the prior year. The large decrease was due primarily to the economic downturn and the closing of a significant retailer for a portion of the year for remodeling. The sales tax consists of a 1.0% state portion and 1.0% local home-rule portion. Revenues from charges for services increased \$0.8 million from \$7.8 million in 2008 to \$8.6 million in 2009. This was due to building permit activity related to a single large development project. The income tax decreased \$0.7 million as state shared revenues continued to decline in this period of economic downturn.

(See independent auditor's report.)

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

Expenses:

Total expenses for the Village's Governmental Activities for 2009 were \$54.4 million.

Public Safety, which includes Police and Fire, accounts for the largest portion of governmental expenses. Total Public Safety expenses in 2009 were \$27.2 million versus \$26.7 million in 2008. Accounting for the largest part of the increase from the prior year was a general wage increase of 3.5%. Salaries account for almost 80% of total public safety expenses. Expenses for Highways and Streets, which are made up of the public works divisions (excluding water and sewer) is the second largest category of governmental expenses totaling \$12.1 million a decrease of \$1.4 million from the prior year. The decrease is primarily due reductions in capital projects completed during the prior year.

Business-Type Activities

Revenues:

Total revenues for the Village's Business-Type Activities for 2009 were \$10.4 million.

Business-type activities in the Village consist of Water and Sewer Operations and Parking Operations. Charges for service accounts for almost the entire amount of revenue for business-type activities. Of the \$8.7 million generated in 2009, \$5.8 million is from water sales, \$1.7 million is from sewer fees, \$0.2 million is from parking operations and the balance is from various penalties, tap and meter fees. For 2008, water sales accounted for \$6.0 million and sewer fees were \$1.8 million. The Water and Sewer Fund also receives special service area taxes in the amount of \$1.5 million. This amount is unchanged from the prior year. These taxes support the delivery of Lake Michigan Water to Village residents that are connected to the Village's water system.

Expenses:

Total expenses for the Village's Business-Type Activities for 2009 were \$9.7 million.

Of the total expenses for business-type activities, \$9.4 million is attributable to Water and Sewer while \$0.2 million is attributable to parking. \$3.5 million in water fund expenses was for the acquisition of water through the Northwest Suburban Municipal Joint Action Water Agency (JAWA). Of the \$9.4 million in expenses for 2009, \$3.3 million was attributable to the acquisition of water through JAWA.

FINANCIAL ANALYSIS OF THE VILLAGE'S GENERAL FUND

The General Fund is the Village's primary operating fund. It supports a majority of the day-to-day services delivered to its residences and businesses. The fund balance of the General Fund decreased by \$2.3 million in 2009 from \$12.5 million to \$10.2 million. In 2009, General Fund revenues fell short of the final budget by \$0.8 million while expenses came in \$0.1 million under budget. There was also a transfer out of \$0.6 million to support certain capital projects. The final Village budget had anticipated a decrease in the General Fund fund balance of \$1.6 million.

Intergovernmental revenues were below budget by \$0.3 million primarily due to the state income tax coming in lower than expectations. State income tax was budgeted at \$4.7 million. Actual receipts were \$4.5 million. During the year, the state lowered its per capita estimate for income taxes from \$92 to \$77, resulting in a drop in these taxes of \$843,000. Expenditures in all the areas of general government came in below budget for 2009. This was in addition to the \$1.5 million in cuts made by the departments during the year in response to falling revenues.

(See independent auditor's report.)

General Fund Budgeting Highlights

During 2009, the Village amended the budget five times. Typically, the Village amends the budget in the first six months of the year and again right before the end of the budget year. The economic slowdown has negatively impacted revenues necessitating multiple revisions to the General Fund budget to hold spending in line with current revenue streams. Table 3 below reflects the original and revised budget and the actual revenues and expenses for the General Fund. More information can be found in the schedule of revenues, expenditures and changes in fund balance on page 74.

Table 3
General Fund Budgetary Changes
Calendar Year 2009 (in millions)

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>
Revenues and Other Financing Sources			
Taxes	\$ 18.4	\$ 17.7	\$ 17.5
Intergovernmental	16.3	15.2	14.9
Other	6.9	6.8	6.5
Total Revenues	\$ 41.6	\$ 39.7	\$ 38.9
Expenditures and Transfers			
Expenses	\$ 41.6	\$ 40.7	\$ 40.6
Transfers	-	0.6	0.6
Total Expenditures and Transfers	\$ 41.6	\$ 41.3	\$ 41.2
Change in Fund Balance	\$ -	\$ (1.6)	\$ (2.3)

Capital Assets

At the end of 2009, the Village had a combined total of \$78.3 million invested in a broad range of capital assets including village facilities, roads, bridges, water/sewer lines and machinery and equipment (see Table 4 below). The following reconciliation summarizes the changes in Capital Assets which are presented in detail beginning on page 37 of the notes.

Table 4
Capital Assets at Year End
Net of Depreciation (in millions)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land (including right-of-way)	\$ 9.7	\$ 9.7	\$ 0.2	\$ 0.2	\$ 9.9	\$ 9.9
Construction in Progress	9.9	0.5	-	0.1	9.9	0.6
Buildings & Improvements	21.0	21.6	6.7	4.7	27.7	26.3
Vehicles	4.8	4.0	-	-	4.8	4.0
Machinery & Equipment	0.7	0.7	1.9	1.9	2.6	2.6
Infrastructure	9.8	10.0	13.6	13.9	23.4	23.9
Total Capital Assets	\$ 55.9	\$ 46.5	\$ 22.4	\$ 20.8	\$ 78.3	\$ 67.3

This amount represents a net increase (including additions and deletions) of \$11.0 million from 2008.
(See independent auditor's report.)

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

Table 5
Change in Capital Assets (in millions)

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$ 46.5	\$ 20.8	\$ 67.3
Additions			
Depreciable	2.8	2.5	5.3
Non-Depreciable	9.5	-	9.5
Retirements			
Depreciable	(1.4)	-	(1.4)
Non-Depreciable	(0.1)	(0.1)	(0.2)
Depreciation	(2.6)	(0.8)	(3.4)
Retirement	1.2	-	1.2
Ending Balance	<u>\$ 55.9</u>	<u>\$ 22.4</u>	<u>\$ 78.3</u>

Table 5 above shows the change in capital assets during 2009. This year's major additions to the capital assets include the following (in millions):

Governmental Activities

Vehicle Replacement - \$1.9 million

Construction Projects in Progress - \$9.5 million

Business-type Activities

Combined Sewer Replacement - \$0.9 million

Prospect Meadows Water Mains - \$1.2 million

More detailed information on capital asset activity can be found in Note 3 of the notes to the financial statements beginning on page 37.

Debt Outstanding

The Village of Mount Prospect had total long-term debt and loans payable of \$32.2 million as of December 31, 2009. Long-term debt is comprised of general obligation debt, compensated absences to employees, net pension obligations, net other post-employment benefit obligations, and loans payable. During the year, \$4.4 million of general obligation debt was retired; \$0.5 million in loans payable was retired while compensated absences increased by \$146,470. In addition, the net pension obligation decreased \$128,043. The Village issued \$16.1 million in new debt during 2009. Of this amount, \$3.4 million was issued to refund existing bonds.

The Village of Mount Prospect maintains an AA+ rating from Standard and Poor's. As a home rule authority, the Village of Mount Prospect does not have a legal debt limit. The Village does not plan to issue any additional debt during 2010.

More detailed information on long-term debt activity can be found in Note 3 of the notes to the financial statements beginning on page 42.

(See independent auditor's report.)

Economic Factor's and Next Year's Budget

Due to the continued sluggish economy, revenues have fallen well below our already conservative estimates for 2009. We see this trend continuing into 2010. An additional challenge for the 2010 budget is the funding of the public safety pensions. Due to the decline in the value of the investments of the Police and Fire pension funds, the required contribution from the Village has increased dramatically. State mandated contributions to the two public safety pension funds for 2010 increased \$825,406 higher than expected. In an effort to reduce the burden on property owners the Village Board elected to utilize reserves in lieu of a property tax levy to fund a portion of the contribution for public safety pensions. As a result, the General Fund, as presented, shows a deficit of \$383,000 which represents the amount of reserves being used.

The Village property tax, sales tax, local utility taxes and the Village's share of the state income tax make up a majority of the portion of General Fund revenues (68.8%). Except for property and telecommunication taxes, each of these major revenue sources saw a decline from the prior year. In addition, the real estate transfer tax saw a significant drop in 2009 from the high-level mark in 2005. Transfer taxes in 2005 were \$1.5 million and had fallen to \$0.4 million by 2009. We expect this revenue to have bottomed out at the current level.

The Village's average unemployment rate for 2009 was 7.9%. This is below both the state and national unemployment rate of 11.0% and 10.0% respectively. The Village's unemployment rate increased 340 basis points from the prior year.

The 2010 budget shows the total budget decreasing 13.8% from the amended 2009 budget and totals \$85,398,062. Much of the decrease is due to the completion of Phase I construction projects totaling \$14.5 million.

Request for Information

This financial report is designed to provide a general overview of the Village of Mount Prospect's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to David O. Erb, Finance Director/Treasurer, Village of Mount Prospect, 50 South Emerson, Mount Prospect, Illinois 60056.

(See independent auditor's report.)

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Assets
December 31, 2009

	Governmental Activities	Business- Type Activities	Total	Component Unit Public Library
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 24,846,217	\$ 4,087,280	\$ 28,933,497	\$ 4,668,713
Receivables - Net of Allowances				
Property Taxes	15,142,228	1,537,230	16,679,458	9,172,433
Other Taxes	1,748,856	23,027	1,771,883	
Accounts	271,297	-	271,297	8,076
Utility Customers	-	980,384	980,384	-
Accrued Interest	45	8	53	8,706
Other	788,396	10,874	799,270	-
Due from Other Governments	4,222,783	-	4,222,783	-
Prepays/Inventories	927,447	232,771	1,160,218	-
Total Current Assets	48,371,737	6,447,106	54,818,843	13,857,928
Noncurrent Assets				
Capital Assets				
Nondepreciable	19,588,086	229,541	19,817,627	677,552
Depreciable	90,337,937	52,206,273	142,544,210	24,634,883
Accumulated Depreciation	(54,040,475)	(30,023,680)	(84,064,155)	(8,606,793)
	55,885,548	22,412,134	78,297,682	16,705,642
Other Assets				
Deposits - Insurance	695,189	-	695,189	-
Deposit with Joint Venture	-	659,672	659,672	-
Unamortized Bond Issue Costs	37,147	-	37,147	108,354
Net Pension Asset	235,745	-	235,745	-
	968,081	659,672	1,627,753	108,354
Total Noncurrent Assets	56,853,629	23,071,806	79,925,435	16,813,996
Total Assets	105,225,366	29,518,912	134,744,278	30,671,924

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

	Governmental Activities	Business- Type Activities	Total	Component Unit Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	3,751,353	883,768	4,635,121	45,136
Accrued Payroll	135,523	30,829	166,352	170,007
Accrued Interest Payable	87,293	-	87,293	58,098
Claims Payable	1,423,844	-	1,423,844	-
Unearned/Deferred Revenues	15,300,061	10,830	15,310,891	9,059,000
Current Portion of Long-Term Liabilities	1,670,946	36,042	1,706,988	957,928
Total Current Liabilities	22,369,020	961,469	23,330,489	10,290,169
Noncurrent Liabilities				
Compensated Absences Payable	2,498,968	144,168	2,643,136	91,710
Net Pension Obligation	338,789	-	338,789	-
Net Other Post-Employment Benefits Obligation Payable	404,191	5,134	409,325	52,157
Notes/Loans Payable	2,789,256	-	2,789,256	-
General Obligation Bonds Payable - Net	24,308,636	-	24,308,636	15,194,604
Total Noncurrent Liabilities	30,339,840	149,302	30,489,142	15,338,471
Total Liabilities	52,708,860	1,110,771	53,819,631	25,628,640
NET ASSETS				
Invested in Capital Assets -				
Net of Related Debt	27,741,453	22,412,134	50,153,587	684,392
Restricted - Debt Service	-	-	-	641,482
Restricted - Public Safety	128,359	-	128,359	-
Restricted - Capital Projects	4,368,814	-	4,368,814	-
Restricted - Working Cash	-	-	-	2,085,690
Unrestricted	20,277,880	5,996,007	26,273,887	1,631,720
Total Net Assets	\$ 52,516,506	\$ 28,408,141	\$ 80,924,647	\$ 5,043,284

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Activities
Year Ended December 31, 2009

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions
Governmental Activities				
General Government	\$ 7,192,572	\$ 6,705,200	\$ -	\$ -
Public Safety	27,172,360	1,580,052	199,657	1,695
Highways and Streets	12,101,419	237,786	884,932	405,039
Health	4,194,045	12,522	-	-
Welfare	2,316,995	29,874	-	-
Culture and Recreation	367,635	23,537	-	-
Interest on Long-Term Debt	1,047,961	-	-	-
Total Governmental Activities	54,392,987	8,588,971	1,084,589	406,734
Business-Type Activities				
Water and Sewer	9,393,148	8,500,396	-	-
Parking	233,701	218,735	-	-
Total Business-Type Activities	9,626,849	8,719,131	-	-
	\$ 64,019,836	\$ 17,308,102	\$ 1,084,589	\$ 406,734
Component Unit - Public Library	\$ 8,654,045	\$ 160,413	\$ 71,533	\$ -

- General Revenues
 - Taxes
 - Property
 - Utility
 - Home Rule Sales
 - Food and Beverage
 - Real Estate Transfer
 - Municipal Motor Fuel
 - Other
 - Hotel/Motel
 - Intergovernmental - Unrestricted
 - State Sales and Use
 - Income Taxes
 - Motor Fuel Tax
 - Replacement Taxes
 - Interest
 - Miscellaneous

- Change in Net Assets
- Net Assets - Beginning
- Net Assets - Ending

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

Net Expense/Revenue			
Governmental Activities	Primary Government		Component Unit
	Business-Type Activities	Total	Public Library
\$ (487,372)	\$ -	\$ (487,372)	\$ -
(25,390,956)	-	(25,390,956)	-
(10,573,662)	-	(10,573,662)	-
(4,181,523)	-	(4,181,523)	-
(2,287,121)	-	(2,287,121)	-
(344,098)	-	(344,098)	-
(1,047,961)	-	(1,047,961)	-
(44,312,693)	-	(44,312,693)	-
-	(892,752)	(892,752)	-
-	(14,966)	(14,966)	-
-	(907,718)	(907,718)	-
(44,312,693)	(907,718)	(45,220,411)	-
-	-	-	(8,422,099)
16,543,215	1,520,602	18,063,817	8,533,296
4,519,175	-	4,519,175	-
4,061,202	82,882	4,144,084	-
751,121	-	751,121	-
405,300	-	405,300	-
279,539	-	279,539	-
54,296	-	54,296	-
34,567	-	34,567	-
9,761,726	-	9,761,726	-
4,573,162	-	4,573,162	-
1,466,759	-	1,466,759	-
338,134	-	338,134	48,245
187,793	26,646	214,439	22,334
605,006	56,761	661,767	59,658
43,580,995	1,686,891	45,267,886	8,663,533
(731,698)	779,173	47,475	241,434
53,248,204	27,628,968	80,877,172	4,801,850
\$ 52,516,506	\$ 28,408,141	\$ 80,924,647	\$ 5,043,284

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Balance Sheet - Governmental Funds
December 31, 2009

	General	Refuse Disposal
ASSETS		
Cash and Investments	\$ 3,478,913	\$ 2,005,380
Receivables - Net of Allowances		
Property Taxes	11,796,455	1,775,322
Other Taxes	882,194	-
Accounts	-	207,129
Accrued Interest	25	5
Other	453,841	11,120
Due from Other Governments	3,839,368	-
Due from Other Funds	2,054,902	68,619
Prepays/Inventories	88,492	131,261
Total Assets	\$ 22,594,190	\$ 4,198,836
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 466,189	\$ 191,587
Accrued Payroll	114,916	2,151
Due to Other Funds	50,524	85
Unearned/Deferred Revenues	11,763,080	1,750,000
Total Liabilities	12,394,709	1,943,823
Fund Balances		
Reserved - Prepays/Inventory	88,492	131,261
Reserved - Public Safety	-	-
Reserved - Capital Projects	-	-
Unreserved - General	10,110,989	-
Unreserved - Special Revenue	-	2,123,752
Unreserved - Debt Service	-	-
Unreserved - Capital Projects	-	-
Total Fund Balances	10,199,481	2,255,013
Total Liabilities and Fund Balances	\$ 22,594,190	\$ 4,198,836

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

Debt Service	Series 2009 Construction	Nonmajor Governmental	Totals
\$ 163,099	\$ 5,260,169	\$ 3,588,358	\$ 14,495,919
1,538,685	-	31,766	15,142,228
284,841	-	572,873	1,739,908
-	-	-	207,129
-	-	-	30
-	83,699	108,214	656,874
-	-	383,415	4,222,783
7,507	-	29,161	2,160,189
150	37,394	9,289	266,586
<u>\$ 1,994,282</u>	<u>\$ 5,381,262</u>	<u>\$ 4,723,076</u>	<u>\$ 38,891,646</u>
\$ -	\$ 2,337,691	\$ 683,328	\$ 3,678,795
-	-	-	117,067
968,000	-	660,199	1,678,808
1,511,406	-	275,575	15,300,061
<u>2,479,406</u>	<u>2,337,691</u>	<u>1,619,102</u>	<u>20,774,731</u>
150	37,394	9,289	266,586
-	-	215,652	215,652
-	3,006,177	1,362,637	4,368,814
-	-	-	10,110,989
-	-	(449,365)	1,674,387
(485,274)	-	-	(485,274)
-	-	1,965,761	1,965,761
<u>(485,124)</u>	<u>3,043,571</u>	<u>3,103,974</u>	<u>18,116,915</u>
<u>\$ 1,994,282</u>	<u>\$ 5,381,262</u>	<u>\$ 4,723,076</u>	<u>\$ 38,891,646</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

December 31, 2009

Total Governmental Fund Balances \$ 18,116,915

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the funds. 51,060,892

Internal Service Funds are used by the Village to charge the costs of vehicle and
equipment management and employee compensated absences to individual funds.
The assets and liabilities of the internal service funds are included in
the governmental activities in the Statement of Net Assets. 15,009,510

Revenues not available to pay for current period expenditures
are deferred in the funds 37,147

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Compensated Absences Payable	(2,973,247)
Net Pension Asset	235,745
Net Pension Obligation Payable	(338,789)
Net Other Post-Employment Benefit Obligation	(400,279)
General Obligation Bonds Payable - Net of Unamortized Items	(24,838,636)
Loan Contracts Payable	(3,305,459)
Accrued Interest Payable	<u>(87,293)</u>

Net Assets of Governmental Activities \$ 52,516,506

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	General	Refuse Disposal
Revenues		
Taxes	\$ 17,495,234	\$ 1,741,092
Licenses, Permits and Fees	3,672,054	-
Intergovernmental	14,874,374	-
Charges for Services	1,691,169	2,141,172
Fines and Forfeits	529,655	-
Interest	64,955	8,102
Miscellaneous	537,665	132,201
Total Revenues	<u>38,865,106</u>	<u>4,022,567</u>
Expenditures		
Current		
General Government	5,796,151	-
Public Safety	26,348,407	-
Highways and Streets	6,424,112	-
Health	126,152	4,062,020
Welfare	1,518,685	-
Culture and Recreation	358,207	-
Capital Outlay	-	-
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	<u>40,571,714</u>	<u>4,062,020</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,706,608)</u>	<u>(39,453)</u>
Other Financing Sources (Uses)		
Disposal of Capital Assets	364	-
Debt Issuance	-	-
Premium on Debt Issuance	-	-
Payment to Escrow Agent	-	-
Transfers In	-	-
Transfers Out	(635,100)	-
	<u>(634,736)</u>	<u>-</u>
Net Change in Fund Balances	(2,341,344)	(39,453)
Fund Balances - Beginning	12,540,825	2,294,466
Fund Balances - Ending	<u>\$ 10,199,481</u>	<u>\$ 2,255,013</u>

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

Debt Service	Series 2009 Construction	Nonmajor Governmental	Total Governmental Funds
\$ 2,822,943	\$ -	\$ 4,589,146	\$ 26,648,415
-	-	76,402	3,748,456
-	83,700	2,316,426	17,274,500
-	-	-	3,832,341
-	-	-	529,655
8,765	48,738	6,582	137,142
-	-	164,872	834,738
2,831,708	132,438	7,153,428	53,005,247
-	-	-	5,796,151
-	-	36,546	26,384,953
-	-	1,867,381	8,291,493
-	-	-	4,188,172
-	-	798,310	2,316,995
-	-	-	358,207
-	10,373,967	3,922,692	14,296,659
1,425,219	-	-	1,425,219
1,023,907	-	-	1,023,907
2,449,126	10,373,967	6,624,929	64,081,756
382,582	(10,241,529)	528,499	(11,076,509)
-	-	-	364
3,430,000	12,650,000	-	16,080,000
124,535	-	-	124,535
(3,513,925)	-	-	(3,513,925)
-	635,100	-	635,100
-	-	-	(635,100)
40,610	13,285,100	-	12,690,974
423,192	3,043,571	528,499	1,614,465
(908,316)	-	2,575,475	16,502,450
\$ (485,124)	\$ 3,043,571	\$ 3,103,974	\$ 18,116,915

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds	\$ 1,614,465
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	10,234,235
Depreciation Expense	(1,703,329)
The net effect of various miscellaneous transactions involving capital assets is to decrease net assets.	
Disposals - Cost	(60,000)
Disposals - Accumulated Depreciation	60,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(2,840)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Additions to Compensated Absences Payable	(145,731)
Deletions to Net Pension Obligation Payable	215,449
Additions to Net Other Post-Employment Benefit Obligations	(34,379)
Issuance of General Obligation Bonds	(16,080,000)
Premium on Refunding	(124,535)
Retirement of General Obligation Bonds Payable	4,415,000
Ammortization of Bond Discount	(4,273)
Retirement of Loan Contracts Payable	500,219
Changes to accrued interest on long-term debt in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	6,984
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>377,037</u>
Changes in Net Assets of Governmental Activities	<u>\$ (731,698)</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Assets - Proprietary Funds
December 31, 2009

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Activities Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 3,648,859	\$ 438,421	\$ 4,087,280	\$ 10,350,298
Receivables - Net of Allowances				
Property Taxes	1,537,230	-	1,537,230	-
Other Taxes	240	22,787	23,027	8,948
Accounts - Billed	536,411	-	536,411	-
Accounts - Unbilled	443,973	-	443,973	-
Accrued Interest	8	-	8	15
Other	10,874	-	10,874	131,522
Due from Other Funds	2,297	275	2,572	8,937
Prepays	2,915	-	2,915	283,679
Inventories	229,856	-	229,856	377,182
Total Current Assets	6,412,663	461,483	6,874,146	11,160,581
Noncurrent Assets				
Capital Assets				
Nondepreciable	40,274	189,267	229,541	-
Depreciable	51,683,220	523,053	52,206,273	12,142,889
Accumulated Depreciation	(29,536,690)	(486,990)	(30,023,680)	(7,318,233)
	22,186,804	225,330	22,412,134	4,824,656
Other Assets				
Deposits - Insurance	-	-	-	695,189
Deposit with Joint Venture	659,672	-	659,672	-
	659,672	-	659,672	695,189
Total Noncurrent Assets	22,846,476	225,330	23,071,806	5,519,845
Total Assets	29,259,139	686,813	29,945,952	16,680,426

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

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Activities Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 877,889	\$ 5,879	\$ 883,768	\$ 72,558
Accrued Payroll	30,272	557	30,829	18,456
Claims Payable	-	-	-	1,423,844
Due to Other Funds	76,765	350,275	427,040	1,682
Unearned/Deferred Revenue	-	10,830	10,830	-
Compensated Absences Payable	36,042	-	36,042	30,093
Total Current Liabilities	1,020,968	367,541	1,388,509	1,546,633
Noncurrent Liabilities				
Compensated Absences Payable	144,168	-	144,168	120,371
Net Other Post-Employment				
Benefits Obligation Payable	3,654	1,480	5,134	3,912
Total Noncurrent Liabilities	147,822	1,480	149,302	124,283
Total Liabilities	1,168,790	369,021	1,537,811	1,670,916
NET ASSETS				
Invested in Capital Assets - Net of Related Debt				
	22,186,804	225,330	22,412,134	4,824,656
Unrestricted	5,903,545	92,462	5,996,007	10,184,854
Total Net Assets	\$ 28,090,349	\$ 317,792	\$ 28,408,141	\$ 15,009,510

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
Operating Revenues				
Charges for Services	\$ 8,500,396	\$ 218,735	\$ 8,719,131	\$ -
Interfund Charges	-	-	-	9,247,432
Total Operating Revenues	8,500,396	218,735	8,719,131	9,247,432
Operating Expenses				
Administration and Maintenance	8,573,381	219,915	8,793,296	2,203,792
Insurance and Claims	-	-	-	6,076,544
Depreciation	819,767	13,786	833,553	870,053
Total Operating Expenses	9,393,148	233,701	9,626,849	9,150,389
Operating Income (Loss)	(892,752)	(14,966)	(907,718)	97,043
Nonoperating Revenues (Expenses)				
Property Taxes	1,520,602	-	1,520,602	-
Home Rule Sales Tax	-	82,882	82,882	-
Connection Fees	16,740	-	16,740	-
Interest Income	26,482	164	26,646	50,651
Other Income	40,884	-	40,884	-
Disposal of Capital Assets	(863)	-	(863)	229,343
	1,603,845	83,046	1,686,891	279,994
Change in Net Assets	711,093	68,080	779,173	377,037
Net Assets - Beginning	27,379,256	249,712	27,628,968	14,632,473
Net Assets - Ending	\$ 28,090,349	\$ 317,792	\$ 28,408,141	\$ 15,009,510

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor	Totals	Activities Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 8,608,403	\$ 218,303	\$ 8,826,706	\$ -
Interfund Services Provided	-	-	-	8,982,454
Payments to Suppliers	(6,515,581)	(172,601)	(6,688,182)	(7,395,720)
Payments to Employees	(1,809,976)	(49,217)	(1,859,193)	(837,955)
	<u>282,846</u>	<u>(3,515)</u>	<u>279,331</u>	<u>748,779</u>
Cash Flows from Noncapital Financing Activities				
Other Income	1,578,226	82,882	1,661,108	-
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(2,470,227)	-	(2,470,227)	(1,480,937)
Cash Flows from Investing Activities				
Interest Received	26,482	164	26,646	50,651
Net Change in Cash and Cash Equivalents	(582,673)	79,531	(503,142)	(681,507)
Cash and Cash Equivalents - Beginning	4,231,532	358,890	4,590,422	11,031,805
Cash and Cash Equivalents - Ending	<u>\$ 3,648,859</u>	<u>\$ 438,421</u>	<u>\$ 4,087,280</u>	<u>\$ 10,350,298</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (892,752)	\$ (14,966)	\$ (907,718)	\$ 97,043
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	819,767	13,786	833,553	870,053
Increase (Decrease) in Current Assets	108,007	(432)	107,575	(264,978)
Increase (Decrease) in Current Liabilities	247,824	(1,903)	245,921	46,661
Net Cash Provided by Operating Activities	<u>282,846</u>	<u>(3,515)</u>	<u>279,331</u>	<u>748,779</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Assets - Fiduciary Funds
December 31, 2009

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 5,739,399	\$ 1,411,976
Investments		
State and Local Obligations	4,790,076	-
U.S. Government and Agency Obligations	34,567,258	-
Mutual Funds	36,321,869	-
Accrued Interest Receivable	375,802	-
Prepays	653	-
Due from Other Funds	47,436	-
Total Assets	<u>81,842,493</u>	<u>1,411,976</u>
LIABILITIES		
Accounts Payable	21,263	-
Deposits Payable	-	1,299,784
Due to Other Funds	-	111,604
Other Liabilities	-	391
Due to Library	-	197
Total Liabilities	<u>21,263</u>	<u>1,411,976</u>
NET ASSETS		
Held in Trust for Pension Benefits	<u>\$ 81,821,230</u>	<u>\$ -</u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	Pension Trust
Additions	
Contributions - Employer	\$ 3,103,573
Contributions - Plan Members	<u>1,306,865</u>
Total Contributions	<u>4,410,438</u>
Investment Income	
Interest Earned	2,215,072
Net Change in Fair Value	<u>8,338,785</u>
	10,553,857
Less Investment Expenses	<u>(186,094)</u>
Net Investment Income	<u>10,367,763</u>
Total Additions	<u>14,778,201</u>
Deductions	
Administration	66,052
Benefits and Refunds	<u>5,835,718</u>
Total Deductions	<u>5,901,770</u>
Change in Net Assets	8,876,431
Net Assets - Beginning	<u>72,944,799</u>
Net Assets - Ending	<u><u>\$ 81,821,230</u></u>

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Mount Prospect, Illinois (Village) was incorporated in 1917. The Village operates under the Council/Manager form of government. The appointed manager administers daily operations with the community while the elected Village Mayor and six-member Board of Trustees determine Village policy. The Village's major operations include public works, finance, police, fire, community development, human services and communications.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Mount Prospect
Blended Component Unit:	Police Pension Employees Retirement System Firefighters' Pension Employee Retirement System
Discretely Presented Component Unit:	Mount Prospect Public Library

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Units

Police Pension Employees Retirement System

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

Firefighters' Pension Employees Retirement System

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

Discretely Presented Component Unit

Mount Prospect Public Library

The Mount Prospect Public Library has a separate elected board and provides service to residents, generally within the geographic boundaries of the Village. The Library Board of Trustees annually determines its budget and resulting tax levy. Upon approval of the Village, the levy is submitted to the County. All debt of the Library is secured by the full faith and credit of the Village. The Library is considered a component unit of the Village of Mount Prospect for purposes of these financial statements. A copy of the Library's report may be obtained by writing to the Mount Prospect Public Library, 10 South Emerson Street, Mount Prospect Illinois 60056.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage and commuter parking activities are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc).

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

Fund Financial Statements

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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

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

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

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Refuse Disposal Fund, which accounts for the revenues and expenditures associated with providing solid waste collection services. Financing is provided by property taxes, user fees and recycling income. The Village maintains six nonmajor special revenue funds.

Debt service fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for the servicing of general long-term debt not being financed by proprietary funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the Series 2009 Construction Fund, which is used to account for the resources to provide for the construction of Fire Station 14, the Emergency Operations Center (EOC), and the Public Works Expansion projects. Financing is being provided by developer contributions, transfers from other funds and interest income. The Village maintains four nonmajor capital projects funds.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major proprietary fund, the Water and Sewer Fund, which accounts for the activities of the water and sewer operations. The Village operates the sewerage treatment plant, sewerage pumping stations and collection systems and the water distribution system. The Village maintains two nonmajor enterprise funds.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains four internal service funds. The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds. The Risk Management Fund is used to account for the servicing and payment of claims for liability, property, casualty coverage, workers' compensation and medical benefits. Financing is being provided by charges in the various Village funds. The Vehicle Replacement Fund is used to account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, Water and Sewer, Parking System Revenue and Refuse Disposal Funds. The Vehicle Maintenance Fund is used to account for the maintenance and repair of all Village vehicles. Financing is being provided by charges to various Village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

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

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

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains four agency funds. The Escrow Deposit Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements. The money is held by the Village until the improvements are completed. The Flexcomp Escrow Fund is used to account for employee payroll deductions pursuant to a Section 125 flexible compensation plan. The money is reimbursed to employees for qualified medical and dependent care expenses. The Special Service Area Fund is used to account for the accumulation of resources for debt service payments for Special Service Area No. 6. The Library Bonds Escrow Fund is used to account for the accumulation of resources for the 2002 Library bond issue payments.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

All proprietary, pension trust, and agency funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary, pension trust, and agency fund equity is classified as net assets. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

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

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

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

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

Receivables

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Inventories

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Prepays

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

Restricted (Noncurrent) Assets

Certain deposits of the Water and Sewer Fund are recorded as restricted assets because their use is restricted by an intergovernmental agreement with the Northwest Suburban Municipal Joint Action Water Agency. Also, certain deposits of the Risk management Fund are recorded as restricted assets because their use is restricted by an agreement with the various third-party administrators.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, buildings and improvements, purchased or acquired with an original cost of over \$10,000 (\$3,000 for the component unit) and infrastructure, buildings and improvements with an original cost of over \$25,000 are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, stormsewers and bridges are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Buildings and Improvements	10 – 50 Years
Machinery and Equipment	10 – 15 Years
Vehicles	3 – 15 Years
Infrastructure	25 – 75 Years

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Unearned/Deferred Revenue

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Fund Equity

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

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriations to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Pension Trust Funds. All annual appropriations lapse at fiscal year end.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, budget amendments were approved by the Village Board. The final budget figures included in this report reflect all budget amendments made during the year.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year.

<u>Fund</u>	<u>Excess</u>
Motor Fuel Tax	\$ 114,279
Flood Control Construction	13,547
Parking System Revenue	6,125

DEFICIT FUND EQUITY

The following funds had deficit fund equity for the fiscal year:

<u>Fund</u>	<u>Deficit</u>
Debt Service	\$ 485,124
Motor Fuel Tax	448,734
Flood Control Construction	245,333
Parking System Revenue	154,598

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least \$5 million that have appointed an investment advisor may, through that investment advisor, invest up to forty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

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

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental, business-type, and agency activities totaled \$12,565,475 and the bank balances totaled \$13,763,253.

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

Investment Type	Fair Value	Investment
		Maturities (in Years) Less Than 1
Money Market Mutual Funds	\$ 5,044,922	\$ 5,044,922
Illinois Funds	10,268,524	10,268,524
Illinois Metropolitan Investment Fund	2,466,552	2,466,552
	<u>\$ 17,779,998</u>	<u>\$ 17,779,998</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the ‘prudent person’ standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal and rate of return.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village’s policy limits its exposure to credit risk by permitting investments in only those securities allowed under law and by specifically prohibiting investments in leveraged or derivative securities. Illinois Funds, money market mutual funds and IMET are rated AAA.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral witnessed by a written collateral agreement and held by an independent third party. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds, money market mutual funds and IMET are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village’s investment in a single issuer. The Village’s investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 20% of the Village’s investment portfolio, exclusive of any securities held in safekeeping; Illinois funds shall not exceed 40% of the investment portfolio and IMET shall not exceed 10% of the investment portfolio.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$2,785,649 and the bank balances totaled \$2,785,649.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Notes	\$ 3,531,773	\$ -	\$ 2,136,693	\$ 1,395,080	\$ -
U.S. Treasury Bonds	2,047,707	206,664	-	479,604	1,361,439
U.S. Treasury Strips	369,496	-	-	369,496	-
Federal Farm Credit Bureau	348,257	-	348,257	-	-
Federal Home Loan Bank	2,600,317	-	1,431,348	1,168,969	-
Federal Home Loan Mtg. Corp.	761,706	202,688	554,975	4,043	-
Federal National Mtg. Assn.	5,671,353	256,095	1,282,835	2,078,338	2,054,085
Government National Mtg. Assn.	481,865	-	-	76,161	405,704
U. S. HUD Security	321,188	-	321,188	-	-
Municipal Bonds	2,198,378	-	511,206	345,971	1,341,201
Equity Mutual Funds	18,615,233	18,615,233	-	-	-
Illinois Funds	1,111,096	1,111,096	-	-	-
	<u>\$ 38,058,369</u>	<u>\$ 20,391,776</u>	<u>\$ 6,586,502</u>	<u>\$ 5,917,662</u>	<u>\$ 5,162,429</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. The Fund's investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 4% to 6% desired during the market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

Credit Risk. The Fund's investment policy does not address the management of credit risk other than to limit investments to those allowed by state statutes. The FHLB, FHLMC, FFCB, GNMA U.S. HUD Securities, money market mutual funds and Illinois Funds are rated AAA. The FNMA securities are rated AAA with the exception of a security with a market value of \$543,000, which is rated A. The municipal bonds have market values of \$114,951, \$1,687,172 and \$396,255 rated AAA, AA and A, respectively.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Funds deposits may not be returned to it. The Fund's investment policy does not address custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. Not financial institution, except any securities custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 50% to 54% with the remainder in equities, and equity mutual funds. At December 31, 2009, FHLB and FNMA securities exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$1,286,309 and the bank balances totaled \$1,286,309.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Notes	\$ 1,807,925	\$ -	\$ 512,835	\$ 1,295,090	\$ -
U.S. Treasury Bonds	1,871,820	-	-	417,709	1,454,111
U.S. Treasury Strips	1,016,840	-	-	806,172	210,668
Federal Farm Credit Bureau	770,080	-	770,080	-	-
Federal Home Loan Bank	2,264,600	-	2,264,600	-	-
Federal Home Loan Mtg. Corp.	753,204	152,016	601,188	-	-
Federal National Mtg. Assn.	9,004,379	358,533	1,658,357	4,837,355	2,150,134
Government National Mtg. Assn.	623,561	61,611	-	116,654	445,296
U. S. HUD Security	321,188	-	321,188	-	-
Municipal Bonds	2,591,698	-	511,206	345,970	1,734,522
Equity Mutual Funds	17,706,636	17,706,636	-	-	-
Illinois Funds	556,345	556,345	-	-	-
	<u>\$ 39,288,276</u>	<u>\$ 18,835,141</u>	<u>\$ 6,639,454</u>	<u>\$ 7,818,950</u>	<u>\$ 5,994,731</u>

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio will limit its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 4% to 6% desired during the market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

Credit Risk. The Fund’s investment policy helps limit its exposure to credit risk by primarily investing U.S. Treasury obligations and other obligations which are rated AA or better by a national rating agency. The Fund’s investment policy does not address the management of credit risk. The FHLB, FHLMC, FFCB, GNMA U.S. HUD Securities, money market mutual funds and Illinois Funds are rated AAA. The FNMA securities are rated AAA with the exception of a security with a market value of \$543,000, which is rated A. The municipal bonds have market values of \$508,271, \$1,687,173 and \$396,254 rated AAA, AA and A, respectively.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Funds deposits may not be returned to it. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank and evidenced by safekeeping receipts. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 50% to 54% with 45% in equities, and equity mutual funds. At December 31, 2009, FHLB and FNMA securities exceeded 5% of the Fund's total investments. This is in compliance with the Fund's investment policy.

PROPERTY TAXES

Property taxes for 2009 attach as an enforceable lien on January 1, 2009, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1, 2010, and September 1, 2010. The County collects such taxes and remits them periodically.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases/ Transfers	Ending Balances
Capital Assets, Not Being Depreciated:				
Land/Land Right of Way	\$ 9,706,798	\$ -	\$ -	\$ 9,706,798
Construction in Progress	503,901	9,472,637	95,250	9,881,288
	<u>10,210,699</u>	<u>9,472,637</u>	<u>95,250</u>	<u>19,588,086</u>
Capital Assets, Being Depreciated:				
Buildings	27,429,229	-	-	27,429,229
Improvements Other than Buildings	1,536,100	109,303	-	1,645,403
Vehicles	11,420,305	1,896,462	1,364,898	11,951,869
Machinery and Equipment	1,211,222	101,410	60,000	1,252,632
Infrastructure	47,412,669	646,135	-	48,058,804
	<u>89,009,525</u>	<u>2,753,310</u>	<u>1,424,898</u>	<u>90,337,937</u>
Less Accumulated Depreciation				
Buildings	6,880,336	681,168	-	7,561,504
Improvements Other than Buildings	489,141	85,475	-	574,616
Vehicles	7,479,746	859,943	1,178,716	7,160,973
Machinery and Equipment	473,588	108,593	60,000	522,181
Infrastructure	37,382,998	838,203	-	38,221,201
	<u>52,705,809</u>	<u>2,573,382</u>	<u>1,238,716</u>	<u>54,040,475</u>
Total Capital Assets, Being Depreciated, Net	<u>36,303,716</u>	<u>179,928</u>	<u>186,182</u>	<u>36,297,462</u>
Total Capital Assets	<u>\$ 46,514,415</u>	<u>\$ 9,652,565</u>	<u>\$ 281,432</u>	<u>\$ 55,885,548</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 470,944
Public Safety	267,960
Highways and Streets	949,124
Health	5,873
Culture and Recreation	9,428
Internal Service	<u>870,053</u>
	<u><u>\$ 2,573,382</u></u>

Business-Type Activities

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

	Beginning Balances	Increases/ Transfers	Decreases/ Transfers	Ending Balances
Capital Assets, Not Being Depreciated:				
Land	\$ 196,404	\$ -	\$ 863	\$ 195,541
Construction in Progress	93,246	34,000	93,246	34,000
	<u>289,650</u>	<u>34,000</u>	<u>94,109</u>	<u>229,541</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	7,791,210	2,314,446	-	10,105,656
Machinery and Equipment	3,846,341	215,026	-	4,061,367
Infrastructure	38,039,248	-	-	38,039,248
	<u>49,676,799</u>	<u>2,529,472</u>	<u>-</u>	<u>52,206,271</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,075,840	386,398	-	3,462,238
Machinery and Equipment	1,972,141	164,632	-	2,136,773
Infrastructure	24,142,144	282,523	-	24,424,667
	<u>29,190,125</u>	<u>833,553</u>	<u>-</u>	<u>30,023,678</u>
Total Capital Assets, Being Depreciated, Net	<u>20,486,674</u>	<u>1,695,919</u>	<u>-</u>	<u>22,182,593</u>
Total Capital Assets	<u>\$ 20,776,324</u>	<u>\$ 1,729,919</u>	<u>\$ 94,109</u>	<u>\$ 22,412,134</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities – Continued

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

Water and Sewer	\$ 819,767
Parking System Revenue	6,983
Village Parking System	<u>6,803</u>
	<u>\$ 833,553</u>

Discretely Presented Component Unit

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

	Beginning Balances	Increases/ Transfers	Decreases/ Transfers	Ending Balances
Capital Assets, Not Being Depreciated:				
Land and Land Improvements	\$ 677,552	\$ -	\$ -	\$ 677,552
Capital Assets, Being Depreciated:				
Buildings and Improvements	17,543,076	-	-	17,543,076
Equipment	845,411	44,973	-	890,384
Books	6,156,338	430,690	385,605	6,201,423
	<u>24,544,825</u>	<u>475,663</u>	<u>385,605</u>	<u>24,634,883</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,263,034	438,577	-	2,701,611
Equipment	617,701	96,745	-	714,446
Books	5,185,679	390,662	385,605	5,190,736
	<u>8,066,414</u>	<u>925,984</u>	<u>385,605</u>	<u>8,606,793</u>
Total Capital Assets, Being Depreciated, Net	<u>16,478,411</u>	<u>(450,321)</u>	<u>-</u>	<u>16,028,090</u>
Total Capital Assets, Net	<u>\$ 17,155,963</u>	<u>\$ (450,321)</u>	<u>\$ -</u>	<u>\$ 16,705,642</u>

Depreciation expense was charged to component unit activities as follows:

Mount Prospect Public Library	<u>\$ 925,984</u>
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VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

Individual fund advances are as follows:

Receivable Fund	Payable Fund	Amount
General	Refuse Disposal	\$ 85
General	Debt Service	968,000
General	Nonmajor Governmental	635,038
General	Nonmajor Business-Type	350,000
General	Vehicle Replacement	1,682
General	Escrow Deposit	51,639
General	Flexcomp Escrow	48,458
Refuse Disposal	Water and Sewer	68,619
Debt Service	Escrow Deposit	3,951
Debt Service	Special Service Area	3,556
Nonmajor Governmental	Escrow Deposit	4,000
Nonmajor Governmental	Nonmajor Governmental	25,161
Water and Sewer	General	2,297
Nonmajor Business-Type	Nonmajor Business-Type	275
Vehicle Maintenance	General	791
Vehicle Maintenance	Water and Sewer	8,146
Police Pension	General	24,530
Fire Pension	General	22,906
		<u>\$ 2,219,134</u>

The purposes of the significant interfund receivables/payables are as follows:

- \$968,000 due to the General Fund from the Debt Service Fund. The balance represents money advanced to the Debt Service Fund to be used to pay principal and interest due on IEPA Flood Control Loans. Complete repayment is expected by December 31, 2010.
- \$635,038 due to the General Fund from Nonmajor Governmental Funds. The balance represents money advanced to Nonmajor Governmental Funds to be used for a shortfall in Motor Fuel Tax receipts (\$434,529) in the Motor Fuel Tax Fund and to fund the Levy 37 construction project (\$200,500) in the Flood Control Construction Fund. The State Motor Fuel Tax receipts continue to decrease. Options for repayment will be reviewed in 2010.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

Interfund Balances – Continued

- \$350,000 due to the General Fund from Nonmajor Business-Type Funds. The balance represents an operating loan to help fund the operations of the Parking System Revenue Fund as well as a loan for short-term cash shortage. A review of options for repayment will be completed in 2010.
- \$68,619 due to the Refuse Disposal Fund from the Water and Sewer Fund. The balance represents refuse collection billing charges originating from the water utility billing system not made before December 31, 2009. Repayment is expected by December 31, 2010.
- \$51,639 due to the General Fund from the Escrow Deposit Fund. These are escrow accounts being closed due to the drawdown and forfeiting of escrow balances. Settlement will be completed by June 30, 2010.
- \$48,458 due to the General Fund from the Flexcomp Escrow Fund. The balance represents money advanced to the Flexcomp Escrow Fund to cover flexible spending account reimbursements. The money is reimbursed to employees for qualified medical and dependent care expenses, parking and transportation expenses.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Series 2009 Construction	General	\$ 635,100

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$5,000,000 General Obligation Bonds, Series 2001, due in annual installments of \$145,000 to \$370,000 plus interest at 4.25% to 4.60% through December 1, 2021.	Debt Service	\$ 3,705,000	\$ -	3,490,000 * \$ 215,000	\$ -
\$12,235,000 General Obligation Bonds, Series 2003, due in annual installments of \$440,000 to \$880,000 plus interest at 3.25% to 4.75% through December 1, 2022.	Debt Service	9,400,000	-	510,000	8,890,000
\$10,000,000 General Obligation Bonds, Series 2009, due in annual installments of \$200,000 to \$1,955,000 plus interest at 3.00% to 4.50% through December 1, 2028.	Debt Service	-	10,000,000	200,000	9,800,000
\$3,430,000 General Obligation Refunding Bonds, Series 2009B, due in annual installments of \$230,000 to \$370,000 plus interest at 2.50% to 3.75% through December 1, 2021.	Debt Service	-	3,430,000	-	3,430,000

*Refunded

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$2,650,000 Taxable General Obligation Bonds, Series 2009C, due in annual installments of \$25,000 to \$1,000,000 plus interest at 3.00% to 5.75% through December 1, 2029.	Debt Service	\$ -	\$ 2,650,000	\$ -	\$ 2,650,000
		<u>\$ 13,105,000</u>	<u>\$ 16,080,000</u>	<u>\$ 4,415,000</u>	24,770,000
Plus: Unamortized Bond Premium					124,535
Less: Unamortized Bond Discount					<u>(55,899)</u>
					<u>\$ 24,838,636</u>

Loan Contracts Payables

The Village entered into several loan contracts with the Illinois Environmental Protection Agency (IEPA) to provide funds for the construction of flood control projects and acquiring a parking lot. IEPA loan contracts currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$558,474 IEPA Flood Loan (L17-0856) Contract Payable of 1994, due in semi annual installments of \$33,539 to \$38,320 plus interest at 3.36% through July 12, 2013.	Debt Service	\$ 179,448	\$ -	\$ 33,538	\$ 145,910

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Loan Contracts Payable – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$3,695,354 IEPA Flood Loan (L17-0744) Contract Payable of 1994, due in semi annual installments of \$126,134 to \$246,050 plus interest at 3.36% through May 1, 2014.	Debt Service	\$ 1,278,348	\$ -	\$ 215,347	\$ 1,063,001
\$1,711,672 IEPA Flood Loan (L17-0857) Contract Payable of 1994, due in semi annual installments of \$99,329 to \$117,337 plus interest at 3.36% through December 10, 2014.	Debt Service	648,798	-	99,330	549,468
\$1,203,550 IEPA Flood Loan (L17-0855) Contract Payable of 1997, due in semi annual installments of \$62,825 to \$79,035 plus interest at 2.89% through November 1, 2017.	Debt Service	635,931	-	62,825	573,106
\$1,760,422 IEPA Flood Loan (L17-1087) Contract Payable of 1999, due in semi annual installments of \$57,498 to \$112,771 plus interest at 2.625% through June 3, 2019.	Debt Service	1,063,153		89,179	973,974
		<u>\$ 3,805,678</u>	<u>\$ -</u>	<u>\$ 500,219</u>	<u>\$ 3,305,459</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 2,977,241	\$ 292,941	\$ 146,471	\$ 3,123,711	\$ 624,743
Net Pension Obligation	466,832	1,410,521	1,538,564	338,789	-
Net Other Post-Employment Benefits Obligation	374,400	272,564	242,773	404,191	-
General Obligation Bonds	13,105,000	16,080,000	4,415,000	24,770,000	530,000
Add: Unamortized Bond Premium	-	124,535	-	124,535	-
Less: Unamortized Bond Discount	(60,172)	-	(4,273)	(55,899)	-
Loan Contracts Payable	3,805,678	-	500,219	3,305,459	516,203
	<u>\$ 20,668,979</u>	<u>\$ 18,180,561</u>	<u>\$ 6,838,754</u>	<u>\$ 32,010,786</u>	<u>\$ 1,670,946</u>
Business-Type Activities					
Compensated Absences	\$ 184,730	\$ 4,520	\$ 9,040	\$ 180,210	\$ 36,042
Net Other Post-Employment Benefits Obligation	9,800	-	4,666	5,134	-
	<u>\$ 194,530</u>	<u>\$ 4,520</u>	<u>\$ 13,706</u>	<u>\$ 185,344</u>	<u>\$ 36,042</u>
Component Unit - Public Library					
Compensated Absences	\$ 121,849	\$ 7,211	\$ 14,422	\$ 114,638	\$ 22,928
Net Other Post-Employment Benefits Obligation	39,700	12,457	-	52,157	-
General Obligation Bonds	17,420,000	-	895,000	16,525,000	935,000
Less: Unamortized Bond Discount	(425,811)	-	(30,415)	(395,396)	-
	<u>\$ 17,155,738</u>	<u>\$ 19,668</u>	<u>\$ 879,007</u>	<u>\$ 16,296,399</u>	<u>\$ 957,928</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For governmental-type activities, payments on compensated absences, net pension obligation and net other post-employment benefits obligation are made by the General Fund. The Debt Service Fund makes payments on the general obligation bonds and on the IEPA loans. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$150,464 of internal service funds' compensated absences is included in the above amount and is generally liquidated by the Vehicle Maintenance Fund, an internal service fund. At year end, \$3,912 of internal service funds' net other post-employment benefits obligation is included in the above amount and is liquidated by the Vehicle Maintenance Fund, an internal service fund. Compensated absences for the business-type activities are liquidated by the Water and Sewer Fund. Payments on the net other post-employment benefits obligation are made by the Water and Sewer Fund and the Parking Fund. The Mount Prospect Public Library discretely presented component unit makes payments on the library general obligation bonds, the library compensated absences and the library net other post-employment benefits obligation.

Advanced Refunding of Debt

On December 22, 2009, the Village issued \$3,430,000 par value General Obligation Refunding Bonds of 2009B to refund, \$3,490,000 of the General Obligation Bonds of 2001. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$350,603 and obtained an economic gain of approximately \$339,944.

Advance Refunding – Component Unit

During fiscal year 2006, the Village issued \$10,000,000 General Obligation Library Refunding Bonds, Series 2006. Of the proceeds, \$9,866,641 has been deposited in an irrevocable trust to provide for future debt service payments on \$9,380,000 of the General Obligation Library Bonds, Series 2002. As a result, the refunded portion of the bonds are considered defeased and the escrowed assets and liability for the bonds have been removed from these financial statements. The defeased bonds still outstanding totaled \$9,380,000 at December 31, 2009.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year Ending Dec. 31	Governmental Activities				Component Unit Public Library	
	General Obligation Bonds		Loan Contracts Payable		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 530,000	\$ 770,994	\$ 516,203	\$ 97,147	\$ 935,000	\$ 697,178
2011	780,000	792,908	532,700	80,656	965,000	656,609
2012	850,000	787,156	549,732	63,622	1,015,000	613,578
2013	880,000	780,158	567,311	46,045	1,050,000	568,340
2014	935,000	773,033	417,587	28,226	1,105,000	521,528
2015	990,000	764,156	178,913	18,345	1,150,000	470,930
2016	1,040,000	753,853	183,840	13,418	1,305,000	416,855
2017	1,095,000	740,221	188,904	8,355	1,360,000	358,265
2018	1,155,000	724,247	112,771	3,735	1,410,000	305,905
2019	1,225,000	704,147	57,497	755	1,465,000	250,915
2020	1,300,000	680,837	-	-	1,525,000	193,048
2021	1,370,000	654,177	-	-	1,585,000	132,048
2022	1,380,000	625,262	-	-	1,655,000	67,855
2023	1,475,000	496,762	-	-	-	-
2024	1,560,000	433,364	-	-	-	-
2025	1,650,000	370,964	-	-	-	-
2026	1,750,000	301,664	-	-	-	-
2027	1,850,000	226,414	-	-	-	-
2028	1,955,000	145,476	-	-	-	-
2029	1,000,000	57,500	-	-	-	-
Total	\$ 24,770,000	\$ 11,583,293	\$ 3,305,458	\$ 360,304	\$ 16,525,000	\$ 5,253,054

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

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

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

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

Mount Prospect Public Library Financing Agreement

Long-Term Financing from Primary Government

The Village entered into an agreement with the Mount Prospect Public Library (the Library) on May 21, 2002 for the financing of the renovation of the existing public library. The Village agreed to issue general obligation bonds in the amount of \$20,500,000. The Library assumed full responsibility for the repayment of the bonds, inclusive of principal and interest and all costs associated with the bond issue as well as construction of the project. The liability (\$7,520,000 bonds and \$9,900,000 of 2007 refunding bonds at December 31, 2008) for the bonds has been displayed on the Library’s financial statements. In the event of a default by the Library, the Village is obligated to pay the principal and interest on the bonds.

The Library will remit to the Village all monies received from taxes collected for payment of principal and interest on a semi-annual basis. Payments are due May 1 and November 1 of each year. The Library has agreed to remit to the Village a balloon payment on November 1, 2021 in an amount sufficient to cover the December 1, 2021 principal and interest payments, the June 1, 2022 interest payment and the December 1, 2022 principal and interest payment.

The Library is responsible for all costs associated with the bond issue such as attorney fees, bond counsel fees and underwriter fees. Payments made to the Village are reported as a debt service expenditure on the Library’s governmental fund financial statements and a reduction of the liability in the Library’s General Long-Term Debt on the government-wide financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village and its component are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first \$25,000 for property claims, \$2,000,000 for liability claims, \$2,000,000 for errors and omissions and \$500,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The Village's self-insurance activities are reported in the Risk Management Fund, an internal service fund.

Premiums are paid into the Risk Management Fund by the departments of the General Fund and other funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of December 31, 2009 was \$1,423,844.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	Auto	Workers' Compensation	General Liability	Total
Claims Payable - December 31, 2007	\$ 16,863	\$ 1,158,281	\$ 50,556	\$ 1,225,700
Incurred Claims	44,409	804,523	230,679	1,079,611
Claims Paid	-	(742,439)	(221,879)	(964,318)
Claims Payable - December 31, 2008	61,272	1,220,365	59,356	1,340,993
Incurred Claims	37,519	465,424	474,686	977,629
Claims Paid	-	(493,990)	(400,788)	(894,778)
Claims Payable - December 31, 2009	\$ 98,791	\$ 1,191,799	\$ 133,254	\$ 1,423,844

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities in Illinois to provide excess liability coverage (\$12,000,000 of coverage after a \$2,000,000 self-insurance retention). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP is governed by the Board of Directors which consists of one appointed representative from each Member Municipality. Each Director has an equal vote. The officers of HELP are elected by the Board of Directors. The Board of Directors determines the general policy of HELP, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

The Village of Elk Grove Village, 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. An intergovernmental agreement among HELP, the Village of Elk Grove Village and the Members provides that HELP and its Members are obligated to the Village of Elk Grove Village for payment of principal and interest on the bonds until such bonds have been retired. The bonds were retired April 30, 1997.

HELP was organized on April 1, 1987 with the initial agreement which has been extended to April 30, 2018. The Village has committed to purchase excess liability insurance from HELP 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

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

CONTRACTUAL COMMITMENTS

High-Level Excess Liability Pool (HELP)

The Village has committed to purchase excess liability insurance from the High-Level Excess Liability Pool (HELP), and insurance pool of Illinois municipalities, through April 30, 2018. There is no minimum annual commitment amount for the purchase of this insurance coverage.

Future premiums will be calculated using the Village's allocation percentage. HELP's agreement provides that each year members will be assessed based upon a formula which specifies the following four criteria for allocating premium costs:

- Miles of Streets
- Full-Time Equivalent Employees
- Number of Motor Vehicles
- Operating Revenues

The Village paid \$73,305 to HELP in 2009. For 2010, the Village estimates it will pay \$76,500.

Solid Waste Agency of Northern Cook County (SWANCC)

Annual payments to SWANCC are based on estimated tonnage of waste transported to SWANCC. It is assumed that there will be no material changes in deliveries to SWANCC. For 2010 through 2022, the Village estimates it will pay \$1,165,443 annually.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The seven members of JAWA and their percentage shares as of April 30, 2009 are as follows:

	<u>Percent Share</u>
Village of Elk Grove Village	16.42 %
Village of Hanover Park	8.83
Village of Hoffman Estates	16.11
Village of Mount Prospect	11.90
City of Rolling Meadows	8.50
Village of Schaumburg	27.83
Village of Streamwood	<u>10.41</u>
	<u>100.00 %</u>

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

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

Summary of financial positions as of April 30, 2009:

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

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

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

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

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

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

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

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

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

In accordance with the joint venture agreement, the Village remitted \$3,492,490 to JAWA for the year ended December 31, 2009. All payments were paid from the Water and Sewer Fund. The Village’s share of net assets of JAWA was \$326,997 at December 31, 2009.

At December 31, 2005, the Northwest Suburban Municipal Joint Action Water Agency reported a negative net assets balance; therefore, as specified by APB 18, the Village’s investment in joint venture has been reduced to zero and the equity method of accounting has been suspended until such time as the joint venture returns to a positive equity position.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

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

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

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

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

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

In accordance with the joint venture agreement, the Village remitted \$1,211,580 to SWANCC for the year ended December 31, 2009, which is recorded in the Village's Refuse Disposal Fund.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight 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 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the IMRF are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2009 was 8.89 percent for IMRF.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan

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

At December 31, 2008 the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	59
Current Employees	
Vested	57
Nonvested	<u>32</u>
	<u>148</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

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, or transferred to a new police pension fund with another municipality. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Firefighters' Pension Fund

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

At December 31, 2008 the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	61
Current Employees	
Vested	47
Nonvested	<u>25</u>
	<u>133</u>

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

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

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest, or is entitled to receive a pension upon attaining the age of 50 or more with 20 or more years of accumulated credible service. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Method Used to Value Investments

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

Significant Investments

There are no investments in any one organization that represent 5 percent or more of net assets available for benefits for the Police Pension Plan. Information for IMRF is not available.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Related Party Transactions

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

Annual Pension Cost and Net Pension Obligation

There was no net pension obligation for the IMRF plan. The pension liability for the Police and Firefighters' Pension Plans as of December 31, 2009 are as follows:

	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 1,515,672	\$ 1,414,110	\$ 2,929,782
Interest on Net Pension Obligation	(13,162)	36,146	22,984
Adjustment to Annual Required Contribution	(24,907)	(39,735)	(64,642)
Annual Pension Cost	1,477,603	1,410,521	2,888,124
Actual Contribution	1,565,009	1,538,564	3,103,573
Increase (Decrease) in the NPO	(87,406)	(128,043)	(215,449)
NPO - Beginning of Year	(148,339)	466,832	318,493
NPO - End of Year	\$ (235,745)	\$ 338,789	\$ 103,044

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The Village’s annual pension cost for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	8.89%	19.89%	24.185%
Employee	4.50%	9.91%	9.455%
Annual Required Contribution	\$1,338,640	\$1,515,672	\$1,414,110
Contributions Made	\$1,338,640	\$1,565,009	\$1,538,564
Actuarial Valuation Date	12/31/2009	12/31/2008	12/31/2008
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	23 Years	25 Years	25 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50%	8.00%	8.00%
	Compounded Annually	Compounded Annually	Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

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

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2007	\$ 1,309,539	\$ 1,329,074	\$ 1,316,677
	2008	1,332,675	1,404,264	1,402,924
	2009	1,338,650	1,477,603	1,410,521
Actual Contributions	2007	1,309,539	1,334,425	1,348,076
	2008	1,332,675	1,420,452	1,417,935
	2009	1,338,650	1,565,009	1,538,564
Percentage of APC Contributed	2007	100.00%	100.40%	102.38%
	2008	100.00%	101.15%	101.07%
	2009	100.00%	105.92%	109.08%
Net Pension Obligation	2007	-	(148,339)	466,832
	2008	-	(164,527)	451,821
	2009	-	(235,745)	338,789

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/2009	12/31/2008	12/31/2008
Percent Funded	78.18%	58.90%	63.90%
Accuarial Accrued Liability for Benefits	\$42,060,919	\$61,578,623	\$57,366,525
Actuarial Value of Assets	\$32,885,215	\$36,262,944	\$36,681,856
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$9,175,704)	(\$25,315,679)	(\$20,684,669)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$15,057,932	\$7,142,505	\$5,862,887
Ratio of UAAL to Covered Payroll	60.94%	354.44%	352.81%

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

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

The Village provides pre and post Medicare post-employment health insurance to retirees, their spouses and dependents who were enrolled in one of the Village's healthcare plans at the time of the employees' retirement. To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans.

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

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending December 31, 2009, retirees contributed \$254,814.

At December 31, 2009, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	40
Active Employees	<u>318</u>
Total	<u>358</u>
Participating Employers	1

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

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

Annual Required Contribution	\$ 273,536
Interest on the NPO	19,210
Adjustment to the ARC	<u>(12,807)</u>
Annual OPEB Cost	279,939
Actual Contribution	<u>254,814</u>
Increase in the NPO	25,125
NOPEBO - Beginning of Year	<u>384,200</u>
NOPEBO - End of Year	<u>\$ 409,325</u>

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2007	\$ N/A	\$ N/A	N/A	\$ N/A
2008	637,400	253,200	39.72%	384,200
2009	279,939	254,814	91.02%	409,325

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2009, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 5,796,773
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,796,773
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	\$ 26,655,049
UAAL as a Percentage of Covered Payroll	21.75%

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

Actuarial Methods and Assumptions

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

In the December 31, 2009 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate or return and an initial healthcare trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%, a 3.0% price inflation assumption, a 5.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009, was 29 years.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENT

The Village Board approved plans for the redevelopment of Randhurst Mall at their August 19, 2008 board meeting. The developer Casto Lifestyle Properties and property owner JP Morgan Chase will transform the existing enclosed mall into Randhurst Village, a lifestyle center that will include numerous restaurants, shops, a new movie theater, 40,000 square feet of office space, and a 150-room hotel. A redevelopment agreement between the Village and Casto/JP Morgan Chase was part of the redevelopment plan that provides for revenue sharing after certain construction milestones have been reached. It is expected that these construction milestones will be met during 2010. Redevelopment of Randhurst Village is expected to be completed by the Spring of 2011.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Funding Progress
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefits Plan

- Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefits Plan

- Budgetary Comparison Schedule – General Fund

- Budgetary Comparison Schedule – Refuse Disposal Fund

Notes to the Required Supplementary Information

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 28,882,805	\$ 31,666,212	91.21%	\$ 2,783,407	\$ 11,792,465	23.60%
2005	29,606,790	31,861,477	92.92%	2,254,687	12,211,858	18.46%
2006	32,733,827	33,826,473	96.77%	1,092,646	12,689,232	8.61%
2007	35,921,213	37,209,421	96.54%	1,288,208	13,857,561	9.30%
2008	30,588,784	40,307,663	75.89%	9,718,879	15,126,845	64.25%
2009	32,885,215	42,060,919	78.18%	9,175,704	15,057,932	60.94%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 33,520,535	\$ 43,278,648	77.45%	\$ 9,758,113	\$ 5,432,721	179.62%
2004	35,616,429	47,837,706	74.45%	12,221,277	5,648,744	216.35%
2005	37,284,535	50,333,889	74.07%	13,049,354	6,049,971	215.69%
2006	40,084,648	53,166,244	75.39%	13,081,596	6,563,329	199.31%
2007	42,963,185	56,873,906	75.54%	13,910,721	7,078,232	196.53%
2008	36,262,944	61,578,623	58.89%	25,315,679	7,142,505	354.44%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 35,111,866	\$ 44,537,550	78.84%	\$ 9,425,684	\$ 4,820,164	195.55%
2004	36,729,420	46,613,979	78.79%	9,884,559	4,964,231	199.12%
2005	38,091,422	49,825,274	76.45%	11,733,852	5,095,147	230.29%
2006	40,166,884	52,357,613	76.72%	12,190,729	5,446,735	223.82%
2007	43,030,180	55,025,410	78.20%	11,995,230	5,761,988	208.18%
2008	36,681,856	57,366,525	63.94%	20,684,669	5,862,887	352.81%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Other Post-Employment Benefits Plan

Required Supplementary Information
 Schedule of Funding Progress
 December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	-	7,400,200	0.00%	7,400,200	22,865,500	32.36%
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	-	5,796,773	0.00%	5,796,773	26,655,049	21.75%

The Village implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available. The Village is required to have the actuarial valuation performed biannually.

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Illinois Municipal Retirement Fund

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

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 884,435	\$ 884,435	100.00%
2005	1,047,777	1,047,777	100.00%
2006	1,273,108	1,273,108	100.00%
2007	1,309,539	1,309,539	100.00%
2008	1,332,675	1,332,675	100.00%
2009	1,338,650	1,338,650	100.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension Fund

Required Supplementary Information
Employer Contributions
December 31, 2009

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 1,067,223	\$ 1,062,739	100.42%
2005	1,097,052	1,077,645	101.80%
2006	1,290,012	1,246,954	103.45%
2007	1,334,425	1,333,283	100.09%
2008	1,420,452	1,408,423	100.85%
2009	1,565,009	1,515,672	103.26%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Employer Contributions
December 31, 2009

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 1,070,044	\$ 1,059,381	101.01%
2005	1,192,522	1,175,135	101.48%
2006	1,194,705	1,159,480	103.04%
2007	1,348,076	1,302,011	103.54%
2008	1,417,935	1,389,833	102.02%
2009	1,538,564	1,414,110	108.80%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Other Post-Employment Benefits Plan

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended December 31	Employer Contributions	Annual Required Contributions	Percent Contributed
2004	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	253,200	637,400	39.72%
2009	254,814	273,536	93.16%

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

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 18,406,000	\$ 17,677,000	\$ 17,495,234
Licenses, Permits and Fees	3,775,000	3,929,000	3,672,054
Intergovernmental	16,250,500	15,186,100	14,874,374
Charges for Services	1,590,500	1,605,500	1,691,169
Fines and Forfeits	699,000	699,000	529,655
Interest	402,000	64,000	64,955
Miscellaneous	512,000	524,000	537,665
Total Revenues	<u>41,635,000</u>	<u>39,684,600</u>	<u>38,865,106</u>
Expenditures			
General Government	5,696,621	5,805,802	5,796,151
Public Safety	26,747,180	26,364,131	26,348,407
Highway and Streets	6,893,752	6,431,860	6,424,112
Health	127,033	126,146	126,152
Welfare	1,741,134	1,601,571	1,518,685
Culture and Recreation	429,280	367,584	358,207
Total Expenditures	<u>41,635,000</u>	<u>40,697,094</u>	<u>40,571,714</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,012,494)</u>	<u>(1,706,608)</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	-	-	364
Transfers Out	-	(635,000)	(635,100)
	<u>-</u>	<u>(635,000)</u>	<u>(634,736)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,647,494)</u>	<u>(2,341,344)</u>
Fund Balance - Beginning			<u>12,540,825</u>
Fund Balance - Ending			<u>\$ 10,199,481</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,800,000	\$ 1,750,000	\$ 1,741,092
Charges for Services	2,230,000	2,230,000	2,141,172
Interest	35,000	35,000	8,102
Miscellaneous	151,000	151,000	132,201
Total Revenues	<u>4,216,000</u>	<u>4,166,000</u>	<u>4,022,567</u>
Expenditures			
Health			
Refuse Disposal Division			
Personal Services	244,027	244,027	254,018
Employee Benefits	71,799	69,954	71,939
Other Employee Costs	1,200	1,200	199
Contractual Services	3,819,121	3,819,121	3,685,460
Utilities	610	610	388
Insurance	26,535	26,535	26,535
Commodities	32,800	32,800	23,481
Total Expenditures	<u>4,196,092</u>	<u>4,194,247</u>	<u>4,062,020</u>
Net Change in Fund Balance	<u>\$ 19,908</u>	<u>\$ (28,247)</u>	(39,453)
Fund Balance - Beginning			<u>2,294,466</u>
Fund Balance - Ending			<u>\$ 2,255,013</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

These financial statements and schedules are not required by the Governmental Accounting Standards Board (GASB), nor a part of the basic financial statements, but are presented for the purpose of additional analysis.

GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is a major governmental fund used to account for all financial resources of the general government, except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Refuse Disposal Fund: The Refuse Disposal Fund is used to account for the revenues and expenditures associated with providing solid waste collection services. Financing is provided by property taxes, user fees and recycling income.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the servicing of general long-term debt not being financed by proprietary funds.

CAPITAL PROJECTS FUND

Series 2009 Construction: The Series 2009 Construction Fund is used to account for the construction of Fire Station 14, the Emergency Operations Center, and the Public Works Expansion projects.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Taxes			
Property - General	\$ 7,742,000	\$ 7,539,000	\$ 7,580,722
Property - Police Pension	1,545,000	1,505,000	1,546,508
Property - Firefighters' Pension	1,525,000	1,485,000	1,514,264
Road and Bridge Taxes	80,000	91,000	97,265
Auto Rental Tax	17,000	10,000	10,291
Food and Beverage Tax	760,000	714,000	751,121
Real Estate Transfer Tax	760,000	489,000	405,300
Hotel/Motel Tax	45,000	35,000	34,567
Telecommunications Tax	2,630,000	2,896,000	2,810,329
Home Rule Sales Tax	1,250,000	1,054,000	1,036,021
Gas Utility Tax	820,000	714,000	620,289
Electric Utility Tax	1,232,000	1,145,000	1,088,557
Total Taxes	18,406,000	17,677,000	17,495,234
Licenses, Permits and Fees			
Vehicle License Fees	1,405,000	1,405,000	1,395,204
Liquor Licenses	135,000	150,000	147,725
Business Licenses	175,000	150,000	149,132
Contractor Licenses	40,000	40,000	35,350
Alarm Licenses	16,000	16,000	15,680
Building Permit Fees	900,000	975,000	872,111
Electrical Permit Fees	39,000	39,000	35,662
Plumbing Permit Fees	43,000	43,000	38,420
Permit Penalties	3,000	3,000	2,800
Reinspection Fees	50,000	100,000	122,720
Vacant Structure Registration Fees	2,000	2,000	1,000
Truck Rental Fees	1,000	1,000	605
Nuisance Abatement Fees	2,000	11,000	10,750
Utility Permit Fees	10,000	10,000	3,450
Plan Examination Fees	24,000	24,000	18,670
Street Opening Fees	2,000	2,000	1,800
Elevator Inspections	20,000	20,000	19,390
Public Improvement Inspections	108,000	108,000	-
ZBA Hearing Fees	15,000	15,000	6,705

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Licenses, Permits and Fees - Continued			
False Alarm Fees	\$ 15,000	\$ 15,000	\$ 9,057
Landlord/Tenant Fees	240,000	270,000	266,561
Cable TV Franchise	530,000	530,000	519,262
Total Licenses, Permits and Fees	3,775,000	3,929,000	3,672,054
Intergovernmental			
State Sales Tax	9,319,000	9,068,000	9,055,194
State Income Tax	5,424,000	4,705,000	4,573,162
State Use Tax	803,000	745,500	706,532
Charitable Games Tax	3,000	3,000	-
Replacement Taxes	385,000	340,600	326,299
Replacement Taxes - Road and Bridge	10,000	10,000	11,835
Grant - ILEC Police Training	30,000	30,000	28,180
Grant - State Fire Training	3,000	10,500	13,034
Grant - Tobacco Enforcement	6,000	6,000	4,400
Grant - Body Armor	5,000	5,000	1,695
Grant - Illinois Housing Development Authority	21,000	21,000	-
Grant - Regional Transit Authority	50,000	50,000	28,678
Grant - SHAP	2,500	2,500	-
Community Connection Center Support	39,000	39,000	6,315
Grant - Other	150,000	150,000	119,050
Total Intergovernmental	16,250,500	15,186,100	14,874,374
Charges for Services			
Water and Sewer Service Charge	460,000	460,000	460,000
Parking Service Charge	40,000	40,000	40,000
Maintenance of State Highways	81,000	81,000	82,699
Ambulance Transport Fees	750,000	765,000	873,074
Forest River Rural FPD	44,000	44,000	40,436
Cable Programming Fees	42,500	42,500	33,937
Other Programs	1,000	1,000	525
Special Detail Revenue	12,000	12,000	14,131
Fire Training Revenue	30,000	30,000	18,562
Lease Payments	112,000	112,000	111,604
General Store Lease	18,000	18,000	16,201
Total Charges for Services	1,590,500	1,605,500	1,691,169

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Fines and Forfeitures			
Fines - Parking	\$ 300,000	\$ 300,000	\$ 225,842
Fines - Local Ordinances	10,000	10,000	3,430
Fines - Code Enforcement	10,000	10,000	13,550
Fines - Circuit Court	300,000	300,000	272,848
Fines - Parental Responsibility	4,000	4,000	300
Forfeited Escrow Funds	75,000	75,000	13,685
Total Fines and Forfeitures	699,000	699,000	529,655
Interest			
Investment Income	339,000	60,000	60,119
Interest - Escrow Funds	63,000	4,000	4,836
Total Interest	402,000	64,000	64,955
Miscellaneous			
Home Delivered Meals	31,000	31,000	29,874
Reimburse - H/S Youth Officer	75,000	75,000	75,424
Mount Prospect Library Cont.	39,500	39,500	23,537
Shared Cost - Sidewalk	35,000	35,000	20,709
Shared Cost - Tree Replacement	58,500	58,500	57,976
Reimburse - Village Property	45,000	45,000	20,900
Other Reimbursements	45,000	45,000	74,393
Human Services Revenue	35,000	35,000	12,522
Fire and Police Reports	8,000	8,000	6,373
Animal Release Fees	1,000	1,000	895
Subpoena Fees	4,000	4,000	2,422
Advertising Revenue	-	13,000	19,082
Other Revenue	135,000	134,000	193,558
Total Miscellaneous	512,000	524,000	537,665
Total Revenues	\$ 41,635,000	\$ 39,684,600	\$ 38,865,106

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Public Representation Division	\$ 137,304	\$ 123,332	\$ 119,564
Village Manager's Office	2,749,216	2,942,288	3,015,431
Television Services Division	191,413	183,215	193,273
Village Clerk's Office	212,076	210,609	208,123
Finance Department	1,594,795	1,566,661	1,564,367
Community Development - Administration	765,317	733,197	649,803
Benefit Payments	46,500	46,500	45,590
Total General Government	5,696,621	5,805,802	5,796,151
Public Safety			
Community Development - Code Enforcement	935,627	897,641	859,191
Police Department	14,408,522	14,143,163	14,150,722
Fire and Emergency Protection Department	11,403,031	11,323,327	11,338,494
Total Public Safety	26,747,180	26,364,131	26,348,407
Highways and Streets			
Public Works Department	6,893,752	6,431,860	6,424,112
Health			
Community Development - Health	127,033	126,146	126,152
Welfare			
Human Services Department	1,200,391	1,068,448	1,004,635
Community Development - Housing	540,743	533,123	514,050
Total Welfare	1,741,134	1,601,571	1,518,685
Culture and Recreation			
Community and Civic Services	429,280	367,584	358,207
Total Expenditures	\$ 41,635,000	\$ 40,697,094	\$ 40,571,714

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Public Representation Division			
Mayor and Board of Trustees			
Personal Services	\$ 30,762	\$ 30,762	\$ 30,890
Employee Benefits	4,812	4,741	4,792
Other Employee Costs	8,900	3,650	2,354
Contractual Services	80,632	73,767	73,011
Utilities	500	500	306
Commodities and Supplies	4,250	3,750	3,388
	<u>129,856</u>	<u>117,170</u>	<u>114,741</u>
Advisory Boards and Commissions			
Personal Services	3,205	3,205	3,295
Employee Benefits	1,143	1,107	1,108
Contractual Services	2,500	1,500	231
Commodities and Supplies	600	350	189
	<u>7,448</u>	<u>6,162</u>	<u>4,823</u>
Total Public Representation Division	<u>137,304</u>	<u>123,332</u>	<u>119,564</u>
Village Manager's Office			
Administration and Support			
Personal Services	414,364	421,787	442,539
Employee Benefits	106,788	104,162	108,260
Other Employee Costs	12,650	8,900	9,032
Contractual Services	15,532	13,782	12,863
Utilities	5,000	4,500	3,212
Commodities and Supplies	4,000	4,000	3,475
Capital Expenditures	300	300	-
	<u>558,634</u>	<u>557,431</u>	<u>579,381</u>
Legal Services			
Contractual Services	560,750	793,750	899,856

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Manager's Office - Continued			
Personnel Management/Training			
Personal Services	\$ 207,406	\$ 173,406	\$ 165,928
Employee Benefits	95,130	93,604	90,548
Other Employee Costs	22,700	9,850	8,418
Contractual Services	45,860	20,860	16,176
Commodities and Supplies	1,715	1,215	1,012
Capital Expenditures	330	330	-
	<u>373,141</u>	<u>299,265</u>	<u>282,082</u>
Management Information Systems			
Personal Services	342,290	342,773	340,691
Employee Benefits	117,790	114,242	114,582
Other Employee Costs	6,500	6,500	5,586
Contractual Services	484,682	482,300	454,938
Utilities	4,340	4,340	4,275
Commodities and Supplies	4,150	3,996	3,318
Capital Expenditures	20,100	17,700	17,465
	<u>979,852</u>	<u>971,851</u>	<u>940,855</u>
Public Information			
Personal Services	60,711	60,711	61,534
Employee Benefits	22,308	21,598	21,742
Other Employee Costs	2,850	1,350	989
Contractual Services	186,000	233,262	227,287
Utilities	520	520	291
Commodities and Supplies	4,450	2,550	1,414
	<u>276,839</u>	<u>319,991</u>	<u>313,257</u>
Total Village Manager's Office	<u>2,749,216</u>	<u>2,942,288</u>	<u>3,015,431</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Television Services Division			
Personal Services	\$ 111,064	\$ 110,068	\$ 115,464
Employee Benefits	41,653	40,234	41,142
Other Employee Costs	2,900	700	1,229
Contractual Services	18,936	17,670	19,980
Utilities	1,600	1,600	1,990
Commodities and Supplies	5,760	6,300	7,094
Capital Expenditures	9,500	6,643	6,374
Total Television Services Division	191,413	183,215	193,273
Village Clerk's Office			
Administration and Support			
Personal Services	123,762	126,339	127,700
Employee Benefits	44,900	43,481	44,262
Other Employee Costs	2,580	1,280	1,292
Contractual Services	34,331	34,350	30,490
Utilities	1,700	1,700	1,024
Commodities and Supplies	4,803	3,459	3,355
Total Village Clerk's Office	212,076	210,609	208,123
Finance Department			
Administration and Support			
Personal Services	146,942	150,710	151,034
Employee Benefits	41,570	40,506	41,060
Other Employee Costs	11,900	5,650	5,860
Contractual Services	134,775	127,075	131,271
Utilities	6,520	6,020	5,512
Commodities and Supplies	14,475	15,674	16,932
Capital Expenditures	1,000	430	430
	357,182	346,065	352,099

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department - Continued			
Accounting			
Personal Services	\$ 339,484	\$ 339,484	\$ 338,485
Employee Benefits	132,797	128,362	128,548
Contractual Services	5,029	4,279	3,823
Commodities and Supplies	2,100	1,688	1,508
	<u>479,410</u>	<u>473,813</u>	<u>472,364</u>
Insurance			
Personal Services	58,778	58,778	58,841
Employee Benefits	18,557	18,025	17,991
Insurance	234,038	228,038	228,038
	<u>311,373</u>	<u>304,841</u>	<u>304,870</u>
Customer Service			
Personal Services	265,004	263,889	263,289
Employee Benefits	95,818	92,802	92,700
Contractual Services	49,650	49,650	43,502
Commodities and Supplies	8,445	7,865	7,567
	<u>418,917</u>	<u>414,206</u>	<u>407,058</u>
Cash Management			
Personal Services	21,347	21,347	21,590
Employee Benefits	6,566	6,389	6,386
	<u>27,913</u>	<u>27,736</u>	<u>27,976</u>
Total Finance Department	<u>1,594,795</u>	<u>1,566,661</u>	<u>1,564,367</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Administration			
Administration and Support			
Personal Services	\$ 176,240	\$ 176,240	\$ 180,266
Employee Benefits	61,530	60,466	61,658
Other Employee Costs	3,250	3,250	2,564
Contractual Services	40,000	20,000	11,602
Utilities	3,051	3,051	2,057
Commodities and Supplies	1,010	1,010	5,465
	<u>285,081</u>	<u>264,017</u>	<u>263,612</u>
Planning and Zoning			
Personal Services	176,938	176,938	166,879
Employee Benefits	66,003	63,874	62,389
Other Employee Costs	6,549	5,549	3,528
Contractual Services	111,904	106,832	53,584
Utilities	2,622	2,622	1,525
Commodities and Supplies	3,488	3,488	1,673
	<u>367,504</u>	<u>359,303</u>	<u>289,578</u>
Economic Development			
Personal Services	56,214	56,214	57,020
Employee Benefits	15,018	14,663	14,877
Other Employee Costs	1,500	1,500	495
Contractual Services	40,000	37,500	24,221
	<u>112,732</u>	<u>109,877</u>	<u>96,613</u>
Total Community Development - Administration	<u>765,317</u>	<u>733,197</u>	<u>649,803</u>
Benefit Payments			
Contractual Services	<u>46,500</u>	<u>46,500</u>	<u>45,590</u>
Total General Government	<u>5,696,621</u>	<u>5,805,802</u>	<u>5,796,151</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety			
Community Development - Code Enforcement			
Building Inspection			
Personal Services	\$ 560,531	\$ 560,531	\$ 543,324
Employee Benefits	214,855	207,759	205,444
Other Employee Costs	16,328	11,975	11,216
Contractual Services	125,892	100,855	83,111
Utilities	8,491	8,491	9,401
Commodities and Supplies	9,530	8,030	6,695
Total Community Development - Code Enforcement	935,627	897,641	859,191
Police Department			
Administration and Support			
Personal Services	1,025,095	1,105,914	1,096,277
Employee Benefits	2,020,359	1,971,134	2,004,818
Other Employee Costs	150,200	143,500	132,155
Contractual Services	73,800	52,850	49,989
Utilities	38,400	37,400	39,781
Commodities and Supplies	22,020	22,420	21,796
Capital Expenditures	1,450	950	900
	3,331,324	3,334,168	3,345,716
Patrol and Traffic Enforcement			
Personal Services	6,982,490	6,824,663	6,839,746
Employee Benefits	1,199,439	1,141,181	1,141,229
Contractual Services	503,400	502,900	497,735
Commodities and Supplies	68,250	61,350	53,734
Capital Expenditures	24,200	18,900	15,216
	8,777,779	8,548,994	8,547,660

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Crime Prevention and Public Services			
Personal Services	\$ 200,090	\$ 200,090	\$ 193,684
Employee Benefits	35,748	34,045	32,599
Other Employee Costs	4,800	4,300	3,620
Contractual Services	3,000	3,000	3,213
Commodities and Supplies	9,150	19,150	19,886
	<u>252,788</u>	<u>260,585</u>	<u>253,002</u>
Investigative and Juvenile			
Personal Services	1,086,580	1,086,580	1,097,498
Employee Benefits	170,001	161,486	161,124
Contractual Services	41,300	26,100	25,572
Commodities and Supplies	4,550	4,550	4,252
Capital Expenditures	900	900	325
	<u>1,303,331</u>	<u>1,279,616</u>	<u>1,288,771</u>
Crossing Guards			
Personal Services	28,100	28,100	30,754
Employee Benefits	2,160	2,160	2,353
Commodities and Supplies	150	150	146
	<u>30,410</u>	<u>30,410</u>	<u>33,253</u>
Equipment Maintenance			
Contractual Services	682,390	667,320	661,610
Commodities and Supplies	18,300	15,300	14,623
Capital Expenditures	12,200	6,770	6,087
	<u>712,890</u>	<u>689,390</u>	<u>682,320</u>
Total Police Department	<u>14,408,522</u>	<u>14,143,163</u>	<u>14,150,722</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire and Emergency Protection Department			
Administration and Support			
Personal Services	\$ 603,729	\$ 638,002	\$ 641,450
Employee Benefits	1,812,517	1,768,259	1,794,229
Other Employee Costs	73,750	66,795	65,994
Contractual Services	41,200	47,780	55,573
Commodities and Supplies	10,400	9,240	9,492
Capital Expenditures	9,150	5,396	4,100
	<u>2,550,746</u>	<u>2,535,472</u>	<u>2,570,838</u>
Fire Department Operations			
Personal Services	6,258,586	6,355,986	6,370,276
Employee Benefits	937,552	888,589	885,526
Other Employee Costs	60,800	54,185	56,770
Contractual Services	143,755	140,135	139,041
Commodities and Supplies	28,700	16,080	15,594
Capital Expenditures	119,230	90,922	94,597
	<u>7,548,623</u>	<u>7,545,897</u>	<u>7,561,804</u>
Fire Training Academy			
Personal Services	9,000	9,000	3,111
Employee Benefits	131	131	26
Commodities and Supplies	5,000	5,000	3,702
	<u>14,131</u>	<u>14,131</u>	<u>6,839</u>
Fire Prevention			
Personal Services	429,311	414,311	418,307
Employee Benefits	143,599	139,341	138,630
Other Employee Costs	7,455	6,455	6,147
Contractual Services	1,900	1,400	1,047
Commodities and Supplies	11,800	8,800	8,815
Capital Expenditures	800	300	-
	<u>594,865</u>	<u>570,607</u>	<u>572,946</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire and Emergency Protection Department - Continued			
Communications			
Contractual Services	\$ 11,300	\$ 11,300	\$ 10,803
Utilities	42,000	42,000	33,734
Commodities and Supplies	3,500	3,500	2,837
Capital Expenditures	2,500	2,500	4,151
	<u>59,300</u>	<u>59,300</u>	<u>51,525</u>
Equipment Maintenance			
Personal Services	136,346	-	-
Employee Benefits	46,918	-	-
Other Employee Costs	1,125	-	-
Contractual Services	269,200	465,349	465,349
Commodities and Supplies	94,750	22,865	65
Capital Expenditures	500	-	-
	<u>548,839</u>	<u>488,214</u>	<u>465,414</u>
Emergency Preparedness			
Personal Services	20,699	21,000	20,740
Employee Benefits	3,345	3,345	200
Other Employee Costs	2,000	-	-
Contractual Services	5,710	5,902	5,892
Commodities and Supplies	17,825	46,722	50,940
	<u>49,579</u>	<u>76,969</u>	<u>77,772</u>
Paid on Call			
Personal Services	21,840	18,840	18,981
Employee Benefits	1,673	1,673	1,139
Other Employee Costs	12,375	11,164	11,018
Capital Expenditures	1,060	1,060	218
	<u>36,948</u>	<u>32,737</u>	<u>31,356</u>
Total Fire and Emergency Protection Department			
	<u>11,403,031</u>	<u>11,323,327</u>	<u>11,338,494</u>
Total Public Safety			
	<u>26,747,180</u>	<u>26,364,131</u>	<u>26,348,407</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Highways and Streets			
Public Works Department			
Administration and Support			
Personal Services	\$ 256,740	\$ 260,662	\$ 236,532
Employee Benefits	145,597	143,468	140,467
Other Employee Costs	30,802	23,552	24,219
Contractual Services	920,101	917,501	919,334
Utilities	20,837	20,837	18,086
Commodities and Supplies	14,909	14,609	13,978
Capital Expenditures	1,746	255	255
Total Administration and Support	1,390,732	1,380,884	1,352,871
Street Division			
Administration			
Personal Services	121,453	126,258	126,547
Employee Benefits	31,588	30,878	32,042
	153,041	157,136	158,589
Maintenance - Public Buildings			
Personal Services	399,148	399,148	397,746
Employee Benefits	127,007	123,459	123,702
Contractual Services	301,165	284,940	283,669
Utilities	78,193	50,193	30,547
Commodities and Supplies	95,511	87,411	79,719
	1,001,024	945,151	915,383
Street Maintenance			
Personal Services	179,124	179,124	177,732
Employee Benefits	49,845	48,568	48,791
Contractual Services	18,185	15,185	15,038
Commodities and Supplies	26,088	23,427	18,362
Infrastructure	185,000	137,600	136,421
	458,242	403,904	396,344

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Street Division - Continued			
Snow Removal			
Personal Services	\$ 296,182	\$ 296,182	\$ 378,067
Employee Benefits	65,349	64,356	78,899
Contractual Services	80,576	97,511	119,913
Commodities and Supplies	12,855	13,305	12,159
Capital Expenditures	2,970	-	-
	<u>457,932</u>	<u>471,354</u>	<u>589,038</u>
Storm Sewer/Basin Maintenance			
Personal Services	128,500	128,500	105,317
Employee Benefits	42,019	40,813	37,299
Contractual Services	11,670	7,174	6,503
Commodities and Supplies	7,231	2,231	1,665
	<u>189,420</u>	<u>178,718</u>	<u>150,784</u>
Maintenance of State Highways			
Personal Services	24,506	24,506	23,530
Employee Benefits	7,715	7,502	7,377
Contractual Services	17,644	15,244	15,295
Commodities and Supplies	25,445	24,345	23,669
	<u>75,310</u>	<u>71,597</u>	<u>69,871</u>
Traffic Sign Maintenance			
Personal Services	80,267	85,579	84,192
Employee Benefits	24,927	24,217	24,653
Commodities and Supplies	22,840	9,855	9,935
	<u>128,034</u>	<u>119,651</u>	<u>118,780</u>
Total Street Division	<u>2,463,003</u>	<u>2,347,511</u>	<u>2,398,789</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Forestry Division			
Administration and Support			
Personal Services	\$ 173,888	\$ 173,888	\$ 178,198
Employee Benefits	52,627	51,208	51,982
	<u>226,515</u>	<u>225,096</u>	<u>230,180</u>
Maintenance of Grounds			
Personal Services	260,376	260,376	259,982
Employee Benefits	77,862	75,662	75,592
Contractual Services	129,636	88,786	87,414
Commodities and Supplies	8,656	6,068	7,282
Capital Expenditures	39,607	16,731	16,500
	<u>516,137</u>	<u>447,623</u>	<u>446,770</u>
Forestry Program			
Personal Services	288,371	288,371	282,380
Employee Benefits	93,630	90,934	90,564
Other Employee Costs	3,662	3,662	3,680
Contractual Services	731,868	553,199	531,868
Commodities and Supplies	10,702	10,647	10,306
	<u>1,128,233</u>	<u>946,813</u>	<u>918,798</u>
Public Grounds Beautification			
Personal Services	25,657	25,657	24,217
Employee Benefits	7,904	7,691	7,471
Contractual Services	14,234	7,110	7,381
Commodities and Supplies	55,191	35,249	35,632
	<u>102,986</u>	<u>75,707</u>	<u>74,701</u>
Total Forestry Division	<u>1,973,871</u>	<u>1,695,239</u>	<u>1,670,449</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Engineering Division			
Engineering Services			
Personal Services	\$ 583,288	\$ 583,288	\$ 601,488
Employee Benefits	167,364	163,106	166,912
Other Employee Costs	5,552	4,152	4,004
Contractual Services	64,730	48,060	45,831
Commodities and Supplies	7,105	6,105	5,307
Capital Expenditures	2,184	1,373	1,326
	<u>830,223</u>	<u>806,084</u>	<u>824,868</u>
Traffic Control and Street Lighting			
Personal Services	99,967	99,967	101,291
Employee Benefits	29,899	29,118	29,440
Contractual Services	5,307	2,307	4,494
Utilities	75,000	50,000	22,430
Commodities and Supplies	25,750	20,750	19,480
	<u>235,923</u>	<u>202,142</u>	<u>177,135</u>
Total Engineering Division	<u>1,066,146</u>	<u>1,008,226</u>	<u>1,002,003</u>
Total Highways and Streets	<u>6,893,752</u>	<u>6,431,860</u>	<u>6,424,112</u>
Health			
Community Development - Health			
Health Inspections			
Personal Services	82,768	82,768	86,975
Employee Benefits	28,964	28,077	28,831
Other Employee Costs	1,400	1,400	741
Contractual Services	9,433	9,433	8,469
Utilities	1,955	1,955	813
Commodities and Supplies	2,513	2,513	323
Total Health	<u>127,033</u>	<u>126,146</u>	<u>126,152</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Welfare			
Human Services Department			
Administration and Support			
Personal Services	\$ 120,489	\$ 120,489	\$ 95,957
Employee Benefits	41,019	40,097	35,478
Other Employee Costs	2,100	1,200	766
Contractual Services	13,382	15,281	14,749
Utilities	11,500	11,500	8,771
Commodities and Supplies	4,180	7,610	4,377
Capital Expenditures	1,000	700	194
	<u>193,670</u>	<u>196,877</u>	<u>160,292</u>
Social Services			
Personal Services	272,412	272,412	278,656
Employee Benefits	90,735	88,039	90,025
Other Employee Costs	1,950	1,520	1,552
Commodities and Supplies	1,000	1,000	1,379
	<u>366,097</u>	<u>362,971</u>	<u>371,612</u>
Nursing/Health Services			
Personal Services	103,000	103,000	118,518
Employee Benefits	34,751	33,687	36,514
Other Employee Costs	350	3,650	45
Contractual Services	31,100	30,600	29,934
Commodities and Supplies	22,970	22,307	12,128
	<u>192,171</u>	<u>193,244</u>	<u>197,139</u>
Senior Citizen Leisure Activities			
Personal Services	23,234	23,234	18,326
Employee Benefits	8,662	8,378	7,654
Contractual Services	10,000	10,000	4,141
Commodities and Supplies	700	350	-
	<u>42,596</u>	<u>41,962</u>	<u>30,121</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Welfare - Continued			
Human Services Department - Continued			
Community Connections Center			
Personal Services	\$ 158,707	\$ 79,550	\$ 80,553
Employee Benefits	62,999	24,708	25,513
Other Employee Costs	3,000	3,000	235
Contractual Services	81,186	81,186	40,659
Utilities	3,700	3,950	3,382
Commodities and Supplies	24,600	21,500	9,753
Capital Expenditures	71,665	59,500	85,376
	<u>405,857</u>	<u>273,394</u>	<u>245,471</u>
Total Human Services Department	<u>1,200,391</u>	<u>1,068,448</u>	<u>1,004,635</u>
Community Development - Housing			
Housing Inspections			
Personal Services	337,454	337,454	332,983
Employee Benefits	124,695	120,615	120,609
Other Employee Costs	6,781	6,431	2,785
Contractual Services	54,966	59,966	53,088
Utilities	3,155	3,155	1,520
Commodities and Supplies	6,092	5,502	3,065
Capital Expenditures	7,600	-	-
	<u>540,743</u>	<u>533,123</u>	<u>514,050</u>
Total Community Development - Housing	<u>540,743</u>	<u>533,123</u>	<u>514,050</u>
Total Welfare	<u>1,741,134</u>	<u>1,601,571</u>	<u>1,518,685</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Culture and Recreation			
Community and Civic Services			
Community Groups and Miscellaneous			
Contractual Services	\$ 130,700	\$ 118,475	\$ 110,541
Other Expenditures	8,000	8,000	6,388
	<u>138,700</u>	<u>126,475</u>	<u>116,929</u>
4th of July and Civic Events			
Personal Services	87,975	81,975	83,733
Employee Benefits	14,209	14,209	10,617
Contractual Services	35,495	35,995	37,424
Commodities and Supplies	44,330	40,330	40,529
	<u>182,009</u>	<u>172,509</u>	<u>172,303</u>
Holiday Decorations			
Personal Services	7,346	7,346	7,936
Employee Benefits	2,438	2,367	2,444
Contractual Services	78,390	43,490	43,402
Commodities and Supplies	17,500	12,500	12,478
	<u>105,674</u>	<u>65,703</u>	<u>66,260</u>
Blood Drive Program			
Personal Services	1,910	1,910	1,843
Employee Benefits	147	147	141
Commodities and Supplies	840	840	731
	<u>2,897</u>	<u>2,897</u>	<u>2,715</u>
Total Culture and Recreation	<u>429,280</u>	<u>367,584</u>	<u>358,207</u>
Total Expenditures	<u>\$ 41,635,000</u>	<u>\$ 40,697,094</u>	<u>\$ 40,571,714</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Taxes			
Property - Levy	\$ 1,800,000	\$ 1,750,000	\$ 1,741,092
Charges for Services			
Single-Family Service Charges	1,000,000	1,000,000	979,545
Multi-Family Service Charges	975,000	975,000	919,372
Single-Family Penalties	20,000	20,000	13,925
Multi-Family Penalties	10,000	10,000	13,580
Refuse Stickers	225,000	225,000	214,135
Recycling Bins	-	-	615
Total Charges for Services	2,230,000	2,230,000	2,141,172
Interest	35,000	35,000	8,102
Miscellaneous	151,000	151,000	132,201
Total Revenues	\$ 4,216,000	\$ 4,166,000	\$ 4,022,567

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Debt Service Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property - Levy	\$ 1,311,000	\$ 1,791,000	\$ 1,786,922
Other Taxes	1,250,000	1,054,000	1,036,021
Interest	12,000	12,500	8,765
Total Revenues	<u>2,573,000</u>	<u>2,857,500</u>	<u>2,831,708</u>
Expenditures			
Debt Service			
Principal Retirement	1,225,219	4,915,219	1,425,219
Interest and Fiscal Charges	679,983	1,048,435	1,023,907
Total Expenditures	<u>1,905,202</u>	<u>5,963,654</u>	<u>2,449,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>667,798</u>	<u>(3,106,154)</u>	<u>382,582</u>
Other Financing Sources (Uses)			
Debt Issuance	-	3,554,535	3,430,000
Premium on Debt Issuance	-	-	124,535
Payment to Escrow Agent	-	-	(3,513,925)
	<u>-</u>	<u>3,554,535</u>	<u>40,610</u>
Net Change in Fund Balance	<u>\$ 667,798</u>	<u>\$ 448,381</u>	423,192
Fund Balance - Beginning			<u>(908,316)</u>
Fund Balance - Ending			<u>\$ (485,124)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Series 2009 Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ -	\$ -	\$ 83,700
Interest	220,000	50,000	48,738
Miscellaneous	1,000	1,000	-
Total Revenues	<u>221,000</u>	<u>51,000</u>	<u>132,438</u>
Expenditures			
Capital Outlay			
Village Facilities	11,616,000	11,679,676	10,255,664
Equipment	1,168,000	1,168,000	118,303
Total Expenditures	<u>12,784,000</u>	<u>12,847,676</u>	<u>10,373,967</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,563,000)</u>	<u>(12,796,676)</u>	<u>(10,241,529)</u>
Other Financing Sources			
Debt Issuance	11,424,000	12,650,000	12,650,000
Transfers In	1,139,000	1,774,000	635,100
	<u>12,563,000</u>	<u>14,424,000</u>	<u>13,285,100</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 1,627,324</u>	<u>3,043,571</u>
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u>\$ 3,043,571</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Series 2009 Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Village Facilities			
Station 14 Construction	7,038,180	7,038,180	5,462,487
EOC Construction	1,523,000	1,523,000	2,133,341
PW Expansion Construction	1,959,100	1,959,100	1,782,604
Other Professional Services	1,095,720	1,159,396	877,232
Total Village Facilities	11,616,000	11,679,676	10,255,664
Equipment			
Office Equipment	207,000	207,000	-
Station 14 Furnishings	230,000	230,000	-
Other Equipment	626,000	626,000	118,303
EOC Furnishings	75,000	75,000	-
PW Furnishings	30,000	30,000	-
Total Equipment	1,168,000	1,168,000	118,303
Total Expenditures	\$ 12,784,000	\$ 12,847,676	\$ 10,373,967

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund: The Motor Fuel Tax Fund is used to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Community Development Block Grant (CDBG) Fund: The Community Development Block Grant Fund is used to account for the revenue and expenditures associated with the CDBG. The grant is provided by the U.S. Department of Housing and Urban Development to develop urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of CDBG must be individuals with low and/or moderate incomes.

Asset Seizure Fund: The Asset Seizure Fund is used to account for the revenues and expenditures associated with the asset seizure program the Village participates in. Funds received are restricted for use in the fight against drugs.

DEA Share Funds Fund: The DEA Share Funds Fund is used to account for the revenues and expenditures associated with the Federal DEA Shared Funds program. The use of funds is restricted for use in the fight against drugs.

DUI Fines Fund: The DUI Fines Fund is used to account for the revenues and expenditures with the Cook County DUI fine program. Use of funds is restricted to fight against drunk driving.

Foreign Fire Insurance Fund: The Foreign Fire Insurance Fund is used to account for the revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use and maintenance related to the Fire Department.

NONMAJOR GOVERNMENTAL FUNDS – CONTINUED

CAPITAL PROJECTS FUNDS

Capital Improvement Fund: The Capital Improvement Fund is used to account for the resources to provide for certain capital improvements and the replacement of Village equipment. Financing is being provided by transfers from other funds and interest income.

Downtown Redevelopment Construction Fund: The Downtown Redevelopment Construction fund is used to account for the resources to acquire property and construct certain improvements in the Downtown Redevelopment Tax Incremental Financing District No. 1. Financing is being provided by the sale of general obligation, the sale of property and the incremental property taxes. Other monies are being provided by rental income and interest income.

Flood Control Construction Fund: The Flood Control Construction Fund is used to account for the resources to implement flood control projects throughout the Village. Financing is being provided by the sale of general obligation bonds, grants, interest income and by installment loans from the Illinois Environmental Protection Agency (IEPA).

Street Improvement Construction Fund: The Street Improvement Construction Fund is used to account for the resources to reconstruct Village streets. Financing is being provided by the sale of general obligation bonds, various taxes, licenses, permits, fees and interest income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
December 31, 2009

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 227,363	\$ 3,360,995	\$ 3,588,358
Receivables - Net of Allowances			
Property Taxes	-	31,766	31,766
Other Taxes	-	572,873	572,873
Other	21,085	87,129	108,214
Due from Other Governments	383,415	-	383,415
Due from Other Funds	-	29,161	29,161
Prepays	2,789	6,500	9,289
Total Assets	\$ 634,652	\$ 4,088,424	\$ 4,723,076
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 155,472	\$ 527,856	\$ 683,328
Due to Other Funds	434,529	225,670	660,199
Unearned/Deferred Revenues	275,575	-	275,575
Total Liabilities	865,576	753,526	1,619,102
Fund Balances			
Reserved - Prepays	2,789	6,500	9,289
Reserved - Public Safety	215,652	-	215,652
Reserved - Capital Projects	-	1,362,637	1,362,637
Unreserved - Special Revenue	(449,365)	-	(449,365)
Unreserved - Capital Projects	-	1,965,761	1,965,761
Total Fund Balances	(230,924)	3,334,898	3,103,974
Total Liabilities and Fund Balances	\$ 634,652	\$ 4,088,424	\$ 4,723,076

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental Funds

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

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	\$ 44,005	\$ 4,545,141	\$ 4,589,146
Licenses, Permits and Fees	-	76,402	76,402
Intergovernmental	2,210,548	105,878	2,316,426
Interest	1,595	4,987	6,582
Miscellaneous	119,813	45,059	164,872
Total Revenues	<u>2,375,961</u>	<u>4,777,467</u>	<u>7,153,428</u>
Expenditures			
Public Safety	36,546	-	36,546
Highways and Streets	1,867,381	-	1,867,381
Welfare	798,310	-	798,310
Capital Outlay	-	3,922,692	3,922,692
Total Expenditures	<u>2,702,237</u>	<u>3,922,692</u>	<u>6,624,929</u>
Net Change in Fund Balances	(326,276)	854,775	528,499
Fund Balances - Beginning	<u>95,352</u>	<u>2,480,123</u>	<u>2,575,475</u>
Fund Balances - Ending	<u>\$ (230,924)</u>	<u>\$ 3,334,898</u>	<u>\$ 3,103,974</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Balance Sheet - Nonmajor Governmental - Special Revenue Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet
December 31, 2009

	Motor Fuel Tax	Community Development Block Grant
ASSETS		
Cash and Investments	\$ -	\$ 13,065
Receivables - Net of Allowances		
Other	4,681	15,050
Due from Other Governments	115,741	267,674
Prepays	-	631
	<u> </u>	<u> </u>
Total Assets	<u>\$ 120,422</u>	<u>\$ 296,420</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 134,627	\$ 20,845
Due to Other Funds	434,529	-
Unearned/Deferred Revenues	-	275,575
Total Liabilities	<u>569,156</u>	<u>296,420</u>
Fund Balances		
Reserved - Prepays	-	631
Reserved - Public Safety	-	-
Unreserved	(448,734)	(631)
Total Fund Balances	<u>(448,734)</u>	<u>-</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 120,422</u>	<u>\$ 296,420</u>

Asset Seizure	DEA Shared Funds	DUI Fines	Foreign Fire Insurance	Totals
\$ 50,411	\$ 19,209	\$ 25,799	\$ 118,879	\$ 227,363
-	-	1,354	-	21,085
-	-	-	-	383,415
-	-	-	2,158	2,789
<u>\$ 50,411</u>	<u>\$ 19,209</u>	<u>\$ 27,153</u>	<u>\$ 121,037</u>	<u>\$ 634,652</u>
\$ -	\$ -	\$ -	\$ -	\$ 155,472
-	-	-	-	434,529
-	-	-	-	275,575
-	-	-	-	865,576
-	-	-	2,158	2,789
50,411	19,209	27,153	118,879	215,652
-	-	-	-	(449,365)
<u>50,411</u>	<u>19,209</u>	<u>27,153</u>	<u>121,037</u>	<u>(230,924)</u>
<u>\$ 50,411</u>	<u>\$ 19,209</u>	<u>\$ 27,153</u>	<u>\$ 121,037</u>	<u>\$ 634,652</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

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

	Motor Fuel Tax	Community Development Block Grant
Revenues		
Taxes	\$ -	\$ -
Intergovernmental	1,496,114	695,354
Interest	1,339	24
Miscellaneous	16,881	102,932
Total Revenues	<u>1,514,334</u>	<u>798,310</u>
Expenditures		
Current		
Public Safety	-	-
Highways and Streets	1,867,381	-
Welfare	-	798,310
Total Expenditures	<u>1,867,381</u>	<u>798,310</u>
Net Change in Fund Balances	(353,047)	-
Fund Balances - Beginning	<u>(95,687)</u>	-
Fund Balances - Ending	<u>\$ (448,734)</u>	<u>\$ -</u>

Asset Seizure	DEA Shared Funds	DUI Fines	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ -	\$ 44,005	\$ 44,005
2,949	-	16,131	-	2,210,548
127	73	4	28	1,595
-	-	-	-	119,813
3,076	73	16,135	44,033	2,375,961
7,416	12,721	7,443	8,966	36,546
-	-	-	-	1,867,381
-	-	-	-	798,310
7,416	12,721	7,443	8,966	2,702,237
(4,340)	(12,648)	8,692	35,067	(326,276)
54,751	31,857	18,461	85,970	95,352
\$ 50,411	\$ 19,209	\$ 27,153	\$ 121,037	\$ (230,924)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,568,000	\$ 1,420,000	\$ 1,466,759
Grants	168,000	168,000	29,355
Interest	16,000	2,000	1,339
Miscellaneous	60,000	15,000	16,881
Total Revenues	<u>1,812,000</u>	<u>1,605,000</u>	<u>1,514,334</u>
Expenditures			
Highway and Streets			
Street Division	<u>2,066,302</u>	<u>1,753,102</u>	<u>1,867,381</u>
Net Change in Fund Balance	<u>\$ (254,302)</u>	<u>\$ (148,102)</u>	(353,047)
Fund Balance - Beginning			<u>(95,687)</u>
Fund Balance - Ending			<u>\$ (448,734)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Highway and Streets			
Street Maintenance			
Contractual Services	\$ 99,432	\$ 99,432	\$ 99,432
Snow Removal			
Commodities and Supplies	200,000	200,000	297,047
Traffic Control/Street Lighting			
Contractual Services	86,870	86,870	79,136
Utilities	150,000	150,000	199,807
Infrastructure	220,000	248,700	226,135
Total Traffic Control/Street Lighting	456,870	485,570	505,078
Street Improvement Projects			
Infrastructure	1,310,000	968,100	965,824
Total Expenditures	\$ 2,066,302	\$ 1,753,102	\$ 1,867,381

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Community Development Block Grant - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grant - CDBG	\$ 745,604	\$ 745,604	\$ 695,354
Interest	-	-	24
Miscellaneous			
Program Income	40,000	90,000	102,932
Total Revenues	<u>785,604</u>	<u>835,604</u>	<u>798,310</u>
Expenditures			
Welfare			
Administration	95,604	94,894	88,774
Community Programs	80,000	95,000	64,925
Neighborhood Improvements	355,000	381,816	326,572
Residential Rehabilitation	255,000	305,000	318,039
Total Expenditures	<u>785,604</u>	<u>876,710</u>	<u>798,310</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (41,106)</u>	-
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u>\$ -</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Community Development Block Grant - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Welfare			
Administration and Support			
Personal Services	\$ 61,473	\$ 61,473	\$ 60,804
Employee Benefits	22,064	21,354	21,050
Other Employee Costs	2,165	2,165	1,073
Contractual Services	8,925	8,925	5,550
Commodities and Supplies	977	977	297
Total Administration and Support	95,604	94,894	88,774
Community Programs			
Contractual Services	80,000	95,000	64,925
Neighborhood Improvements			
Capital Expenditures	355,000	381,816	326,572
Residential Rehabilitation			
Contractual Services	60,000	60,000	62,385
Other Expenditures	195,000	195,000	206,337
Capital Expenditures	-	50,000	49,317
Total Residential Rehabilitation	255,000	305,000	318,039
Total Expenditures	\$ 785,604	\$ 876,710	\$ 798,310

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Asset Seizure - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Seized Assets	\$ 10,000	\$ 10,000	\$ 2,949
Interest	2,000	2,000	127
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>3,076</u>
Expenditures			
Public Safety			
Other Employee Costs	1,000	1,000	-
Capital Expenditures	1,000	8,500	7,416
Total Expenditures	<u>2,000</u>	<u>9,500</u>	<u>7,416</u>
Net Change in Fund Balance	<u>\$ 10,000</u>	<u>\$ 2,500</u>	(4,340)
Fund Balance - Beginning			<u>54,751</u>
Fund Balance - Ending			<u>\$ 50,411</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DEA Shared Funds - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
DEA Shared Funds	\$ 1,000	\$ 1,000	\$ -
Interest	1,000	1,000	73
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>73</u>
Expenditures			
Public Safety			
Capital Expenditures	1,000	13,500	12,721
Net Change in Fund Balance	<u>\$ 1,000</u>	<u>\$ (11,500)</u>	(12,648)
Fund Balance - Beginning			<u>31,857</u>
Fund Balance - Ending			<u>\$ 19,209</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DUI Fines - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
DUI Fines	\$ 20,000	\$ 20,000	\$ 16,131
Interest	1,000	1,000	4
Total Revenues	<u>21,000</u>	<u>21,000</u>	<u>16,135</u>
Expenditures			
Public Safety			
Patrol and Traffic Enforcement			
Other Employee Costs	500	500	-
Capital Expenditures	1,000	8,500	7,443
Total Expenditures	<u>1,500</u>	<u>9,000</u>	<u>7,443</u>
Net Change in Fund Balance	<u>\$ 19,500</u>	<u>\$ 12,000</u>	8,692
Fund Balance - Beginning			<u>18,461</u>
Fund Balance - Ending			<u>\$ 27,153</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Foreign Fire Insurance - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Other Taxes			
Foreign Fire Insurance Tax	\$ 40,000	\$ 40,000	\$ 44,005
Interest	1,000	1,000	28
Total Revenues	<u>41,000</u>	<u>41,000</u>	<u>44,033</u>
Expenditures			
Public Safety			
Insurance	500	500	1,013
Contractual Services	2,000	2,000	3,670
Supplies	3,000	3,000	4,283
Equipment	10,000	10,000	-
Total Expenditures	<u>15,500</u>	<u>15,500</u>	<u>8,966</u>
Net Change in Fund Balance	<u>\$ 25,500</u>	<u>\$ 25,500</u>	35,067
Fund Balance - Beginning			<u>85,970</u>
Fund Balance - Ending			<u>\$ 121,037</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

December 31, 2009

	Capital Improvement	Downtown Redevelopment Construction	Flood Control Construction	Street Improvement Construction	Totals
ASSETS					
Cash and Investments	\$ 1,126,991	\$ 2,220,999	\$ -	\$ 13,005	\$ 3,360,995
Receivables - Net of Allowances					
Property Taxes	-	31,766	-	-	31,766
Other Taxes	262,054	-	-	310,819	572,873
Accounts	87,129	-	-	-	87,129
Due from Other Funds	25,161	-	-	4,000	29,161
Prepays	6,500	-	-	-	6,500
Total Assets	\$ 1,507,835	\$ 2,252,765	\$ -	\$ 327,824	\$ 4,088,424
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 169,898	\$ 41,671	\$ 19,663	\$ 296,624	\$ 527,856
Due to Other Funds	-	-	225,670	-	225,670
Total Liabilities	169,898	41,671	245,333	296,624	753,526
Fund Balances					
Reserved - Prepays	6,500	-	-	-	6,500
Reserved - Capital Projects	1,331,437	-	-	31,200	1,362,637
Unreserved	-	2,211,094	(245,333)	-	1,965,761
Total Fund Balances	1,337,937	2,211,094	(245,333)	31,200	3,334,898
Total Liabilities and Fund Balances	\$ 1,507,835	\$ 2,252,765	\$ -	\$ 327,824	\$ 4,088,424

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

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

	Capital Improvement	Downtown Redevelopment Construction	Flood Control Construction	Street Improvement Construction	Totals
Revenues					
Taxes					
Property Taxes	\$ -	\$ 2,276,442	\$ -	\$ -	\$ 2,276,442
Other	953,139	-	-	1,315,560	2,268,699
Licenses, Permits and Fees	-	-	76,402	-	76,402
Intergovernmental	105,878	-	-	-	105,878
Interest	2,317	1,608	170	892	4,987
Miscellaneous	31,051	1,752	-	12,256	45,059
Total Revenues	1,092,385	2,279,802	76,572	1,328,708	4,777,467
Expenditures					
Capital Outlay	756,026	372,200	734,097	2,060,369	3,922,692
Net Change in Fund Balances	336,359	1,907,602	(657,525)	(731,661)	854,775
Fund Balances - Beginning	1,001,578	303,492	412,192	762,861	2,480,123
Fund Balances - Ending	\$ 1,337,937	\$ 2,211,094	\$ (245,333)	\$ 31,200	\$ 3,334,898

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Improvement - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rules Sales Tax	\$ 1,150,000	\$ 954,000	\$ 953,139
Intergovernmental			
Grants	206,810	206,810	105,878
Interest	18,000	18,000	2,317
Miscellaneous			
Donations	-	-	31,051
Total Revenues	<u>1,374,810</u>	<u>1,178,810</u>	<u>1,092,385</u>
Expenditures			
Capital Outlay			
Village Facilities	180,000	296,300	307,777
Equipment	866,750	941,050	267,203
Public Improvements	50,000	62,800	36,733
Infrastructure	113,200	153,200	144,313
Total Expenditures	<u>1,209,950</u>	<u>1,453,350</u>	<u>756,026</u>
Net Change in Fund Balance	<u>\$ 164,860</u>	<u>\$ (274,540)</u>	336,359
Fund Balance - Beginning			<u>1,001,578</u>
Fund Balance - Ending			<u>\$ 1,337,937</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Improvement - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Village Facilities			
Other Public Buildings	\$ 120,000	\$ 192,800	\$ 86,005
Other Professional Services	60,000	103,500	221,772
Total Village Facilities	180,000	296,300	307,777
Equipment			
Digital Cameras - Park Deck	25,000	45,000	-
Civic Event Sign Replacement	35,000	35,000	-
Wireless Connectivity	-	128,500	12,587
Electronic Access System	47,000	47,000	22,937
Breathing Air Compressor	45,000	45,000	42,611
Thermal Imaging Cameras	25,000	25,000	22,522
Patrol Citation Printing Service	-	45,700	-
Evidence Lockers	28,000	28,000	19,060
Furniture Replacement	46,000	46,000	46,088
Telephone System	-	10,100	10,196
Server Virtualization	85,750	85,750	85,467
Livescan Terminals	-	-	5,735
Emergency Generator	400,000	400,000	-
Video Conferencing - Fire	110,000	-	-
Intrusion Detection	20,000	-	-
Total Equipment	866,750	941,050	267,203
Public Improvement			
Corridor Improvements	50,000	62,800	36,733
Infrastructure			
Residential Street Lights	35,000	75,000	35,302
Melas/Meadows Park Pedestrian Bridge	78,200	78,200	-
Kensington Road Turn Lanes	-	-	109,011
Total Infrastructure	113,200	153,200	144,313
Total Expenditures	\$ 1,209,950	\$ 1,453,350	\$ 756,026

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Downtown Redevelopment Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes - Other			
Tax Increment	\$ 2,640,000	\$ 2,325,000	\$ 2,276,442
Interest	35,000	2,000	1,608
Miscellaneous	-	-	1,752
Total Revenues	<u>2,675,000</u>	<u>2,327,000</u>	<u>2,279,802</u>
Expenditures			
Capital Outlay			
Public Improvements			
Contractual Services	175,000	175,000	111,963
Public Improvements	1,712,250	1,712,250	102,947
Infrastructure	35,000	38,400	157,290
Total Expenditures	<u>1,922,250</u>	<u>1,925,650</u>	<u>372,200</u>
Net Change in Fund Balance	<u>\$ 752,750</u>	<u>\$ 401,350</u>	1,907,602
Fund Balance - Beginning			<u>303,492</u>
Fund Balance - Ending			<u>\$ 2,211,094</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Downtown Redevelopment Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Public Improvements			
Contractual Services			
Audit Services	\$ 1,000	\$ 1,000	\$ 1,000
Legal Costs	50,000	50,000	40,787
Relocation	50,000	50,000	-
Other Professional Services	20,000	20,000	14,486
Streetscape Corridor Maintenance	54,000	54,000	55,690
Total Contractual Services	175,000	175,000	111,963
Public Improvements			
Property Acquisition	1,500,000	1,500,000	-
Demolition	-	-	18,035
NWE Sales Tax Rebate	152,250	152,250	84,912
Façade Program	60,000	60,000	-
Total Public Improvements	1,712,250	1,712,250	102,947
Infrastructure			
Downtown Streetscape Program	-	-	120,648
Brick Sidewalk	35,000	38,400	36,642
Total Infrastructure	35,000	38,400	157,290
Total Expenditures	\$ 1,922,250	\$ 1,925,650	\$ 372,200

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Flood Control Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Licenses, Permits and Fees	\$ 60,000	\$ 80,000	\$ 76,402
Intergovernmental	47,500	47,500	-
Interest	1,000	1,000	170
Total Revenues	<u>108,500</u>	<u>128,500</u>	<u>76,572</u>
Expenditures			
Capital Outlay			
Public Improvements			
Infrastructure	230,000	714,910	728,457
Other	5,000	5,000	5,640
Total Expenditures	<u>235,000</u>	<u>719,910</u>	<u>734,097</u>
Net Change in Fund Balance	<u>\$ (126,500)</u>	<u>\$ (591,410)</u>	(657,525)
Fund Balance - Beginning			<u>412,192</u>
Fund Balance - Ending			<u>\$ (245,333)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Flood Control Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Public Improvements			
Infrastructure			
Creek Bank Stabilization	\$ 25,000	\$ 25,000	\$ 13,725
Creek Tree Trimming	25,000	25,000	24,661
Levee 57	50,000	503,910	503,910
Drainage Improvements	130,000	161,000	186,161
	<u>230,000</u>	<u>714,910</u>	<u>728,457</u>
Other			
Residential Reimbursements	<u>5,000</u>	<u>5,000</u>	<u>5,640</u>
Total Expenditures	<u>\$ 235,000</u>	<u>\$ 719,910</u>	<u>\$ 734,097</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Street Improvement Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Other Taxes			
Home Rule Sales Tax	\$ 1,250,000	\$ 1,054,000	\$ 1,036,021
Municipal Motor Fuel Tax	270,000	270,000	279,539
Interest	10,000	10,000	892
Miscellaneous	-	-	12,256
Total Revenues	<u>1,530,000</u>	<u>1,334,000</u>	<u>1,328,708</u>
Expenditures			
Capital Outlay			
Contractual Services	450,000	485,000	229,811
Infrastructure			
Street Reconstruction	2,111,000	2,371,600	1,830,558
Total Expenditures	<u>2,561,000</u>	<u>2,856,600</u>	<u>2,060,369</u>
Net Change in Fund Balance	<u>\$ (1,031,000)</u>	<u>\$ (1,522,600)</u>	(731,661)
Fund Balance - Beginning			<u>762,861</u>
Fund Balance - Ending			<u>\$ 31,200</u>

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Water and Sewer Fund: The Water and Sewer Fund is a major fund and is used to account for the activities of the water and sewer operations. The Village operates the sewerage treatment plant, sewerage pumping stations and collection systems and the water distribution system.

Parking System Revenue Fund: The Parking System Revenue Fund is a nonmajor fund and is used to account for the provision of public parking services with fees shared with the commuter railroad. All activities are accounted for including administration, operations, maintenance and collection.

Village Parking System Fund: The Village Parking System Fund is a nonmajor fund and is used to account for the provision of Village-owned public parking services including the Village Hall parking deck and leased commuter spaces. All activities are accounted for including administration, operations, maintenance, financing, related debt service and billing and collection.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 10,238,000	\$ 10,238,000	\$ 8,500,396
Operating Expenses			
Administration and Maintenance	11,034,305	12,569,845	8,573,381
Depreciation	-	-	819,767
Total Operating Expenses	11,034,305	12,569,845	9,393,148
Operating Income (Loss)	(796,305)	(2,331,845)	(892,752)
Nonoperating Revenues (Expenses)			
Property Taxes	1,509,000	1,509,000	1,520,602
Connection Fees	16,000	16,000	16,740
Interest Income	195,000	20,300	26,482
Other Income	25,000	30,000	40,884
Disposal of Capital Assets	-	-	(863)
	1,745,000	1,575,300	1,603,845
Change in Net Assets	\$ 948,695	\$ (756,545)	711,093
Net Assets - Beginning			27,379,256
Net Assets - Ending			\$ 28,090,349

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
Water Sales	\$ 7,020,000	\$ 7,020,000	\$ 5,829,543
Sewer Fees	2,280,000	2,280,000	1,725,674
Sewer Construction Charge	786,000	786,000	785,811
Water Penalties	120,000	120,000	126,824
Water Meter Fees	10,000	10,000	13,819
Water and Sewer Taps	20,000	20,000	18,725
Miscellaneous	2,000	2,000	-
Total Operating Revenues	<u>\$ 10,238,000</u>	<u>\$ 10,238,000</u>	<u>\$ 8,500,396</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Administration and Support			
Personal Services	\$ 437,823	\$ 437,823	\$ 408,533
Employee Benefits	179,228	175,325	170,034
Other Employee Costs	34,630	49,430	24,106
Contractual Services	575,726	592,226	556,350
Utilities	76,914	76,914	41,781
Insurance	70,276	70,276	70,276
Commodities and Supplies	11,320	11,320	10,171
Capital Expenses	8,365	8,365	5,231
Total Administration and Support	1,394,282	1,421,679	1,286,482
Maintenance of Buildings			
Personal Services	125,668	125,668	131,822
Employee Benefits	45,323	43,904	45,079
Contractual Services	13,675	80,875	78,894
Utilities	12,030	12,030	4,451
Commodities and Supplies	1,090	1,090	1,166
Total Maintenance of Buildings	197,786	263,567	261,412
Maintenance of Grounds			
Personal Services	65,942	65,942	65,970
Employee Benefits	14,221	13,866	13,893
Contractual Services	15,265	15,265	14,568
Commodities and Supplies	5,630	12,380	13,755
Total Maintenance of Grounds	101,058	107,453	108,186

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Water Supply Maintenance and Repair			
Personal Services	\$ 335,347	\$ 335,347	\$ 307,241
Employee Benefits	120,395	116,634	112,446
Contractual Services	27,495	27,495	31,175
Utilities	80,000	80,000	102,846
Commodities and Supplies	24,660	24,660	18,583
Capital Expenses	65,240	32,460	24,276
Total Water Supply Maintenance and Repair	653,137	616,596	596,567
Water Distribution Maintenance and Repair			
Personal Services	333,638	333,638	309,358
Employee Benefits	88,900	86,913	83,794
Contractual Services	210,965	263,365	168,833
Commodities and Supplies	67,300	67,300	54,223
Capital Expenses	1,305	349,705	315,701
	702,108	1,100,921	931,909
Less Capital Assets Capitalized	-	-	(304,861)
Total Water Distribution Maintenance and Repair	702,108	1,100,921	627,048
Water Valve and Hydrant Maintenance			
Personal Services	218,824	218,824	219,563
Employee Benefits	72,850	70,721	71,186
Contractual Services	4,326	4,326	-
Commodities and Supplies	96,170	96,170	52,288
Total Water Valve and Hydrant Maintenance	392,170	390,041	343,037

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Water Meter Installation, Repair and Replacement			
Personal Services	\$ 159,894	\$ 159,894	\$ 167,286
Employee Benefits	50,965	49,475	50,912
Contractual Services	86,914	95,064	20,626
Commodities and Supplies	4,805	4,805	1,764
Capital Expenses	61,500	73,300	38,048
	<hr/>		
Water Meter Installation, Repair and Replacement	364,078	382,538	278,636
	<hr/>		
Equipment Maintenance			
Contractual Services	669,823	669,823	669,823
	<hr/>		
Sanitary Sewer Maintenance and Repair			
Personal Services	197,812	197,812	200,203
Employee Benefits	65,696	63,780	64,560
Contractual Services	130,965	169,965	145,451
Utilities	22,000	22,000	1,047
Commodities and Supplies	25,390	25,390	25,185
Capital Expenses	635,000	635,000	36,440
	<hr/>		
	1,076,863	1,113,947	472,886
	<hr/>		
Less Capital Assets Capitalized	-	-	(34,000)
	<hr/>		
Total Sanitary Sewer Maintenance and Repair	1,076,863	1,113,947	438,886
	<hr/>		
Water System Improvements			
Contractual Services	355,000	420,700	422,965
Capital Expenses	1,350,000	2,304,580	2,179,214
	<hr/>		
	1,705,000	2,725,280	2,602,179
	<hr/>		
Less Capital Assets Capitalized	-	-	(2,131,365)
	<hr/>		
Total Water System Improvements	1,705,000	2,725,280	470,814
	<hr/>		

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Lake Michigan Water Acquisition			
Contractual Services	\$ 3,778,000	\$ 3,778,000	\$ 3,492,490
Total Administration and Maintenance	11,034,305	12,569,845	8,573,381
Depreciation	-	-	819,767
Total Operating Expenses	\$ 11,034,305	\$ 12,569,845	\$ 9,393,148

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Net Assets - Nonmajor Enterprise Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Net Assets - Nonmajor Enterprise Funds

April 30, 2009

	Parking System Revenue	Village Parking System	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 187,812	\$ 250,609	\$ 438,421
Receivables - Net of Allowances			
Other Taxes	12,533	10,254	22,787
Due from Other Funds	275	-	275
Total Current Assets	<u>200,620</u>	<u>260,863</u>	<u>461,483</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	-	189,267	189,267
Depreciable	195,012	328,041	523,053
Accumulated Depreciation	(189,807)	(297,183)	(486,990)
Total Noncurrent Assets	<u>5,205</u>	<u>220,125</u>	<u>225,330</u>
Total Assets	<u>205,825</u>	<u>480,988</u>	<u>686,813</u>

	Parking System Revenue	Village Parking System	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	5,874	5	5,879
Accrued Payroll	223	334	557
Due to Other Funds	350,000	275	350,275
Unearned/Deferred Revenue	4,326	6,504	10,830
Total Current Liabilities	360,423	7,118	367,541
Noncurrent Liabilities			
Net Other Post-Employment Benefits Obligation Payable	-	1,480	1,480
Total Liabilities	360,423	8,598	369,021
NET ASSETS			
Invested in Capital Assets - Net of Related Debt Unrestricted	5,205 (159,803)	220,125 252,265	225,330 92,462
Total Net Assets	\$ (154,598)	\$ 472,390	\$ 317,792

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Assets - Nonmajor Enterprise Funds

Year Ended December 31, 2009

	Parking System Revenue	Village Parking System	Totals
Operating Revenues			
Charges for Services			
Parking Fees	\$ 110,302	\$ 108,433	\$ 218,735
Operating Expenses			
Administration, Maintenance and Improvements	149,773	70,142	219,915
Depreciation	6,983	6,803	13,786
Total Operating Expenses	156,756	76,945	233,701
Operating Income (Loss)	(46,454)	31,488	(14,966)
Nonoperating Revenues			
Home Rule Sales Tax	45,585	37,297	82,882
Interest Income	86	78	164
	45,671	37,375	83,046
Change in Net Assets	(783)	68,863	68,080
Net Assets - Beginning	(153,815)	403,527	249,712
Net Assets - Ending	\$ (154,598)	\$ 472,390	\$ 317,792

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

Year Ended December 31, 2009

	Parking System Revenue	Village Parking System	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 110,000	\$ 108,303	\$ 218,303
Payments to Suppliers	(123,895)	(48,706)	(172,601)
Payments to Employees	(30,746)	(18,471)	(49,217)
	<u>(44,641)</u>	<u>41,126</u>	<u>(3,515)</u>
Cash Flows from Noncapital Financing Activities			
Other Income	45,585	37,297	82,882
Cash Flows from Investing Activities			
Interest Received	86	78	164
Net Change in Cash and Cash Equivalents	1,030	78,501	79,531
Cash and Cash Equivalents - Beginning of Year	186,782	172,108	358,890
Cash and Cash Equivalents - End of Year	<u>\$ 187,812</u>	<u>\$ 250,609</u>	<u>\$ 438,421</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.			
Operating Income (Loss)	\$ (46,454)	\$ 31,488	\$ (14,966)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities.			
Depreciation and Amortization Expense	6,983	6,803	13,786
Increase (Decrease) in Current Assets	(302)	(130)	(432)
Increase (Decrease) in Current Liabilities	(4,868)	2,965	(1,903)
Net Cash Provided by Operating Activities	<u>\$ (44,641)</u>	<u>\$ 41,126</u>	<u>\$ (3,515)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Parking System Revenue - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees			
Parking Fees - Lot A	\$ 58,000	\$ 58,000	\$ 59,681
Parking Fees - Lot C	47,000	47,000	50,621
Total Operating Revenues	<u>105,000</u>	<u>105,000</u>	<u>110,302</u>
Operating Expenses			
Administration, Maintenance and Improvements	143,019	143,648	149,773
Depreciation	-	-	6,983
Total Operating Expenses	<u>143,019</u>	<u>143,648</u>	<u>156,756</u>
Operating Income (Loss)	<u>(38,019)</u>	<u>(38,648)</u>	<u>(46,454)</u>
Nonoperating Revenues			
Home Rule Sales Tax	55,000	55,000	45,585
Interest Income	1,000	1,000	86
	<u>56,000</u>	<u>56,000</u>	<u>45,671</u>
Change in Net Assets	<u>\$ 17,981</u>	<u>\$ 17,352</u>	(783)
Net Assets - Beginning			<u>(153,815)</u>
Net Assets - Ending			<u>\$ (154,598)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Parking System Revenue - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 19,277	\$ 19,277	\$ 30,746
Employee Benefits	7,602	7,347	8,792
Contractual Services	99,878	100,762	99,333
Utilities	6,037	6,037	6,959
Insurance	639	639	639
Commodities and Supplies	9,586	9,586	3,304
Total Administration, Maintenance and Improvements	143,019	143,648	149,773
Depreciation	-	-	6,983
Total Operating Expenses	\$ 143,019	\$ 143,648	\$ 156,756

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Village Parking System - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees			
Rental Fees	\$ 6,000	\$ 6,000	\$ -
Parking Fees - Lot D	103,000	103,000	99,118
Space Rent - Wille Street Lot	5,000	5,000	9,315
Total Operating Revenues	<u>114,000</u>	<u>114,000</u>	<u>108,433</u>
Operating Expenses			
Administration, Maintenance and Improvements	123,654	131,101	70,142
Depreciation	-	-	6,803
Total Operating Expenses	<u>123,654</u>	<u>131,101</u>	<u>76,945</u>
Operating Income (Loss)	<u>(9,654)</u>	<u>(17,101)</u>	<u>31,488</u>
Nonoperating Revenues			
Home Rule Sales Tax	45,000	45,000	37,297
Interest Income	2,000	2,000	78
	<u>47,000</u>	<u>47,000</u>	<u>37,375</u>
Change in Net Assets	<u>\$ 37,346</u>	<u>\$ 29,899</u>	68,863
Net Assets - Beginning			<u>403,527</u>
Net Assets - Ending			<u>\$ 472,390</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Village Parking System - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 28,916	\$ 28,916	\$ 18,471
Employee Benefits	11,408	11,025	9,726
Contractual Services	75,315	76,645	40,939
Insurance	959	959	959
Commodities and Supplies	500	500	47
Capital Expenditures	6,556	13,056	-
Total Administration, Maintenance and Improvements	123,654	131,101	70,142
Depreciation	-	-	6,803
Total Operating Expenses	\$ 123,654	\$ 131,101	\$ 76,945

INTERNAL SERVICE FUNDS

Computer Replacement Fund: The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds.

Risk Management Fund: The Risk Management Fund is used to account for the servicing and payment of claims for liability, property, casualty coverage, workers' compensation and medical benefits. Financing is being provided by charges in the various Village funds.

Vehicle Replacement Fund: The Vehicle Replacement Fund is used to account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, Water and Sewer, Parking System Revenue and Refuse Disposal Funds.

Vehicle Maintenance Fund: The Vehicle Maintenance Fund is used to account for the maintenance and repair of all Village vehicles except Fire Department vehicles. Financing is being provided by charges to various Village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Net Assets - Internal Service Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Net Assets - Internal Service Funds

December 31, 2009

		<u>Computer Replacement</u>
ASSETS		
Current Assets		
Cash and Investments		\$ 847,699
Receivables - Net of Allowances		
Other Taxes		-
Accrued Interest		-
Other		-
Due from Other Funds		-
Prepays		-
Inventories		-
Total Current Assets		<u>847,699</u>
Noncurrent Assets		
Capital Assets		
Depreciable		-
Accumulated Depreciation		<u>-</u>
		-
Other Assets		
Deposits - Insurance		<u>-</u>
Total Noncurrent Assets		<u>-</u>
Total Assets		<u>847,699</u>
LIABILITIES		
Current Liabilities		
Accounts Payable		-
Accrued Payroll		-
Claims Payable		-
Due to Other Funds		-
Compensated Absences Payable		<u>-</u>
Total Current Liabilities		<u>-</u>
Long-Term Liabilities		
Compensated Absences Payable		-
Net Other Post-Employment Benefits Obligation Payable		<u>-</u>
Total Long-Term Liabilities		<u>-</u>
Total Liabilities		<u>-</u>
NET ASSETS		
Invested in Capital Assets - Net of Related Debt		-
Unrestricted		<u>847,699</u>
Total Net Assets		<u>\$ 847,699</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 2,881,093	\$ 6,057,582	\$ 563,924	\$ 10,350,298
-	-	8,948	8,948
12	2	1	15
120,982	9,676	864	131,522
-	-	8,937	8,937
24,665	259,000	14	283,679
-	-	377,182	377,182
3,026,752	6,326,260	959,870	11,160,581
-	11,951,869	191,020	12,142,889
-	(7,160,973)	(157,260)	(7,318,233)
-	4,790,896	33,760	4,824,656
695,189	-	-	695,189
695,189	4,790,896	33,760	5,519,845
3,721,941	11,117,156	993,630	16,680,426
16,626	6,965	48,967	72,558
-	-	18,456	18,456
1,423,844	-	-	1,423,844
-	1,682	-	1,682
-	-	30,093	30,093
1,440,470	8,647	97,516	1,546,633
-	-	120,371	120,371
-	-	3,912	3,912
-	-	124,283	124,283
1,440,470	8,647	221,799	1,670,916
-	4,790,896	33,760	4,824,656
2,281,471	6,317,613	738,071	10,184,854
\$ 2,281,471	\$ 11,108,509	\$ 771,831	\$ 15,009,510

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Year Ended December 31, 2009

	<u>Computer Replacement</u>
Operating Revenues	
Charges for Services	\$ 195,281
Contributions	-
Miscellaneous	-
Total Operating Revenues	<u>195,281</u>
Operating Expenses	
Administration and Maintenance	151,579
Insurance and Claims	-
Depreciation	-
Total Operating Expenses	<u>151,579</u>
Operating Income (Loss)	<u>43,702</u>
Nonoperating Revenues	
Interest Income	2,480
Disposal of Capital Assets	-
	<u>2,480</u>
Change in Net Assets	46,182
Net Assets - Beginning	<u>801,517</u>
Net Assets - Ending	<u>\$ 847,699</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 5,211,046	\$ 936,612	\$ 1,883,231	\$ 8,226,170
1,019,264	-	-	1,019,264
1,306	-	692	1,998
6,231,616	936,612	1,883,923	9,247,432
294,818	-	1,757,395	2,203,792
6,076,544	-	-	6,076,544
-	859,943	10,110	870,053
6,371,362	859,943	1,767,505	9,150,389
(139,746)	76,669	116,418	97,043
13,904	32,500	1,767	50,651
-	229,343	-	229,343
13,904	261,843	1,767	279,994
(125,842)	338,512	118,185	377,037
2,407,313	10,769,997	653,646	14,632,473
\$ 2,281,471	\$ 11,108,509	\$ 771,831	\$ 15,009,510

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Combining Statement of Cash Flows - Internal Service Funds

Year Ended December 31, 2009

	<u>Computer Replacement</u>
Cash Flows from Operating Activities	
Interfund Services Provided	\$ 195,562
Payment to Suppliers	(151,579)
Payment to Employees	
	<u>43,983</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>-</u>
Cash Flows from Investing Activities	
Interest Received	<u>2,480</u>
Net Change in Cash and Cash Equivalents	46,463
Cash and Cash Equivalents - Beginning	<u>801,236</u>
Cash and Cash Equivalents - Ending	<u>\$ 847,699</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ 43,702
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities	
Depreciation	-
(Increase) Decrease in Current Assets	281
Increase (Decrease) in Current Liabilities	<u>-</u>
Net Cash Provided by Operating Activities	<u>\$ 43,983</u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
\$ 6,215,025	\$ 689,720	\$ 1,882,147	\$ 8,982,454
(6,294,846)	(9,804)	(939,491)	(7,395,720)
-	-	(837,955)	(837,955)
(79,821)	679,916	104,701	748,779
-	(1,480,937)	-	(1,480,937)
13,904	32,500	1,767	50,651
(65,917)	(768,521)	106,468	(681,507)
2,947,010	6,826,103	457,456	11,031,805
\$ 2,881,093	\$ 6,057,582	\$ 563,924	\$ 10,350,298
\$ (139,746)	\$ 76,669	\$ 116,418	\$ 97,043
-	859,943	10,110	870,053
(16,591)	(246,892)	(1,776)	(264,978)
76,516	(9,804)	(20,051)	46,661
\$ (79,821)	\$ 679,916	\$ 104,701	\$ 748,779

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Computer Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
General Fund	\$ 177,791	\$ 177,791	\$ 177,791
Refuse Disposal Fund	570	570	570
Water and Sewer Fund	14,641	14,641	14,641
Vehicle Maintenance Fund	2,279	2,279	2,279
Total Operating Revenues	195,281	195,281	195,281
Operating Expenses			
Administration			
Capital Outlay	188,150	188,150	151,579
Operating Income	7,131	7,131	43,702
Nonoperating Revenues			
Interest Income	25,000	2,500	2,480
Change in Net Assets	\$ 32,131	\$ 9,631	46,182
Net Assets - Beginning			801,517
Net Assets - Ending			\$ 847,699

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 5,414,404	\$ 5,224,837	\$ 5,211,046
Contributions	1,169,152	1,011,500	1,019,264
Miscellaneous	10,000	2,000	1,306
Total Operating Revenues	<u>6,593,556</u>	<u>6,238,337</u>	<u>6,231,616</u>
Operating Expenses			
Administration	366,242	366,242	294,818
Insurance and Claims	6,318,094	6,574,915	6,076,544
Total Operating Expenses	<u>6,684,336</u>	<u>6,941,157</u>	<u>6,371,362</u>
Operating Income (Loss)	(90,780)	(702,820)	(139,746)
Nonoperating Revenues			
Interest Income	<u>90,000</u>	<u>15,000</u>	<u>13,904</u>
Change in Net Assets	<u>\$ (780)</u>	<u>\$ (687,820)</u>	(125,842)
Net Assets - Beginning			<u>2,407,313</u>
Net Assets - Ending			<u>\$ 2,281,471</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund	\$ 4,271,124	\$ 4,026,719	\$ 4,016,560
Refuse Disposal Fund	58,912	58,912	57,067
Community Development Block Grant Fund	12,559	12,559	11,849
Water and Sewer Fund	410,239	394,203	393,279
Parking Fund	12,799	12,799	12,161
Vehicle Maintenance Fund	121,791	139,645	139,607
Library	526,980	580,000	580,523
Total Charges for Services	5,414,404	5,224,837	5,211,046
Contributions			
Employee	446,196	430,000	428,480
Retiree	718,444	575,000	584,692
Flexcomp	4,512	6,500	6,092
Total Contributions	1,169,152	1,011,500	1,019,264
Miscellaneous - Other Reimbursements	10,000	2,000	1,306
Total Operating Revenues	\$ 6,593,556	\$ 6,238,337	\$ 6,231,616

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Administration			
Casualty and Property Program			
Claims Administration	\$ 30,000	\$ 30,000	\$ 25,509
Other Contractual Services	42,500	42,500	500
	<u>72,500</u>	<u>72,500</u>	<u>26,009</u>
Medical Program			
Claims Administration	293,742	293,742	268,809
	<u>366,242</u>	<u>366,242</u>	<u>294,818</u>
Insurance and Claims			
Casualty and Property Program			
Property Insurance	87,000	87,000	83,086
HELP Excess Liability Insurance	76,500	76,500	73,305
Workers' Compensation Insurance	50,000	50,000	53,592
Faithful Performance Insurance	2,500	2,500	2,423
Surety Bonds	2,000	2,000	1,950
Other Insurance	200	200	144
Property Claims	5,000	5,000	-
Liability Claims	100,000	341,951	474,686
Workers' Compensation Claims	515,000	515,000	465,424
Auto Claims	25,000	25,000	15,908
Village Property Claims	20,000	20,000	15,943
Unemployment Compensation Claims	10,000	10,000	-
Tree Hazard Study	11,500	11,500	4,200
Builder's Risk Insurance	-	14,870	14,870
Other Claims	2,000	2,000	892
	<u>906,700</u>	<u>1,163,521</u>	<u>1,206,423</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Insurance and Claims - Continued			
Medical Program			
Medical Expense - HMO Plan	\$ 1,483,717	\$ 1,483,717	\$ 1,413,349
Medical Expense - Indemnity Plan	3,887,592	3,887,592	3,405,938
Other Medical Claims	3,000	3,000	16,706
Life Insurance	35,585	35,585	34,128
Disability Insurance	1,500	1,500	-
	<u>5,411,394</u>	<u>5,411,394</u>	<u>4,870,121</u>
 Total Insurance and Claims	 <u>6,318,094</u>	 <u>6,574,915</u>	 <u>6,076,544</u>
 Total Operating Expenses	 <u>\$ 6,684,336</u>	 <u>\$ 6,941,157</u>	 <u>\$ 6,371,362</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 899,700	\$ 924,700	\$ 936,612
Operating Expenses			
Administration	2,018,900	2,535,500	-
Depreciation	-	-	859,943
Total Operating Expenses	2,018,900	2,535,500	859,943
Operating Income (Loss)	(1,119,200)	(1,610,800)	76,669
Nonoperating Revenues			
Interest Income	200,000	33,000	32,500
Disposal of Capital Assets	60,000	388,000	229,343
	260,000	421,000	261,843
Change in Net Assets	\$ (859,200)	\$ (1,189,800)	338,512
Net Assets - Beginning			10,769,997
Net Assets - Ending			\$ 11,108,509

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Mayor and Board	\$ 900	\$ 900	\$ 900
Manager's Office	8,000	8,000	8,000
Television Services Division	2,600	2,600	2,600
Community Development - Planning	1,500	1,500	1,500
Community Development - Code Enforcement	6,100	6,100	6,100
Community Development - Housing	12,300	12,300	14,200
Community Development - Health	1,500	1,500	1,500
Human Services Department	700	700	700
Police Department	109,600	109,600	109,600
Fire Department	238,800	238,800	238,800
Public Works Department	286,900	286,900	286,900
Engineering Division	11,800	11,800	11,800
Water and Sewer Fund	209,100	209,100	209,100
Parking System Fund	4,000	4,000	4,000
Village Parking Fund	5,900	5,900	5,900
Other Fees	-	25,000	35,012
Total Operating Revenues	<u>\$ 899,700</u>	<u>\$ 924,700</u>	<u>\$ 936,612</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Administration			
Capital Outlay	\$ 2,018,900	\$ 2,535,500	\$ 1,896,462
Less Capital Assets Capitalized	-	-	(1,896,462)
Total Administration	2,018,900	2,535,500	-
Depreciation	-	-	859,943
Total Operating Expenses	\$ 2,018,900	\$ 2,535,500	\$ 859,943

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,656,682	\$ 1,656,682	\$ 1,883,231
Miscellaneous Income	-	-	692
Total Operating Revenues	<u>1,656,682</u>	<u>1,656,682</u>	<u>1,883,923</u>
Operating Expenses			
Administration and Maintenance	1,671,682	1,972,750	1,757,395
Depreciation	-	-	10,110
Total Operating Expenses	<u>1,671,682</u>	<u>1,972,750</u>	<u>1,767,505</u>
Operating Income (Loss)	(15,000)	(316,068)	116,418
Nonoperating Revenues			
Interest Income	<u>15,000</u>	<u>15,000</u>	<u>1,767</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ (301,068)</u>	118,185
Net Assets - Beginning			<u>653,646</u>
Net Assets - Ending			<u>\$ 771,831</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Mayor and Board	\$ 2,982	\$ 2,982	\$ 2,982
Manager's Office	2,982	2,982	2,982
Television Services Division	2,982	2,982	2,982
Community Development - Planning	2,982	2,982	2,982
Community Development - Code Enforcement	12,425	12,425	12,425
Community Development - Housing	20,709	20,709	20,709
Community Development - Health	2,982	2,982	2,982
Human Services Department	2,982	2,982	2,982
Police Department	499,490	499,490	499,490
Fire Department	-	-	226,549
Public Works Department	607,505	607,505	607,505
Engineering Division	28,992	28,992	28,992
Water and Sewer Fund	460,723	460,723	460,723
Parking System Fund	4,473	4,473	4,473
Village Parking Fund	4,473	4,473	4,473
Total Charges for Services	1,656,682	1,656,682	1,883,231
Miscellaneous Income	-	-	692
Total Operating Revenue	\$ 1,656,682	\$ 1,656,682	\$ 1,883,923

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Vehicle Division Administration			
Personal Services	\$ 120,906	\$ 122,306	\$ 108,614
Employee Benefits	53,763	53,053	51,089
Other Employee Costs	2,315	2,315	2,706
Contractual Services	9,434	9,434	8,496
Utilities	1,090	1,090	970
Commodities and Supplies	1,572	1,572	345
Office Equipment	545	545	-
Total Vehicle Division Administration	189,625	190,315	172,220
Vehicle Maintenance Program			
Personal Services	617,000	751,946	729,341
Employee Benefits	185,509	226,041	222,028
Contractual Services	78,583	108,983	93,878
Commodities and Supplies	597,465	691,965	538,479
Other Equipment	3,500	3,500	1,449
Total Vehicle Maintenance Program	1,482,057	1,782,435	1,585,175
Total Administration and Maintenance	1,671,682	1,972,750	1,757,395
Depreciation	-	-	10,110
Total Operating Expenses	\$ 1,671,682	\$ 1,972,750	\$ 1,767,505

FIDUCIARY FUNDS

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund: The Police Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

Firefighters' Pension Fund: The Firefighters' Pension Fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by the following: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

AGENCY FUND

Escrow Deposit Fund: The Escrow Deposit Fund is used to account for refundable deposits held by the Village to ensure the completion of public improvements. The money is held by the Village until the improvements are completed.

Flexcomp Escrow Fund: The Flexcomp Escrow Fund is used to account for employee payroll deductions pursuant to Section 125 and Section 132 flexible compensation plans. The money is reimbursed to employees for qualified medical and dependent care expenses, parking and transportation expenses.

Special Service Area Fund: The Special Service Area Fund is used to account for the accumulation of resources for debt service payments for Special Service Area No. 6.

Library Bonds Escrow Fund: The Library Bonds Escrow Fund is used to account for the accumulation of resources for the 2002 Library bond issue payments.

VILLAGE OF MOUNT PROSPECT, ILLINOIS**Pension Trust Funds****Combining Statement of Net Plan Assets
December 31, 2009**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 3,896,745	\$ 1,842,654	\$ 5,739,399
Investments			
State and Local Obligations	2,198,378	2,591,698	4,790,076
U.S. Government and Agency Obligations	16,133,662	18,433,596	34,567,258
Mutual Funds	18,615,233	17,706,636	36,321,869
Accrued Interest Receivable	165,141	210,661	375,802
Prepays	314	339	653
Due from Other Funds	24,530	22,906	47,436
Total Assets	41,034,003	40,808,490	81,842,493
LIABILITIES			
Accounts Payable	13,523	7,740	21,263
NET ASSETS			
Held in Trust for Pension Benefits	\$ 41,020,480	\$ 40,800,750	\$ 81,821,230

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Trust Funds

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

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,565,009	\$ 1,538,564	\$ 3,103,573
Contributions - Plan Members	727,110	579,755	1,306,865
Total Contributions	2,292,119	2,118,319	4,410,438
Investment Income			
Interest Earned	1,047,184	1,167,888	2,215,072
Net Change in Fair Value	4,514,705	3,824,080	8,338,785
	5,561,889	4,991,968	10,553,857
Less Investment Expenses	(90,447)	(95,647)	(186,094)
Net Investment Income	5,471,442	4,896,321	10,367,763
Total Additions	7,763,561	7,014,640	14,778,201
Deductions			
Administration	40,337	25,715	66,052
Benefits and Refunds	2,965,687	2,870,031	5,835,718
Total Deductions	3,006,024	2,895,746	5,901,770
Change in Net Assets	4,757,537	4,118,894	8,876,431
Net Assets - Beginning	36,262,943	36,681,856	72,944,799
Net Assets - Ending	\$ 41,020,480	\$ 40,800,750	\$ 81,821,230

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension - Pension Trust Fund

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

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,563,500	\$ 1,563,500	\$ 1,565,009
Contributions - Plan Members	710,000	710,000	727,110
Total Contributions	<u>2,273,500</u>	<u>2,273,500</u>	<u>2,292,119</u>
Investment Income			
Interest Earned	1,422,000	934,000	1,047,184
Net Change in Fair Value	1,271,000	3,125,000	4,514,705
	<u>2,693,000</u>	<u>4,059,000</u>	<u>5,561,889</u>
Less Investment Expenses	(90,000)	(94,000)	(90,447)
Net Investment Income	<u>2,603,000</u>	<u>3,965,000</u>	<u>5,471,442</u>
Total Additions	<u>4,876,500</u>	<u>6,238,500</u>	<u>7,763,561</u>
Deductions			
Administration	50,500	50,500	40,337
Benefits and Refunds	2,853,000	3,013,000	2,965,687
Total Deductions	<u>2,903,500</u>	<u>3,063,500</u>	<u>3,006,024</u>
Change in Net Assets	<u>\$ 1,973,000</u>	<u>\$ 3,175,000</u>	4,757,537
Net Assets - Beginning			<u>36,262,943</u>
Net Assets - Ending			<u>\$ 41,020,480</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Firefighters' Pension - Pension Trust Fund

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

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,549,300	\$ 1,549,300	\$ 1,538,564
Contributions - Plan Members	567,000	567,000	579,755
Total Contributions	<u>2,116,300</u>	<u>2,116,300</u>	<u>2,118,319</u>
Investment Income			
Interest Earned	1,590,000	964,000	1,167,888
Net Change in Fair Value	1,274,000	2,450,000	3,824,080
	<u>2,864,000</u>	<u>3,414,000</u>	<u>4,991,968</u>
Less Investment Expenses	(97,000)	(97,000)	(95,647)
Net Investment Income	<u>2,767,000</u>	<u>3,317,000</u>	<u>4,896,321</u>
Total Additions	<u>4,883,300</u>	<u>5,433,300</u>	<u>7,014,640</u>
Deductions			
Administration	50,500	50,500	25,715
Benefits and Refunds	2,804,000	2,873,000	2,870,031
Total Deductions	<u>2,854,500</u>	<u>2,923,500</u>	<u>2,895,746</u>
Change in Net Assets	<u>\$ 2,028,800</u>	<u>\$ 2,509,800</u>	4,118,894
Net Assets - Beginning			<u>36,681,856</u>
Net Assets - Ending			<u>\$ 40,800,750</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Agency Funds

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

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ 1,816,941	\$ 3,130,994	\$ 3,535,959	\$ 1,411,976
LIABILITIES				
Deposits Payable	\$ 1,760,775	\$ 1,428,420	\$ 1,889,411	\$ 1,299,784
Due to Other Funds	47,778	76,030	12,204	111,604
Other Liabilities	3,951	-	3,560	391
Due to Bondholders	3,549	7	3,556	-
Due to Library	888	1,630,093	1,630,784	197
Total Liabilities	\$ 1,816,941	\$ 3,134,550	\$ 3,539,515	\$ 1,411,976
Escrow Deposit Fund				
ASSETS				
Cash and Investments	\$ 1,733,935	\$ 1,125,197	\$ 1,524,613	\$ 1,334,519
LIABILITIES				
Deposits Payable	\$ 1,729,927	\$ 1,065,664	\$ 1,521,053	\$ 1,274,538
Due to Other Funds	57	59,533	-	59,590
Other Liabilities	3,951	-	3,560	391
Total Liabilities	\$ 1,733,935	\$ 1,125,197	\$ 1,524,613	\$ 1,334,519

	Beginning Balances	Additions	Deductions	Ending Balances
Flexcomp Escrow Fund				
ASSETS				
Cash and Investments	\$ 78,569	\$ 375,697	\$ 380,562	\$ 73,704
LIABILITIES				
Deposits Payable	\$ 30,848	\$ 362,756	\$ 368,358	\$ 25,246
Due to Other Funds	47,721	12,941	12,204	48,458
Total Liabilities	\$ 78,569	\$ 375,697	\$ 380,562	\$ 73,704
Special Service Areas Fund				
ASSETS				
Cash and Investments	\$ 3,549	\$ 7	\$ -	\$ 3,556
LIABILITIES				
Due to Other Funds	\$ -	\$ 3,556	\$ -	\$ 3,556
Due to Bondholders	3,549	7	3,556	-
Total Liabilities	\$ 3,549	\$ 3,563	\$ 3,556	\$ 3,556
Library Bonds Escrow Fund				
ASSETS				
Cash and Investments	\$ 888	\$ 1,630,093	\$ 1,630,784	\$ 197
LIABILITIES				
Due to Library	\$ 888	\$ 1,630,093	\$ 1,630,784	\$ 197

SUPPLEMENTAL SCHEDULES



VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of General Long-Term Debt - Long-Term Debt Payable by Governmental Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of General Long-Term Debt

Long-Term Debt Payable by Governmental Funds
December 31, 2009

	General Obligation Bonds of 2003	General Obligation Bonds of 2009	General Obligation Refunding Bonds of 2009B
AMOUNTS TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG- TERM DEBT			
	\$ 8,890,000	\$ 9,800,000	\$ 3,430,000
GENERAL LONG-TERM DEBT PAYABLE			
General Obligation Bonds Payable	\$ 8,890,000	\$ 9,800,000	\$ 3,430,000
IEPA Flood Loan Contracts Payable	-	-	-
Compensated Absences Payable	-	-	-
Net Other Post-Employment Benefits Obligation	-	-	-
Net Pension Obligation	-	-	-
	<u>\$ 8,890,000</u>	<u>\$ 9,800,000</u>	<u>\$ 3,430,000</u>

Taxable General Obligation Bonds of 2009C	IEPA Flood Loans	Net Pension Obligation	Net Other Post- Employment Benefits Obligation	Compensated Absences	Totals
\$ 2,650,000	\$ 3,305,459	\$ 338,789	\$ 404,191	\$ 3,123,711	\$ 31,942,150
\$ 2,650,000	\$ -	\$ -	\$ -	\$ -	\$ 24,770,000
-	3,305,459	-	-	-	3,305,459
-	-	-	-	3,123,711	3,123,711
-	-	-	404,191	-	404,191
-	-	338,789	-	-	338,789
\$ 2,650,000	\$ 3,305,459	\$ 338,789	\$ 404,191	\$ 3,123,711	\$ 31,942,150

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Bonds, Series 2003

December 31, 2009

Date of Issue	February 1, 2003
Date of Maturity	December 1, 2022
Authorized Issue	\$12,235,000
Denomination of Bonds	\$5,000
Interest Rate	3.25% - 4.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank One

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2009	0670-0775	\$ 530,000	\$ 382,058	\$ 912,058	2010	\$ 191,029	2010	\$ 191,029
2010	0776-0885	550,000	363,508	913,508	2011	181,754	2011	181,754
2011	0886-0999	570,000	342,882	912,882	2012	171,441	2012	171,441
2012	1000-1118	595,000	320,082	915,082	2013	160,041	2013	160,041
2013	1119-1241	615,000	296,282	911,282	2014	148,141	2014	148,141
2014	1242-1370	645,000	271,682	916,682	2015	135,841	2015	135,841
2015	1371-1504	670,000	245,075	915,075	2016	122,537	2016	122,538
2016	1505-1644	700,000	216,600	916,600	2017	108,300	2017	108,300
2017	1645-1790	730,000	185,975	915,975	2018	92,987	2018	92,988
2018	1791-1943	765,000	153,125	918,125	2019	76,562	2019	76,563
2019	1944-2103	800,000	118,700	918,700	2020	59,350	2020	59,350
2020	2104-2271	840,000	81,700	921,700	2021	40,850	2021	40,850
2021	2272-2447	880,000	41,800	921,800	2022	20,900	2022	20,900
		<u>\$ 8,890,000</u>	<u>\$ 3,019,469</u>	<u>\$ 11,909,469</u>	<u>\$ 1,509,733</u>		<u>\$ 1,509,736</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Bonds, Series 2009

December 31, 2009

Date of Issue	March 11, 2009
Date of Maturity	December 1, 2028
Authorized Issue	\$10,000,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2009	-	\$ -	\$ 417,262	\$ 417,262	2010	\$ 208,631	2010	\$ 208,631
2010	-	-	417,262	417,262	2011	208,631	2011	208,631
2011	-	-	417,262	417,262	2012	208,631	2012	208,631
2012	-	-	417,262	417,262	2013	208,631	2013	208,631
2013	-	-	417,262	417,262	2014	208,631	2014	208,631
2014	-	-	417,262	417,262	2015	208,631	2015	208,631
2015	-	-	417,262	417,262	2016	208,631	2016	208,631
2016	-	-	417,262	417,262	2017	208,631	2017	208,631
2017	-	-	417,262	417,262	2018	208,631	2018	208,631
2018	-	-	417,262	417,262	2019	208,631	2019	208,631
2019	-	-	417,262	417,262	2020	208,631	2020	208,631
2020	-	-	417,262	417,262	2021	208,631	2021	208,631
2021	-	-	417,262	417,262	2022	208,631	2022	208,631
2022	41-247	1,035,000	417,262	1,452,262	2023	208,631	2023	208,631
2023	248-559	1,560,000	375,864	1,935,864	2024	187,932	2024	187,932
2024	560-889	1,650,000	313,464	1,963,464	2025	156,732	2025	156,732
2025	890-1239	1,750,000	244,164	1,994,164	2026	122,082	2026	122,082
2026	1240-1609	1,850,000	168,914	2,018,914	2027	84,457	2027	84,457
2027	1610-2000	1,955,000	87,976	2,042,976	2028	43,988	2028	43,988
		<u>\$ 9,800,000</u>	<u>\$ 7,032,050</u>	<u>\$ 16,832,050</u>	<u>\$ 3,516,025</u>		<u>\$ 3,516,025</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds, Series 2009B
December 31, 2009

Date of Issue	December 22, 2009
Date of Maturity	December 1, 2018
Authorized Issue	\$3,430,000
Denomination of Bonds	\$5,000
Interest Rate	2.50% - 3.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2009	-	\$ -	\$ 99,440	\$ 99,440	2010	\$ 46,640	2010	\$ 52,800
2010	1-46	230,000	105,600	335,600	2011	52,800	2011	52,800
2011	47-102	280,000	99,850	379,850	2012	49,925	2012	49,925
2012	103-159	285,000	92,850	377,850	2013	46,425	2013	46,425
2013	160-218	295,000	85,725	380,725	2014	42,862	2014	42,863
2014	219-279	305,000	78,350	383,350	2015	39,175	2015	39,175
2015	280-342	315,000	70,725	385,725	2016	35,362	2016	35,363
2016	343-406	320,000	61,275	381,275	2017	30,637	2017	30,638
2017	407-472	330,000	51,675	381,675	2018	25,837	2018	25,838
2018	472-540	340,000	40,125	380,125	2019	20,062	2019	20,063
2019	541-612	360,000	27,375	387,375	2020	13,687	2020	13,688
2020	613-686	370,000	13,875	383,875	2021	6,937	2021	6,938
		<u>\$ 3,430,000</u>	<u>\$ 826,865</u>	<u>\$ 4,256,865</u>	<u>\$ 410,349</u>		<u>\$ 416,516</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Long-Term Debt Requirements

**Taxable General Obligation Bonds, Series 2009C
December 31, 2009**

Date of Issue	December 22, 2009
Date of Maturity	December 1, 2029
Authorized Issue	\$2,650,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 5.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2009	-	\$ -	\$ 127,146	\$ 127,146	2010	\$ 59,635	2010	\$ 67,511
2010	-	-	135,023	135,023	2011	67,511	2011	67,512
2011	-	-	135,022	135,022	2012	67,511	2012	67,511
2012	-	-	135,023	135,023	2013	67,512	2013	67,511
2013	1-5	25,000	135,023	160,023	2014	67,511	2014	67,512
2014	6-13	40,000	134,272	174,272	2015	67,136	2015	67,136
2015	14-24	55,000	132,933	187,933	2016	66,467	2016	66,466
2016	24-39	75,000	130,842	205,842	2017	65,421	2017	65,421
2017	40-58	95,000	127,655	222,655	2018	63,828	2018	63,827
2018	59-82	120,000	123,380	243,380	2019	61,690	2019	61,690
2019	83-110	140,000	118,100	258,100	2020	59,050	2020	59,050
2020	111-142	160,000	111,520	271,520	2021	55,760	2021	55,760
2021	143-242	500,000	104,000	604,000	2022	52,000	2022	52,000
2022	243-330	440,000	79,500	519,500	2023	39,750	2023	39,750
2023	-	-	57,500	57,500	2024	28,750	2024	28,750
2024	-	-	57,500	57,500	2025	28,750	2025	28,750
2025	-	-	57,500	57,500	2026	28,750	2026	28,750
2026	-	-	57,500	57,500	2027	28,750	2027	28,750
2027	-	-	57,500	57,500	2028	28,750	2028	28,750
2028	331-530	1,000,000	57,500	1,057,500	2029	28,750	2029	28,750
		<u>\$ 2,650,000</u>	<u>\$ 2,074,439</u>	<u>\$ 4,724,439</u>	<u>\$ 1,033,282</u>		<u>\$ 1,041,157</u>	

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0856) Contract Payable of 1994
December 31, 2009**

Date of Issue	January 12, 1994
Date of Maturity	July 12, 2013
Authorized Issue	\$558,474
Interest Rate	3.36%
Interest Dates	January 12 and July 12
Principal Maturity Dates	January 12 and July 12
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2010	32-33	\$ 34,675	\$ 4,613	\$ 39,288
2011	34-35	35,850	3,440	39,290
2012	36-37	37,065	2,223	39,288
2013	38-39	38,320	970	39,290
		<u>\$ 145,910</u>	<u>\$ 11,246</u>	<u>\$ 157,156</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0744) Contract Payable of 1994
December 31, 2009**

Date of Issue	May 1, 1994
Date of Maturity	May 1, 2014
Authorized Issue	\$3,695,354
Interest Rate	3.36%
Interest Dates	May 1 and November 1
Principal Maturity Dates	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2010	32-33	\$ 222,644	\$ 33,860	\$ 256,504
2011	34-35	230,187	26,319	256,506
2012	36-37	237,986	18,520	256,506
2013	38-39	246,050	10,456	256,506
2014	40	126,134	2,119	128,253
		<u>\$ 1,063,001</u>	<u>\$ 91,274</u>	<u>\$ 1,154,275</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0857) Contract Payable of 1994
December 31, 2009**

Date of Issue	June 10, 1994
Date of Maturity	December 10, 2014
Authorized Issue	\$1,711,672
Interest Rate	3.36%
Interest Dates	June 10 and December 10
Principal Maturity Dates	June 10 and December 10
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2010	31-32	\$ 102,695	\$ 17,605	\$ 120,300
2011	33-34	106,174	14,128	120,302
2012	35-36	109,772	10,530	120,302
2013	37-38	113,491	6,811	120,302
2014	39-40	117,336	2,966	120,302
		<u>\$ 549,468</u>	<u>\$ 52,040</u>	<u>\$ 601,508</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-0855) Contract Payable of 1997
December 31, 2009**

Date of Issue	November 1, 1997
Date of Maturity	November 1, 2017
Authorized Issue	\$1,203,550
Interest Rate	2.89%
Interest Dates	May 1 and November 1
Principal Maturity Dates	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2010	25-26	\$ 64,654	\$ 16,100	\$ 80,754
2011	27-28	66,535	14,219	80,754
2012	29-30	68,472	12,280	80,752
2013	31-32	70,465	10,287	80,752
2014	33-34	72,517	8,235	80,752
2015	35-36	74,628	6,124	80,752
2016	37-38	76,800	3,952	80,752
2017	39-40	79,035	1,717	80,752
		<u>\$ 573,106</u>	<u>\$ 72,914</u>	<u>\$ 646,020</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Long-Term Debt Requirements

**IEPA Flood Loan (L17-1087) Contract Payable of 1999
December 31, 2009**

Date of Issue	December 1, 1999
Date of Maturity	June 3, 2019
Authorized Issue	\$1,760,422
Interest Rate	2.625%
Interest Dates	June 3 and December 3
Principal Maturity Dates	June 3
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Payment Numbers	Requirements		
		Principal	Interest	Totals
2010	21-22	\$ 91,535	\$ 24,969	\$ 116,504
2011	23-24	93,954	22,550	116,504
2012	25-26	96,437	20,069	116,506
2013	27-28	98,985	17,521	116,506
2014	29-30	101,600	14,906	116,506
2015	31-32	104,285	12,221	116,506
2016	33-34	107,040	9,466	116,506
2017	35-36	109,868	6,638	116,506
2018	37-38	112,771	3,735	116,506
2019	39	57,499	754	58,253
		<u>\$ 973,974</u>	<u>\$ 132,829</u>	<u>\$ 1,106,803</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of Insurance in Force
December 31, 2009**

Insurance Carrier/Description of Coverage	Self-Insured Retention	Specific Excess Limit	Aggregate Excess Limit	Expiration Date of Policy
Federal Insurance Company/Chubb				
Property and Inland Marine	\$ 25,000	\$ 66,449,805	\$ None	01/01/10
Builders' Risk - 2000 E Kensington - FS #14	10,000	9,100,000	None	04/13/10
Builders' Risk - 1700 W Central - PW	10,000	2,800,000	None	04/13/10
Builders' Risk - 1700 W Central - EOC	10,000	2,550,000	None	04/13/10
Builders' Risk - 1951 Algonquin - Shed	10,000	175,000	None	04/13/10
Fiduciary Liability - Police Pension	25,000	5,000,000	5,000,000	08/01/10
Fiduciary Liability - Fire Pension	25,000	5,000,000	5,000,000	08/01/10
Safety National Insurance Company				
Workers' Compensation	500,000	Statutory	1,000,000	01/01/10
Illinois National Insurance Company				
General Liability	2,000,000	None	None	01/01/10
Automobile Liability	2,000,000	None	None	01/01/10
Employee Practices Liability	2,000,000	None	None	01/01/10
Police Professional Liability	2,000,000	None	None	01/01/10
Public Officials Liability	2,000,000	None	None	01/01/10
High-Level Excess Liability Pool				
Excess Liability	2,000,000	12,000,000	12,000,000	04/30/18
ITT Hartford				
Public Employees Dishonesty	5,000	500,000	None	05/01/10
Depositors Forgery	1,000	100,000	None	05/01/10
Public Officials Bond - President	None	100,000	100,000	05/01/10
Public Officials Bond - Manager	None	100,000	100,000	05/01/10
Public Officials Bond - Village Treasurer	None	250,000	250,000	05/01/10
Chubb				
Contingent Tax Interruption	25,000	9,000,000	9,000,000	01/01/10
Intergovernmental Personal Benefit Cooperative				
Employee & Retiree Health Insurance	20,000/75,000	None	None	06/30/11
CCMSI				
Workers' Comp. Claims Administration	N/A	N/A	N/A	01/01/10
GAB Robins				
Liability Claims Administration	N/A	N/A	N/A	01/01/10

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Net Assets by Component - Last Six Fiscal Years
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Net Assets by Component - Last Six Fiscal Years
December 31, 2009 (Unaudited)

	<u>2004</u>
Governmental Activities	
Invested in Capital Assets, Net of Related Debt	\$ 25,864,656
Restricted	4,644,869
Unrestricted	<u>5,629,961</u>
Total Governmental Activities Net Assets	<u>\$ 36,139,486</u>
Business-Type Activities	
Invested in Capital Assets, Net of Related Debt	\$ 17,471,099
Unrestricted	<u>6,261,987</u>
Total Business-Type Activities Net Assets	<u>\$ 23,733,086</u>
Primary Government	
Invested in Capital Assets, Net of Related Debt	\$ 43,335,755
Restricted	4,644,869
Unrestricted	<u>11,891,948</u>
Total Primary Government Net Assets	<u>\$ 59,872,572</u>

Data Source: Audited Financial Statements

The Village implemented GASB 34 in Fiscal Year 2004.

2005	2006	2007	2008	2009
\$ 23,851,038	\$ 24,671,547	\$ 26,114,472	\$ 29,663,909	\$ 27,741,453
4,828,517	4,197,018	3,178,963	2,367,670	4,497,173
13,689,604	18,553,994	23,151,760	21,216,625	20,277,880
\$ 42,369,159	\$ 47,422,559	\$ 52,445,195	\$ 53,248,204	\$ 52,516,506
\$ 17,846,548	\$ 18,321,345	\$ 19,437,672	\$ 20,776,324	\$ 22,412,134
5,808,766	6,172,718	6,833,310	6,852,644	5,996,007
\$ 23,655,314	\$ 24,494,063	\$ 26,270,982	\$ 27,628,968	\$ 28,408,141
\$ 41,697,586	\$ 42,992,892	\$ 45,552,144	\$ 50,440,233	\$ 50,153,587
4,828,517	4,197,018	3,178,963	2,367,670	4,497,173
19,498,370	24,726,712	29,985,070	28,069,269	26,273,887
\$ 66,024,473	\$ 71,916,622	\$ 78,716,177	\$ 80,877,172	\$ 80,924,647

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Changes in Net Assets - Last Six Fiscal Years
December 31, 2009 (Unaudited)

	2004	2005	2006	2007	2008	2009
Expenses						
Governmental Activities						
General Government	\$ 7,081,460	\$ 3,090,918	\$ 5,110,605	\$ 5,777,024	\$ 6,682,541	\$ 7,192,572
Public Safety	21,314,705	21,660,877	23,336,436	24,565,640	26,646,855	27,172,360
Highways and Streets	11,357,935	9,364,421	10,888,397	11,512,271	13,540,232	12,101,419
Health	3,545,694	3,642,891	3,863,140	4,085,316	4,163,354	4,194,045
Welfare	1,518,387	1,465,197	1,344,516	1,759,776	1,744,504	2,316,995
Culture and Recreation	287,955	237,024	272,826	221,806	409,066	367,635
Interest on Long-Term Debt	1,409,929	1,350,049	1,360,081	728,640	837,127	1,047,961
Total Governmental Activities Expenses	46,516,065	40,811,377	46,176,001	48,650,473	54,023,679	54,392,987
Business-Type Activities						
Water and Sewer	8,398,983	8,954,899	9,200,271	8,839,710	9,179,399	9,393,148
Commuter Parking	292,580	369,825	409,041	259,434	263,394	233,701
Total Business-Type Activities Expenses	8,691,563	9,324,724	9,609,312	9,099,144	9,442,793	9,626,849
Total Primary Government Expenses	\$ 55,207,628	\$ 50,136,101	\$ 55,785,313	\$ 57,749,617	\$ 63,466,472	\$ 64,019,836
Program Revenues						
Governmental Activities						
Charges for Services						
General Government	\$ 3,626,755	\$ 3,626,936	\$ 4,750,937	\$ 5,057,855	\$ 5,045,338	\$ 6,705,200
Public Safety	1,864,447	2,029,632	2,096,875	2,658,824	2,242,952	1,580,052
Highways and Streets	158,101	135,151	176,019	231,468	169,615	237,786
Other Activities	261,470	280,083	288,914	305,467	320,488	65,933
Operating Grants and Contributions	2,472,301	556,072	513,703	594,223	1,800,781	1,084,589
Capital Grants and Contributions	66,138	1,894,095	2,106,688	2,812,836	764,283	406,734
Total Governmental Activities Program Revenues	8,449,212	8,521,969	9,933,136	11,660,673	10,343,457	10,080,294
Business-Type Activities						
Charges for Services						
Water and Sewer	6,404,006	7,400,759	8,506,767	8,888,249	8,774,681	8,500,396
Commuter Parking	161,617	205,215	207,085	210,036	269,400	218,735
Operating Grants and Contributions	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	6,565,623	7,605,974	8,713,852	9,098,285	9,044,081	8,719,131
Total Primary Government Program Revenues	\$ 15,014,835	\$ 16,127,943	\$ 18,646,988	\$ 20,758,958	\$ 19,387,538	\$ 18,799,425

	2004	2005	2006	2007	2008	2009
Net (Expense) Revenue						
Governmental Activities	\$ (38,066,853)	\$ (32,289,408)	\$ (36,242,865)	\$ (36,989,800)	\$ (43,680,222)	\$ (44,312,693)
Business-Type Activities	(2,125,940)	(1,718,750)	(895,460)	(859)	(398,712)	(907,718)
Total Primary Government						
Net Revenue (Expense)	<u>\$ (40,192,793)</u>	<u>\$ (34,008,158)</u>	<u>\$ (37,138,325)</u>	<u>\$ (36,990,659)</u>	<u>\$ (44,078,934)</u>	<u>\$ (45,220,411)</u>
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Taxes						
Property	\$ 12,785,975	\$ 13,775,669	\$ 15,183,214	\$ 15,817,195	\$ 15,942,106	\$ 16,543,215
Utility	-	-	-	-	-	4,519,175
Sales	11,502,755	11,871,553	12,720,614	12,773,695	14,862,634	4,061,202
Telecommunication	2,523,576	2,802,467	2,471,590	2,741,121	2,770,473	-
Other	8,096,054	9,509,376	9,537,327	9,712,568	10,346,444	1,524,823
Intergovernmental						
State Sales and Use	-	-	-	-	-	9,761,726
Income Taxes	-	-	-	-	-	4,573,162
Motor Fuel Taxes	-	-	-	-	-	1,466,759
Replacement Taxes	-	-	-	-	-	338,134
Investment Income	207,562	433,605	908,782	924,989	416,673	187,793
Miscellaneous	153,629	126,411	101,242	42,868	93,781	605,006
Transfers	-	-	10,433	-	-	-
Contributions	-	-	-	-	51,120	-
Total Governmental Activities	<u>35,269,551</u>	<u>38,519,081</u>	<u>40,933,202</u>	<u>42,012,436</u>	<u>44,483,231</u>	<u>43,580,995</u>
Business-Type Activities						
Property Tax	1,495,756	1,533,910	1,527,407	1,504,501	1,505,394	1,520,602
Sales Tax	-	-	-	-	92,154	82,882
Investment Income	61,017	107,068	217,235	262,430	159,150	26,646
Miscellaneous	(2,913)	-	-	-	-	56,761
Transfers	-	-	(10,433)	-	-	-
Total Business-Type Activities	<u>1,553,860</u>	<u>1,640,978</u>	<u>1,734,209</u>	<u>1,766,931</u>	<u>1,756,698</u>	<u>1,686,891</u>
Total Primary Government	<u>\$ 36,823,411</u>	<u>\$ 40,160,059</u>	<u>\$ 42,667,411</u>	<u>\$ 43,779,367</u>	<u>\$ 46,239,929</u>	<u>\$ 45,267,886</u>
Changes in Net Assets						
Governmental Activities	\$ (2,797,302)	\$ 6,229,673	\$ 4,690,337	\$ 5,022,636	\$ 803,009	\$ (731,698)
Business-Type Activities	(572,080)	(77,772)	838,749	1,766,072	1,357,986	779,173
Total Primary Government	<u>\$ (3,369,382)</u>	<u>\$ 6,151,901</u>	<u>\$ 5,529,086</u>	<u>\$ 6,788,708</u>	<u>\$ 2,160,995</u>	<u>\$ 47,475</u>

Data Source: Audited Financial Statements

The Village implemented GASB 34 in Fiscal Year 2004.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	2000	2001	2002	2003
General Fund				
Reserved	\$ 158,476	\$ 30,995	\$ 174,853	\$ 146,009
Unreserved	8,618,728	9,417,702	9,275,071	8,779,145
Total General Fund	\$ 8,777,204	\$ 9,448,697	\$ 9,449,924	\$ 8,925,154
All Other Governmental Funds				
Reserved	\$ 3,265,576	\$ 2,480,890	\$ 1,778,005	\$ 13,585,940
Unreserved, Reported in:				
Special Revenues Funds	3,572,603	4,107,024	3,920,313	1,968,264
Debt Service Funds	-	-	-	-
Capital Projects Funds	9,570,399	14,434,134	10,742,329	-
Total All Other Governmental Funds	\$ 16,408,578	\$ 21,022,048	\$ 16,440,647	\$ 15,554,204

Data Source: Audited Financial Statements

2004	2005	2006	2007	2008	2009
\$ 219,694	\$ 312,499	\$ 73,529	\$ 40,910	\$ 228,750	\$ 88,492
8,037,820	10,203,878	11,733,539	12,774,003	12,312,075	10,110,989
\$ 8,257,514	\$ 10,516,377	\$ 11,807,068	\$ 12,814,913	\$ 12,540,825	\$ 10,199,481
\$ 4,727,748	\$ 4,958,811	\$ 4,333,108	\$ 3,329,107	\$ 2,523,221	\$ 4,762,560
1,744,656	1,556,490	1,844,687	2,028,077	2,043,378	1,674,387
-	-	-	-	(908,466)	(485,274)
(1,357,855)	161,614	1,447,070	2,315,134	303,492	1,965,761
\$ 5,114,549	\$ 6,676,915	\$ 7,624,865	\$ 7,672,318	\$ 3,961,625	\$ 7,917,434

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

	2000	2001	2002
Revenues			
Taxes	\$ 18,190,266	\$ 18,437,182	\$ 18,493,096
Licenses, Permits and Fees	2,976,022	2,961,303	3,113,545
Intergovernmental	15,562,921	15,440,052	16,061,890
Charges for Services	1,491,135	1,646,775	1,671,156
Fines and Forfeits	436,806	468,941	521,289
Investment Income	1,537,810	1,348,970	715,905
Miscellaneous	1,740,634	1,033,510	854,805
Total Revenues	41,935,594	41,336,733	41,431,686
Expenditures			
General Government	3,178,754	3,609,767	3,571,104
Public Safety	16,319,661	17,790,679	18,251,730
Highways and Streets	6,047,404	6,229,562	6,941,764
Health	3,158,977	3,276,611	3,300,533
Welfare	1,088,194	1,545,934	1,713,306
Culture and Recreation	263,487	285,114	278,423
Miscellaneous	384,387	15,520	15,626
Capital Outlay	5,117,914	5,833,705	6,527,505
Debt Service			
Principal	3,774,322	3,070,663	4,050,925
Interest and Fiscal Charges	1,313,925	1,250,270	1,361,565
Total Expenditures	40,647,025	42,907,825	46,012,481
Excess of Revenues Over (Under) Expenditures	1,288,569	(1,571,092)	(4,580,795)
Other Financing Sources (Uses)			
Proceeds from Debt Issuance	2,377,472	5,000,000	6,197,421
Premium on Debt Issuance	-	-	-
Payment to Escrow Agent	-	-	(6,196,800)
Transfers In	1,024,000	641,970	1,865,928
Transfers Out	(1,024,000)	(571,970)	(1,865,928)
Disposal of Capital Assets	1,135,360	748,355	-
Total Other Financing Sources (Uses)	3,512,832	5,818,355	621
Net Change in Fund Balances	\$ 4,801,401	\$ 4,247,263	\$ (4,580,174)
Debt Service as a Percentage of Noncapital Expenditures	14.32%	11.65%	13.71%

Data Source: Audited Financial Statements

	2003	2004	2005	2006	2007	2008	2009
\$	19,693,126	\$ 22,722,306	\$ 24,897,774	\$ 25,829,233	\$ 26,460,490	\$ 27,287,056	\$ 26,648,415
	3,273,201	3,024,016	3,135,996	3,216,982	3,445,370	3,094,828	3,748,456
	14,210,114	14,616,333	15,459,395	16,664,264	17,783,855	19,104,781	17,274,500
	1,724,014	1,748,460	1,710,556	3,226,074	3,780,453	3,618,419	3,832,341
	595,170	554,741	581,439	521,473	720,673	720,351	529,655
	385,214	207,562	433,605	908,782	924,989	416,673	137,142
	1,094,763	758,805	822,285	489,097	557,279	533,460	834,738
	40,975,602	43,632,223	47,041,050	50,855,905	53,673,109	54,775,568	53,005,247
	3,922,921	4,346,454	4,463,740	4,901,739	5,298,202	5,725,191	5,796,151
	19,129,091	20,940,441	21,677,185	23,205,517	24,767,992	25,906,274	26,384,953
	6,762,888	7,459,168	7,265,128	7,555,575	9,204,868	9,168,071	8,291,493
	3,244,907	3,545,174	3,650,121	3,873,480	4,102,547	4,156,319	4,188,172
	1,368,295	1,516,610	1,482,943	1,366,367	1,786,121	1,736,791	2,316,995
	275,184	274,491	284,229	333,148	281,737	381,892	358,207
	-	-	-	-	-	-	-
	15,366,338	11,481,777	2,040,534	3,470,144	2,437,381	6,623,970	14,296,659
	4,269,326	4,468,949	3,205,838	2,605,399	3,529,734	4,149,735	1,425,219
	1,520,741	1,456,454	1,318,154	1,264,364	1,044,123	891,181	1,023,907
	55,859,691	55,489,518	45,387,872	48,575,733	52,452,705	58,739,424	64,081,756
	(14,884,089)	(11,857,295)	1,653,178	2,280,172	1,220,404	(3,963,856)	(11,076,509)
	12,235,000	705,000	-	-	-	-	16,080,000
	-	-	-	-	-	-	124,535
	-	-	-	-	-	-	(3,513,925)
	1,096,677	794,938	989,519	1,344,953	105	809,422	635,100
	(1,096,677)	(794,938)	(989,519)	(1,386,484)	(165,211)	(833,242)	(635,100)
	1,225,000	45,000	2,168,051	-	-	2,895	364
	13,460,000	750,000	2,168,051	(41,531)	(165,106)	(20,925)	12,690,974
\$	(1,424,089)	\$ (11,107,295)	\$ 3,821,229	\$ 2,238,641	\$ 1,055,298	\$ (3,984,781)	\$ 1,614,465
	12.82%	12.02%	10.08%	8.07%	8.78%	9.00%	4.55%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Tax Levy Year	Residential Property	Commercial Property
1999	\$ 628,051,737	\$ 321,823,488
2000	620,188,611	321,632,685
2001	764,455,298	336,912,152
2002	827,681,951	361,790,089
2003	823,558,021	339,716,638
2004	940,125,430	374,813,387
2005	1,016,362,276	381,718,354
2006	1,048,895,640	357,812,772
2007	1,227,488,556	412,588,412
2008	1,343,275,031	414,537,434

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source: Office of the Cook County Clerk

Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value as a Percentage of Actual Value
\$ 143,549,287	\$ 192,324	\$ 1,093,616,836	0.897	\$ 3,280,850,508	33.333%
147,076,484	206,203	1,089,103,983	0.932	3,267,311,949	33.333%
153,774,011	219,095	1,255,360,556	0.837	3,766,081,668	33.333%
165,579,129	249,939	1,355,301,108	0.813	4,065,903,324	33.333%
158,341,177	271,107	1,321,886,943	0.874	3,965,660,829	33.333%
175,903,709	334,619	1,491,177,145	0.801	4,473,531,435	33.333%
196,556,462	338,630	1,594,975,722	0.827	4,784,927,166	33.333%
190,150,899	450,150	1,597,309,461	0.846	4,791,928,383	33.333%
229,739,726	508,622	1,870,325,316	0.750	5,610,975,948	33.333%
221,110,772	572,793	1,979,496,030	0.732	5,938,488,090	33.333%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Levy Years
December 31, 2009 (Unaudited)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Village Direct Rates										
Corporate	0.505	0.514	0.459	0.448	0.480	0.444	0.457	0.469	0.416	0.393
Bond and Interest	0.060	0.060	0.055	0.063	0.078	0.070	0.091	0.083	0.071	0.093
Garbage	0.222	0.224	0.198	0.169	0.173	0.154	0.122	0.126	0.110	0.090
Police Pension	0.056	0.065	0.059	0.065	0.070	0.065	0.081	0.085	0.077	0.078
Firefighters' Pension	0.054	0.068	0.065	0.068	0.073	0.068	0.075	0.083	0.076	0.078
Total Direct Tax Rate	0.897	0.932	0.837	0.813	0.873	0.801	0.826	0.846	0.750	0.732
Overlapping Rates										
Mount Prospect Library	0.373	0.377	0.352	0.435	0.487	0.475	0.466	0.482	0.439	0.441
County of Cook	0.854	0.824	0.746	0.690	0.630	0.593	0.533	0.500	0.446	0.415
Consolidated Elections	0.023	0.000	0.032	0.000	0.029	0.000	0.014	0.000	0.012	0.000
Forest Preserve District	0.070	0.069	0.067	0.061	0.059	0.060	0.060	0.057	0.053	0.051
Metropolitan Water Reclamation District	0.419	0.415	0.401	0.371	0.361	0.347	0.315	0.284	0.263	0.252
Suburban TB Sanitarium	0.008	0.008	0.007	0.006	0.004	0.001	0.005	0.005	0.000	0.000
Township of Elk Grove	0.060	0.061	0.053	0.050	0.051	0.046	0.044	0.044	0.040	0.041
Township of Maine	0.084	0.089	0.079	0.076	0.079	0.071	0.070	0.073	0.065	0.064
Township of Wheeling	0.073	0.053	0.049	0.040	0.047	0.042	0.041	0.043	0.038	0.038
General Assistance Elk Grove	0.013	0.013	0.011	0.011	0.011	0.007	0.009	0.009	0.008	0.009
General Assistance Maine	0.015	0.016	0.015	0.015	0.016	0.015	0.015	0.016	0.015	0.015
General Assistance Wheeling	0.000	0.000	0.000	0.008	0.010	0.009	0.009	0.010	0.009	0.009
Road and Bridge Elk Grove	0.010	0.011	0.009	0.009	0.010	0.009	0.009	0.009	0.009	0.009
Road and Bridge Maine	0.042	0.044	0.039	0.038	0.040	0.036	0.036	0.038	0.034	0.033
Road and Bridge Wheeling	0.012	0.013	0.012	0.012	0.013	0.012	0.012	0.013	0.012	0.012
Northwest Mosquito Abatement	0.010	0.011	0.010	0.009	0.010	0.009	0.009	0.009	0.008	0.008
Arlington Heights High School #214	2.183	2.257	1.989	1.888	1.982	1.818	1.759	1.823	1.621	1.587
Community College District #512	0.270	0.347	0.308	0.295	0.310	0.279	0.281	0.288	0.260	0.256
Arlington Heights Park District	0.562	0.584	0.484	0.458	0.516	0.466	0.453	0.461	0.404	0.379

Village of Mount Prospect										
Special Service Area #6	0.588	0.594	0.441	0.384	0.418	0.298	0.000	0.000	0.000	0.000
Special Service Area #5	0.167	0.168	0.148	0.137	0.141	0.125	0.117	0.118	0.101	0.096
School District #59	2.021	2.116	1.943	1.855	2.127	1.972	1.933	2.013	1.791	1.810
Mount Prospect Park District	0.557	0.571	0.502	0.473	0.498	0.455	0.459	0.474	0.411	0.407
School District #57	3.475	3.598	3.050	2.878	3.019	2.740	2.643	2.694	2.334	2.246
School District #25 Arlington Heights	4.111	4.306	3.730	3.527	3.653	3.156	3.225	3.295	2.890	2.807
River Trails Park District	0.552	0.554	0.524	0.485	0.517	0.484	0.480	0.484	0.428	0.422
School District #26	3.385	3.441	3.212	3.192	3.313	2.948	2.880	3.047	2.698	2.696
Prospect Heights Park District	0.792	0.810	0.692	0.656	0.730	0.662	0.640	0.658	0.561	0.544
School District #23	3.714	3.878	3.345	3.183	3.344	2.987	2.880	2.948	2.418	2.363
School District #21	3.075	3.201	2.886	3.266	3.575	3.262	3.394	3.502	3.154	3.161
Des Plaines Park District	0.447	0.462	0.408	0.422	0.444	0.427	0.350	0.356	0.312	0.300
Prospect Heights Old Town Sanitary	0.089	0.094	0.082	0.079	0.082	0.073	0.071	0.074	0.039	0.015
High School #207	2.198	2.298	2.026	1.936	2.012	1.795	1.757	1.826	1.602	1.577
Community College #535	0.203	0.213	0.186	0.179	0.186	0.161	0.158	0.166	0.141	0.140
School District #62	2.348	2.455	2.225	2.148	2.228	2.475	2.501	2.627	2.350	2.329

Total Tax Rate for Property Located in the Village of Mount Prospect, Elk Grove Township and School District #59	7.935	8.180	7.383	7.103	7.584	6.997	6.840	6.961	6.212	6.114
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Share of Total Tax Rate Levied by the Village of Mount Prospect for Village Purposes	11.3%	11.4%	11.3%	11.4%	11.5%	11.4%	12.1%	12.2%	12.1%	12.0%
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Total Tax Rate for Property Located in the Village of Mount Prospect, Wheeling Township and School District #26	9.271	9.469	8.662	8.442	8.768	7.974	7.787	7.999	7.121	7.000
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Share of total tax rate levied by the Village of Mount Prospect for Village Purposes	9.7%	9.8%	9.7%	9.6%	10.0%	10.0%	10.6%	10.6%	10.5%	10.5%
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Note: Property Tax Rates are per \$100 of Assessed Valuation

Data Source: Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Randhurst	\$ 39,388,223	1	1.99%	\$		
CRP Holdings	27,946,256	2	1.41%			
Mount Prospect Plaza	23,023,261	3	1.16%			
Home Properties Colony	21,357,205	4	1.08%			
Golf Plaza	19,514,331	5	0.99%	6,937,861	9	0.66%
Cummins Allison Corp	14,335,448	6	0.72%			
PFG 800 Biermann LP	11,788,733	7	0.60%			
McRIL, LLC	11,343,739	8	0.57%			
Huntington Square	11,336,572	9	0.57%			
Costco Property Tax	11,244,715	10	0.57%			
Rouse Company				71,404,778	1	6.75%
Insignia ESG				22,274,816	2	2.11%
John Hancock Finance				19,381,330	3	1.83%
James Campbell Estate				13,416,553	4	1.27%
Mills Corporation				11,182,843	5	1.06%
Cabot Ind. Properties				9,197,672	6	0.87%
Washington Capital				9,160,187	7	0.87%
Bayshore Management Co				7,327,917	8	0.69%
Shell Oil Company				6,646,424	10	0.63%
	<u>\$ 191,278,483</u>		<u>9.66%</u>	<u>\$ 176,930,381</u>		<u>16.72%</u>

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

Data Source: Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year Ended Dec. 31	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 9,803,695	\$ 9,420,487	96.09%	\$ 360,216	\$ 9,780,703	99.77%
2001	2000	10,146,824	9,697,911	95.58%	407,935	10,105,846	99.60%
2002	2001	10,501,972	10,174,385	96.88%	137,169	10,311,554	98.19%
2003	2002	11,010,747	10,619,494	96.45%	218,676	10,838,170	98.43%
2004	2003	11,539,756	11,107,262	96.25%	327,700	11,434,962	99.09%
2005	2004	11,939,893	11,534,824	96.61%	122,606	11,657,430	97.63%
2006	2005	13,175,689	12,222,889	92.77%	683,947	12,906,836	97.96%
2007	2006	13,506,574	12,369,490	91.58%	942,043	13,311,533	98.56%
2008	2007	14,014,838	13,648,416	97.39%	203,279	13,851,695	98.84%
2009	2008	14,472,269	14,137,805	97.69%	-	14,137,805	97.69%

Data Source: Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year	2000	2001	2002
General Merchandise	\$ 1,092,647	\$ 1,224,181	\$ 1,173,295
Food	928,488	906,374	896,492
Drinking and Eating Places	891,594	521,263	474,667
Apparel	238,597	210,051	173,459
Furniture and H.H. and Radio	337,049	350,994	296,467
Lumber, Building, Hardware	813,233	822,656	871,786
Automobile and Filling Stations	687,736	724,214	680,754
Drugs and Miscellaneous Retail	857,810	1,175,219	2,013,478
Agriculture and All Others	1,606,944	1,524,595	1,046,332
Manufacturers	482,575	269,537	121,415
Total	<u>\$ 7,936,673</u>	<u>\$ 7,729,084</u>	<u>\$ 7,748,145</u>
Number of Taxpayers	<u>1,237</u>	<u>1,197</u>	<u>1,169</u>
Village Direct Sales Tax Rate	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>

Note: Data available for calendar year only. The fiscal year of Village of Mount Prospect is same as the calendar year. Excludes Home Rule Sales Tax portion.

Data Source: Illinois Department of Revenue

2003	2004	2005	2006	2007	2008	2009
\$ 1,310,317	\$ 1,181,411	\$ 1,163,392	\$ 1,191,814	\$ 1,207,238	\$ 1,099,957	\$ 800,081
918,773	849,929	901,597	883,285	1,042,920	1,069,087	1,005,043
486,766	498,789	547,681	566,627	583,799	564,572	522,898
169,613	156,900	124,285	157,184	149,857	68,774	33,425
286,666	283,729	230,378	280,088	274,809	243,339	225,436
869,336	916,388	907,954	869,944	801,315	704,972	650,987
709,602	756,261	1,185,563	1,267,636	1,333,637	1,277,713	1,176,389
2,315,308	2,565,793	2,210,598	2,682,731	2,454,600	3,608,855	3,272,273
637,681	653,924	714,534	819,090	853,036	1,245,594	1,275,048
127,213	101,044	115,036	105,704	110,189	184,057	93,616
\$ 7,831,275	\$ 7,964,168	\$ 8,101,018	\$ 8,824,103	\$ 8,811,400	\$ 10,066,920	\$ 9,055,194
1,147	1,105	1,125	1,168	1,149	900	795
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year	2000	2001	2002
General Merchandise	\$ 489,220	\$ 561,994	\$ 533,611
Food	119,158	114,353	117,236
Drinking and Eating Places	442,421	255,281	234,326
Apparel	118,633	104,922	86,710
Furniture and H.H. and Radio	168,381	175,306	147,975
Lumber, Building, Hardware	405,873	410,038	434,913
Automobile and Filling Stations	109,191	99,497	108,449
Drugs and Miscellaneous Retail	251,605	242,760	242,579
Agriculture and All Others	784,602	745,262	506,482
Manufacturers	239,829	133,241	59,696
Total	\$ 3,128,913	\$ 2,842,654	\$ 2,471,977
Number of Taxpayers	1,237	1,197	1,169
Village Direct Sales Tax Rate	0.50%	0.50%	0.50%

Note: Data available for calendar year only. The fiscal year of Village of Mount Prospect is same as the calendar year.

Data Source: Illinois Department of Revenue

2003	2004	2005	2006	2007	2008	2009
\$ 595,104	\$ 789,838	\$ 778,634	\$ 793,949	\$ 811,505	\$ 967,261	\$ 693,008
122,996	185,355	169,411	160,335	197,945	261,398	248,128
240,779	368,000	405,729	420,844	434,613	558,908	519,177
84,805	117,774	93,186	117,804	112,251	68,267	33,424
143,226	210,821	172,592	209,655	205,312	240,192	223,115
433,528	683,934	678,295	649,820	598,495	701,258	646,990
115,982	217,502	420,491	464,579	494,408	640,842	596,221
232,887	373,206	407,301	387,350	381,387	413,511	407,587
303,692	517,294	524,602	592,983	621,576	819,975	647,829
61,351	71,726	83,868	76,697	80,093	180,157	89,263
<u>\$ 2,334,350</u>	<u>\$ 3,535,450</u>	<u>\$ 3,734,109</u>	<u>\$ 3,874,016</u>	<u>\$ 3,937,585</u>	<u>\$ 4,851,769</u>	<u>\$ 4,104,743</u>
1,147	1,105	1,125	1,168	1,149	900	795
0.50%	0.75%	0.75%	0.75%	0.75%	1.75%	1.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year	State Rate	County Rate	Regional Transportation Rate	Village Direct Rate	Home Rule Sales Tax Rate	Total Sales Tax Rate
2000	5.00%	1.00%	0.75%	1.00%	0.50%	8.25%
2001	5.00%	1.00%	0.75%	1.00%	0.50%	8.25%
2002	5.00%	1.00%	0.75%	1.00%	0.50%	8.25%
2003	5.00%	1.00%	0.75%	1.00%	0.50%	8.25%
2004	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2005	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2006	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2007	5.00%	1.00%	0.75%	1.00%	0.75%	8.50%
2008	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2009	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%

Data Source: State of Illinois

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year	Governmental Activities		
	General Obligation Bonds	Tax Increment Financing Bonds	IEPA Loan Payable (1)
2000	\$ 13,949,925	\$ 7,205,000	\$ 7,288,741
2001	17,194,917	6,300,000	6,899,681
2002	14,696,442	5,120,000	6,498,218
2003	23,489,146	4,750,000	6,083,951
2004	20,013,590	4,175,000	5,656,470
2005	17,974,452	3,365,000	5,215,348
2006	16,540,764	2,570,000	4,760,147
2007	14,760,000	1,655,000	4,290,413
2008	13,105,000	-	3,805,678
2009	24,770,000	-	3,305,459

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

*See the Demographic and Economic Statistics Schedule for personal income and population data.

- (1) The Village entered into five installment contracts with the Illinois Environmental Protection Agency to provide funds for the construction of flood control projects. The contracts are for a 20-year period with equal semi-annual installments.
- (2) The Village entered into an installment note to purchase property in the Downtown Redevelopment TIF District for future development. The loan is payable in annual installments over a five-year period.

Data Source: Audited Financial Statements

Installment Note (2)	Business-Type Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita*
\$ -	\$ 495,300	\$ 28,938,966	1.94%	\$ 514
-	388,200	30,782,798	2.07%	547
-	283,300	26,597,960	1.79%	473
-	180,600	34,503,697	2.32%	613
-	79,600	29,924,660	2.01%	532
705,000	-	27,259,800	1.83%	484
705,000	-	24,575,911	1.65%	437
355,000	-	21,060,413	1.41%	374
-	-	16,910,678	1.14%	301
-	-	28,075,459	1.89%	499

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property(1)	Per Capita (2)
2000	\$ 21,154,925	\$ 2,330,738	\$ 18,824,187	0.57%	\$ 334.56
2001	23,494,917	2,142,657	21,352,260	0.65%	379.49
2002	19,816,442	1,244,631	18,571,811	0.49%	330.08
2003	28,239,146	790,066	27,449,080	0.68%	487.85
2004	24,188,590	36,785	24,151,805	0.61%	429.25
2005	21,339,452	419,317	20,920,135	0.47%	371.81
2006	19,110,764	465,990	18,644,774	0.39%	331.37
2007	16,415,000	94,398	16,320,602	0.34%	290.07
2008	13,105,000	-	13,105,000	0.23%	232.92
2009	24,770,000	-	24,770,000	0.42%	440.24

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

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

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

Data Sources: Audited Financial Statements
Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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

Governmental Unit	(1) Gross Debt	(2) Percentage Debt Applicable to Village	(3) Village's Share of Debt
Village of Mount Prospect	\$ 41,295,000 *	100.00%	\$ 41,295,000
County of Cook	2,690,735,000	1.141%	30,701,286
Forest Preserve District of Cook County	111,375,000	1.141%	1,270,789
Metropolitan Water Reclamation District	2,335,620,000	1.165%	27,209,973
Community College District #512	193,570,000	8.510%	16,472,807
School District #214	30,145,000	17.303%	5,215,989
School District #207	13,020,000	0.064%	8,333
School District #57	7,010,000	93.811%	6,576,151
School District #25	19,970,000	2.891%	577,333
School District #26	8,225,000	77.736%	6,393,786
School District #23	4,185,000	7.977%	333,837
School District #21	41,635,636	2.697%	1,122,913
School District #59	26,625,000	13.571%	3,613,279
Arlington Heights Park District	26,663,163	1.460%	389,282
Des Plaines Park District	7,270,000	1.470%	106,869
Mount Prospect Park District	7,100,000	60.037%	4,262,627
	<u>5,523,148,799</u>		<u>104,255,255</u>
	<u>\$ 5,564,443,799</u>		<u>\$ 145,550,255</u>

* Includes \$16,525,000 of bonds payable by Mount Prospect Public Library tax levies.

(1) Gross bonded debt excluding outstanding general obligation (alternate revenue bonds) which are expected to be paid from sources other than general taxation.

(2) Determined by ratio of 2008 assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in Village of Mount Prospect.

(3) Amount in column (2) multiplied by amount in column (1).

Data Source: Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of Legal Debt Margin
December 31, 2009 (Unaudited)**

The Village is a home rule municipality.

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

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

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

Fiscal Year	(1) Population	(2) Equalized Assessed Value	Personal Income	(1) Per Capita Personal Income	(3) Unemployment Rate
2000	56,265	\$ 1,089,103,983	\$ 1,488,996,960	\$ 26,464	3.30%
2001	56,265	1,255,360,556	1,488,996,960	26,464	4.60%
2002	56,265	1,355,301,108	1,488,996,960	26,464	5.30%
2003	56,265	1,321,886,943	1,488,996,960	26,464	5.30%
2004	56,265	1,491,177,145	1,488,996,960	26,464	4.60%
2005	56,265	1,594,975,722	1,488,996,960	26,464	4.40%
2006	56,265	1,597,309,461	1,488,996,960	26,464	3.20%
2007	56,265	1,870,325,316	1,488,996,960	26,464	3.40%
2008	56,265	1,979,496,030	1,488,996,960	26,464	4.50%
2009	56,265	N/A	1,488,996,960	26,464	7.90%

Note: 2009 Equalized Assessed Valuation is unavailable until 2009.

Data Sources:

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Office of the Cook County Clerk
- (3) Illinois Department of Labor Statistics

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2009 (Unaudited)**

Employer	2009			2000		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Caremark Rx, Inc.	800	1	1.42%			
Bosch Tools	576	2	1.02%			
MetLife	445	3	0.79%	225	4	0.40%
Cummins-Allison Corp.	435	4	0.77%	240	3	0.43%
Village of Mount Prospect	339	5	0.60%	297	2	0.53%
Wal-Mart Stores, Inc.	330	6	0.59%			
Rauland Borg	300	7	0.53%			
Mount Prospect S.D. 57	298	8	0.53%	200	7	0.36%
Township High S.D. 214	250	9	0.44%	225	5	0.40%
Siemens Building Technologies 3 Com	235	10	0.42%	2,100	1	3.73%
Output Technologies Inc.				200	6	0.36%
Community Consolidated S.D. 59				197	8	0.35%
C-Line Products				180	9	0.32%
NTN Bearing Corporation				165	10	0.29%
	<u>4,008</u>		<u>7.12%</u>	<u>4,029</u>		<u>7.16%</u>

Data Source: Village Records

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
Year Ended December 31, 2009**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)

Function/Program	2000	2001	2002
Public Representation	0.85	0.85	0.85
General Government			
Village Administration			
Village Manager's Office	5.35	7.35	7.35
Television Services Division	3.20	2.90	2.90
Village Clerk's Office	2.00	2.00	2.00
Finance	16.50	16.50	16.00
Total Village Administration	27.05	28.75	28.25
Community Development			
Community Development	20.40	22.20	21.80
Community Development/CDBG	0.40	0.40	0.80
Total Community Development	20.80	22.60	22.60
Human Services Department	8.70	8.70	8.70
Public Safety and Protection			
Police Department	104.80	104.50	104.50
Fire Department	77.70	80.70	80.70
Total Public Safety and Protection	182.50	185.20	185.20
Public Works Department			
Administration	3.40	3.40	3.40
Streets/Buildings/Parking	17.60	17.60	17.10
Forestry	11.80	11.80	11.80
Engineering	8.90	8.90	8.90
Water/Sewer	24.80	24.80	24.80
Refuse Disposal	1.40	1.40	1.40
Vehicle Maintenance	9.10	9.10	9.10
Total Public Works Department	77.00	77.00	76.50
Community and Civic Services	0.20	0.20	0.20
Village Total	317.10	323.30	322.30

Data Source: Village Budget

2003	2004	2005	2006	2007	2008	2009
0.85	0.85	0.85	0.85	0.85	0.85	0.85
8.85	8.85	10.35	10.35	11.35	11.85	11.85
2.90	2.80	2.80	3.10	3.10	3.10	3.10
2.00	2.00	2.00	2.00	2.00	2.00	2.00
15.00	15.00	15.00	15.00	15.00	15.00	15.00
28.75	28.65	30.15	30.45	31.45	31.95	31.95
21.30	20.90	20.90	20.90	22.90	23.40	23.15
0.80	1.20	1.20	1.20	1.20	1.20	1.20
22.10	22.10	22.10	22.10	24.10	24.60	24.35
8.70	8.70	7.60	7.60	7.60	7.60	10.60
105.50	105.50	105.50	110.50	111.50	111.50	111.50
80.70	80.70	80.70	83.90	84.20	84.20	82.20
186.20	186.20	186.20	194.40	195.70	195.70	193.70
3.40	3.35	3.35	3.35	3.35	3.35	3.35
16.10	14.60	14.60	14.60	14.80	14.60	14.80
11.80	11.80	10.80	10.80	10.80	10.80	10.80
7.90	7.90	7.90	8.30	8.30	8.30	8.30
25.80	25.75	25.75	25.55	26.15	26.15	26.15
1.40	2.90	2.90	2.90	2.90	2.90	2.90
9.10	9.10	9.10	8.90	8.90	9.10	10.90
75.50	75.40	74.40	74.40	75.20	75.20	77.20
0.20	0.20	0.20	0.20	0.20	0.20	0.20
322.30	322.10	321.50	330.00	335.10	336.10	338.85

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)

Function/Program	2000	2001	2002
Finance Department			
Vehicle Stickers Issued	39,169	39,342	38,916
Utility Bills	79,240	78,000	77,000
Real Estate Transfer Tax Stamps Sold	1,600	1,795	1,678
Community Development			
Building Division			
Permits Issued	3,584	3,638	3,122
Plan Reviews	568	408	259
Building Code Inspections	14,821	16,273	13,825
Environmental Health Division			
Food Service Inspections	390	403	414
Multi-Family Buildings Inspections	666	659	664
Swimming Pools/Spa Inspections	58	24	30
Public Safety			
Police			
Number of Crimes	5,642	5,489	6,100
Number of Service Calls	35,937	33,926	35,442
Number of Arrests	1,657	1,793	2,009
Moving Violations	6,114	5,321	6,463
Parking Citations	7,527	8,536	10,588
Fire			
Fire Calls	1,999	2,000	1,941
EMS Calls	3,391	3,197	3,160
Fire Prevention Inspections	3,150	3,637	2,900
Training Hours	21,349	25,699	23,417
Public Works			
Streets			
Street Reconstruction (Miles)	2.90	2.90	-
Street Resurfacing (Miles)	5.30	5.30	8.00
Crack Filling (Pounds)	38,370	48,075	51,057
Leaves Removed (Cubic Yards)	18,409	17,809	20,802
Water			
Water Mains Installed (Lineal Feet)	3,600	1,392	44
Water Billed (1,000 Gallons)	1,587,480	1,580,000	1,539,074
Sanitary Sewers Cleaned (Feet)	50,800	41,100	37,165
Refuse (Single/Multi-Family)			
Solid Waste Collected (Tons)	36,162	37,781	37,881
Recycling (Tons)	7,199	7,252	7,224

*2009 are estimated amounts. Final figures are not available at time of printing report.

Data Source: Village Records

2003	2004	2005	2006	2007	2008	2009*
38,940	38,969	38,425	38,973	38,851	39,208	39,784
81,865	86,429	85,894	100,846	97,677	86,577	86,051
1,774	1,774	1,903	1,624	1,249	947	915
3,427	3,429	3,217	2,866	2,801	2,687	2,600
387	473	744	787	553	452	420
12,839	13,364	14,364	9,590	8,438	7,631	9,100
422	404	364	400	392	340	380
652	654	414	583	476	279	583
28	30	6	33	62	59	28
5,774	4,548	3,834	3,247	4,295	4,242	4,100
40,507	43,656	30,387	25,443	26,694	25,631	25,000
2,226	2,032	1,740	1,855	1,928	1,777	1,825
9,070	7,947	7,383	6,522	7,985	8,723	8,750
7,913	6,799	8,194	7,641	9,438	10,690	10,100
1,837	1,882	1,837	1,647	2,273	2,019	1,790
3,412	3,229	3,443	3,679	3,518	3,487	3,604
2,838	2,305	2,692	4,388	3,652	3,264	3,500
23,847	25,180	22,397	21,865	22,837	21,073	23,509
-	-	-	-	-	-	-
8.00	9.00	5.00	9.00	7.00	5.00	6.00
50,490	56,520	58,700	47,390	57,660	55,000	55,000
19,500	18,096	16,897	14,302	15,187	16,272	16,000
4,500	1,150	3,250	3,000	3,200	8,079	5,250
1,550,000	1,491,000	1,491,251	1,501,699	1,440,716	1,369,479	1,375,000
45,000	45,000	45,000	70,000	70,000	30,000	35,000
37,978	37,465	33,019	32,188	32,928	32,101	32,743
7,009	6,685	7,348	6,890	6,728	6,644	6,777

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)

Function/Program	2000	2001	2002
Public Safety			
Police			
Stations	1	1	1
Patrol Vehicles	38	38	38
Fire			
Fire Stations	3	3	3
Fire Engines/Vehicles	25	25	24
Public Works			
Residential Streets (Miles)	134	134	134
Water			
Water Mains (Miles)	158	158	158
Fire Hydrants	2,100	2,500	2,141
Storage Capacity (Gallons)	8.8M	8.8M	8.8M
Wastewater			
Sanitary Sewers (Miles)	93	93	93
Storm Sewers (Miles)	123	123	123
Combined Sewers (Miles)	59	59	59

Data Source: Various Village Departments

2003	2004	2005	2006	2007	2008	2009
1	1	1	1	1	1	1
34	36	38	39	35	35	34
3	3	3	3	3	3	3
28	25	23	22	22	22	22
134	134	134	134	134	134	134
158	163	163	164	166	166	166
2,200	2,230	2,200	2,309	2,328	2,328	2,328
8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M
93	93	93	93	93	93	93
123	123	123	123	123	124	124
59	59	59	59	59	59	59

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Building Permits and Construction Value - Last Ten Fiscal Years
December 31, 2009 (Unaudited)

<u>Fiscal Year</u>	<u>Reported Number of Building Permits</u>	<u>Reported Construction Value</u>
2000	12	2,980,000
2001	9	7,019,800
2002	45	10,026,500
2003	18	9,137,200
2004	29	7,879,100
2005	46	19,494,000
2006	30	9,933,288
2007	12	3,942,866
2008	6	2,075,000
2009*	7	2,259,000

* Cumulative number of reported building permits and value of reported construction year to date, as of September 2009

Data Sources:

U. S. Census Bureau

**VILLAGE OF MOUNT PROSPECT, COOK COUNTY, ILLINOIS
FINANCIAL INFORMATION**

STATEMENT OF INDEBTEDNESS

	Amount Applicable as of December 31, 2009	As Per Cent of		Per Capita 2000 Census 56,265
		Assessed Value	Estimated True Value	
Assessed Valuation of Taxable Real Property, 2008	\$ 2,027,918,310 ⁽³⁾	100.00%	33.33%	\$ 36,042.27
Estimated True Value of Taxable Real Property, 2008	6,083,754,930	300.00%	100.00%	108,126.81
Direct Bonded Debt payable from Property Taxes (1)				
Payable From Property taxes	\$ 41,295,000	2.04%	0.68%	\$ 733.94
Self-Supporting Debt	-	0.00%	0.00%	-
Total Direct Bonded Debt	\$ 41,295,000	2.04%	0.68%	\$ 733.94
Overlapping Bonded Debt Payable from Property Taxes (2)				
Schools	\$ 40,314,429	1.99%	0.66%	\$ 716.51
Other Than Schools	63,940,826	3.15%	1.05%	1,136.42
Total Overlapping Bonded Debt	\$ 104,255,255	5.14%	1.71%	\$ 1,852.93
Total Direct and Overlapping Bonded Debt	\$ 145,550,255	7.18%	2.39%	\$ 2,586.87
Total Direct and Overlapping Bonded Debt Excl. Self-Supporting	\$ 145,550,255	7.18%	2.39%	\$ 2,586.87

- Notes: 1. The Village is a home-rule unit under the Illinois constitution and, therefore, has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt. The village has chosen to fund certain projects with general obligation bonds and abate the taxes thereon from sales tax revenues, incremental property taxes, and other revenues (see "Retirement Schedule of Outstanding Village General Obligation Bonded Debt" below).
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at December 31, 2009".
3. The Village's 2008 equalized assessed valuation includes \$48,422,280 incremental valuation in the Village's tax increment financial district.

**RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION BONDED DEBT (Note 1)
(As of December, 31, 2009)**

Due Calendar Date	Principal Maturities			Debt Service Tax Levies	
	Source of Payments	Total Maturities		Levy Year	Property Taxes
	Property Taxes (2)	Annual Amount	Cumul. Percent		
2010	1,465,000	1,465,000	3.5%	2009	3,148,704
2011	1,745,000	1,745,000	7.8%	2010	3,375,745
2012	1,865,000	1,865,000	12.3%	2011	3,426,338
2013	1,930,000	1,930,000	17.0%	2012	3,416,300
2014	2,040,000	2,040,000	21.9%	2013	3,448,563
2015	2,140,000	2,140,000	27.1%	2014	3,465,503
2016	2,345,000	2,345,000	32.8%	2015	3,581,324
2017	2,455,000	2,455,000	38.7%	2016	3,593,451
2018	2,565,000	2,565,000	44.9%	2017	3,606,794
2019	2,690,000	2,690,000	51.4%	2018	3,631,625
2020	2,825,000	2,825,000	58.3%	2019	3,658,151
2021	2,955,000	2,955,000	65.4%	2020	3,672,374
2022	3,035,000	3,035,000	72.8%	2021	3,629,518
2023	1,475,000	1,475,000	76.4%	2022	1,943,938
2024	1,560,000	1,560,000	80.1%	2023	1,973,238
2025	1,650,000	1,650,000	84.1%	2024	2,000,838
2026	1,750,000	1,750,000	88.4%	2025	2,031,538
2027	1,850,000	1,850,000	92.8%	2026	2,056,288
2028	1,955,000	1,955,000	97.6%	2027	2,080,350
2029	1,000,000	1,000,000	100.0%	2028	1,037,375
	\$ 41,295,000	\$ 41,295,000			

- Notes: 1. The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit, nor is it required to seek referendum approval for the issuance of general obligation debt. The Village has entered into five installment contracts with the Illinois EPA (excluded from the table above) to provide funding for a portion of the Village's storm water/flood control program. The installment contracts (each with semi annual payments) have final maturities on July 12, 2013, May 1, 2014, December 10, 2014, November 1, 2017 and June 3, 2019. Total principal outstanding on the IEPA installment contracts was \$3,305,459 as of December 31, 2009. Debt service is being paid from the Village's ¼ cent home rule sales tax instituted effective September 1, 1991 for the purpose of funding the Village's \$18.6 million flood control program.

- Includes the Series 2002 Library Bonds, Series 2003 Bonds, Series 2006 Library Refunding Bonds, and the Series 2009, 2009B and 2009C Bonds. An intergovernmental agreement between the Village and the Mount Prospect Public Library requires the Library to levy taxes sufficient to cover 100% of the debt service (\$16,525,000) on the Series 2002 Library Bonds and Series 2006 Library Refunding Bonds.

DEBT RATIOS AND PER CAPITAL DEBT—LAST TEN GENERAL OBLIGATION BOND SALES (Note 1)

Village Issue		Ratio to Estimated Actual Value				Per Capita (3)	
		Direct Debt		Direct & Overlapping Debt		Direct & Overlapping Debt	
		Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)
Sale Date	Amount						
March 2, 1999	5,550,000	0.87%	0.16%	3.34%	2.63%	1,864.85	1,468.94
June 6, 2000	2,165,000	0.79%	0.13%	3.10%	2.44%	1,868.30	1,471.99
October 2, 2001	5,000,000	0.80%	0.25%	3.33%	2.78%	1,961.83	1,638.49
March 5, 2002	6,585,000	0.72%	0.24%	3.09%	2.61%	1,814.01	1,531.62
May 21, 2002	20,500,000	1.34%	0.86%	4.03%	3.55%	2,360.04	2,077.65
January 21, 2003	12,235,000	1.39%	1.05%	3.77%	3.43%	2,544.05	2,316.16
December 15, 2006	10,000,000	0.78%	0.69%	2.72%	2.63%	2,362.39	2,287.21
February 17, 2009	10,000,000	0.72%	0.72%	2.45%	2.45%	2,445.85	2,445.85
December 1, 2009	3,430,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42
December 1, 2009	2,650,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42

- Notes:
- Taken from applicable Official Statements.
 - Excludes the Village's general obligation bonds which are payable from non-property taxes.
 - Village population estimates used in these calculations were 53,168 in 1999-2000 and 56,265 in 2001-2009.

EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES (Note 1)

Tax Levy Year (2)	Real Property			
	Net For General Taxing Purposes (3)	Plus Incremental Valuation	Total For All Taxing Purposes (4)	Increase Over Prior Year
2003	1,321,886,943	18,840,090	1,340,727,033	(2.2%)
2004	1,491,177,145	24,825,500	1,516,002,645	13.1%
2005	1,594,975,722	34,455,000	1,629,430,722	7.5%
2006	1,597,309,461	42,357,450	1,639,666,911	0.6%
2007	1,870,325,316	46,887,069	1,917,212,385	16.9%
2008	1,979,496,030	48,422,280	2,027,918,310	5.8%

- Notes:
- Property in Cook County is separated into eight classifications for assessment purposes (ranging from 16% for residential to 38% for commercial property). After the assessor establishes the fair market value of a parcel of land, the value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established—tax rates are applied to the equalized valuation.
 - Under the current triennial reassessment system in Cook County, the Village was most recently reassessed in 2007.
 - Excludes four categories of exemptions: the Senior Citizens' Homestead Exemption; the General Homestead Exemption; the Senior Citizens' Tax Freeze Homestead Exemption and the Long-Term Homeowner Exemption.
 - The Village's tax rate is calculated based on the village's Net Equalized Assessed Valuation (shown in this table as "Net for General Taxing Purposes") and is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocation fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES AT
DECEMBER 31, 2009**

SCHOOL DISTRICTS:	Percent of Village's 2008 Real Property in Taxing Body	Gross Bonded Debt (1)	Village's Applicable Share of Gross Debt to be Paid From Property Taxes (2)	
			Percent	Amount
Elementary Districts:				
Mount Prospect No. 57	34.8%	7,010,000	93.811%	6,576,151
River Trails No. 26	28.2%	8,225,000	77.736%	6,393,786
Community Consolidated No. 59	27.7%	26,625,000	13.571%	3,613,279
Wheeling Community Consolidated No. 21	3.5%	41,635,636	2.697%	1,122,913
Prospect Heights No. 23	2.9%	4,185,000	7.977%	333,837
Arlington Heights No. 25	2.8%	19,970,000	2.891%	577,333
High School Districts:				
Wheeling/Elk Grove No. 214	99.8%	30,145,000	17.303%	5,215,989
Maine Township No. 207	0.2%	13,020,000	0.064%	8,333
Community Colleges:				
Harper No. 512	99.8%	193,570,000	8.510%	16,472,807
Total Schools				40,314,428
OTHER THAN SCHOOL DISTRICTS:				
Cook County, Including Forest Preserve District	100.0%	2,802,110,000	1.141%	31,972,075
Metropolitan Water Reclamation District	100.0%	2,335,620,000	1.165%	27,209,973
Park Districts:				
Mount Prospect	64.3%	7,100,000	60.037%	4,262,627
Arlington Heights	2.5%	26,663,163	1.460%	389,282
Des Plaines	1.6%	7,270,000	1.470%	106,869
Total Other Than Schools				63,940,826

- Notes: 1. Excludes principal amounts outstanding on "alternate bonds" issued pursuant to Public Act 85-1419, which are considered to be self-supporting since they are payable from user fees or other pledged non-property tax sources.
2. Village's share based upon 2008 Real Property valuations.

TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION (Note 1)

	Levy Years				
	2004	2005	2006	2007	2008
Village of Mount Prospect:					
Bonds and Interest	\$ 0.070	\$ 0.091	\$ 0.083	\$ 0.071	\$ 0.093
Pensions (Police, Fire)	0.133	0.156	0.168	0.153	0.156
Corporate	0.444	0.457	0.469	0.416	0.393
Garbage	0.154	0.122	0.126	0.110	0.090
Total Village	\$ 0.801	\$ 0.826	\$ 0.846	\$ 0.750	\$ 0.732
Cook County, Including Forest Preserve District	0.653	0.593	0.557	0.499	0.466
Metropolitan Water Reclamation District	0.347	0.315	0.284	0.263	0.252
Mount Prospect Park District	0.455	0.459	0.474	0.411	0.407
Mount Prospect Public Library	0.475	0.466	0.482	0.439	0.441
Special Service Area No. 5	0.125	0.117	0.118	0.101	0.096
Community Consolidated School District No. 59	1.972	1.933	2.013	1.791	1.810
Township High School District No. 214	1.818	1.759	1.823	1.621	1.587
Harper College No. 512	0.279	0.281	0.288	0.260	0.256
All Other	0.072	0.083	0.064	0.077	0.067
Total (2)	\$ 6.997	\$ 6.832	\$ 6.949	\$ 6.212	\$ 6.114
 Village as a Percent of Total	 11.4%	 12.1%	 12.2%	 12.1%	 12.0%

- Notes: 1. As a home rule unit under the 1970 Illinois Constitution, the Village has no statutory tax rate or levy limitations.
 2. Tax rate applicable to the largest tax code in the Village and most recent available from Cook County.

**TAX EXTENSIONS AND COLLECTIONS
(Village Purposes Only)**

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of December 31, 2009 (Note 1)	
			Amount	Percent (2)
2004	2005	11,939,893	11,657,430	97.63%
2005	2006	13,175,689	12,906,836	97.96%
2006	2007	13,506,574	13,311,533	98.56%
2007	2008	14,014,838	13,851,695	98.84%
2008	2009	14,472,269	14,137,805	97.69%

- Notes: 1. Source: Cook County Treasurer's Office. Tax payments, including late payments and proceeds from tax sales, are shown as collections in the year when due. The "Amount Collected" is not the same as distributions to the Village because tax refunds (pursuant to court orders, first time homestead exemptions other exemptions, etc.) are deducted from "Amount Collected" and interest earnings are added to "Amount Collected" in calculating the distributions.
 2. Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is one-half of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

TEN LARGEST TAXPAYERS

Rank	Taxpayer	Business/Properties	Equalized Assessed Valuation (1)	Percent of Village (2)
1	Randhurst	Shopping Center	\$ 39,388,223	1.99%
2	CRP Holdings	Real Estate	27,946,256	1.41%
3	Mount Prospect Plaza	Shopping Center	23,023,261	1.16%
4	Home Properties Colony	Colony Square Apartments	21,357,205	1.08%
5	Golf Plaza	Shopping Center	19,514,331	0.99%
6	Cunmins Allison Corp	Manufacturing	14,335,448	0.72%
7	PFG 800 Biermann LP	Pharmaceuticals	11,788,733	0.60%
8	McRIL, LLC	Commercial Sales Store	11,343,739	0.57%
9	Huntington Square	Apartments	11,336,572	0.57%
10	Costco Property Tax	Commercial Sales Store	11,244,715	0.57%
			\$ 191,278,483	9.66%

- Notes: 1. Valuations as of January 1, 2008 for 2009 tax purposes.
 2. Total 2008 Village valuation excluding incremental valuation in the Village's tax increment district is \$1,979,496,030.

2002 AND 2008 TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION*

Classification	Village of Mount Prospect				
	Taxable Valuation			Percent of Total	
	2002	2008	% Increase	2002	2008
Residential	827,681,961	1,343,275,031	62.29%	60.39%	66.24%
Commercial	376,976,055	462,959,714	22.81%	27.51%	22.83%
Industrial	165,579,129	221,110,772	33.54%	12.08%	10.90%
Railroad	249,939	572,793	129.17%	0.02%	0.03%
Total	1,370,487,084	2,027,918,310	47.97%	100.00%	100.00%

* Includes the incremental valuation in the Village's tax increment financing district (classified as commercial valuation). A breakdown by property classification of the Village's levy year 2009 valuation is not available as of the date of this report.

GENERAL FUND (Note 1)

**Summary Statement of Revenues, Expenditures and Changes in Fund Balance
(Fiscal Years Ending December 31)**

	Actual				2009	
	2005	2006	2007	2008	Budget	Actual
Revenues:						
Property Taxes	8,420,737	9,648,141	9,896,594	10,438,261	10,620,000	10,738,759
Sales Taxes	8,101,017	8,824,103	8,811,400	10,066,919	9,068,000	9,055,194
State Income Taxes	4,198,734	4,606,804	4,980,054	5,326,270	4,705,000	4,573,162
Licenses, Permits & Fees	2,908,061	3,216,982	3,445,370	3,094,828	3,929,000	3,672,054
Utility Taxes	4,770,080	4,359,595	4,620,256	4,757,979	4,755,000	4,519,175
Charges for Service	685,029	1,186,990	1,631,636	1,511,172	1,605,500	1,691,169
Fines & Forfeits	581,439	521,473	720,673	720,351	699,000	529,655
Interest Income	177,853	474,141	479,704	256,844	64,000	64,955
Food & Beverage Tax	550,603	621,240	797,730	776,268	714,000	751,121
Real Estate Transfer Tax	1,515,403	1,082,498	789,912	643,082	489,000	405,300
All Other Revenues	3,975,816	3,031,405	3,764,388	3,491,085	3,036,100	2,864,926
Total Revenues	\$ 35,884,772	\$ 37,573,372	\$ 39,937,717	\$ 41,083,059	\$ 39,684,600	\$ 38,865,470
Expenditures:						
General Government						
Public Representation Division	114,469	116,278	123,983	163,820	123,332	119,564
Village Manager's Office	1,888,176	2,110,668	2,442,227	2,828,495	2,942,288	3,015,431
Television Services Division	206,927	174,164	164,809	193,430	183,215	193,273
Village Clerk's Office	169,130	195,420	196,054	198,860	210,609	208,123
Finance Department	1,553,967	1,676,743	1,732,616	1,584,723	1,566,661	1,564,367
Community Development - Administration	480,608	584,857	593,980	710,403	733,197	649,803
Benefit Payments	50,463	43,609	44,533	45,460	46,500	45,590
Total General Government	\$ 4,463,740	\$ 4,901,739	\$ 5,298,202	\$ 5,725,191	\$ 5,805,802	\$ 5,796,151
Public Safety:						
Police Department	11,495,443	12,478,295	13,318,324	13,883,553	14,143,163	14,150,722
Fire & Emergency Protection Department	9,383,705	9,930,749	10,549,631	11,068,216	11,323,327	11,338,494
Code Enforcement	740,649	758,010	839,085	849,746	897,641	859,191
Total Public Safety	\$ 21,619,797	\$ 23,167,054	\$ 24,707,040	\$ 25,801,515	\$ 26,364,131	\$ 26,348,407
Highways & Streets	5,344,238	5,506,275	7,299,378	7,176,947	6,431,860	6,424,112
Health	115,216	121,031	119,773	119,067	126,146	126,152
Welfare	976,994	1,045,607	1,210,945	1,330,261	1,601,571	1,518,685
Culture & Recreation	284,229	333,148	281,737	381,892	367,584	358,207
Transfers Out	821,695	1,207,827	12,797	822,274	635,000	635,100
Total Expenditures	\$ 33,625,909	\$ 36,282,681	\$ 38,929,872	\$ 41,357,147	\$ 41,332,094	\$ 41,206,814
Revenues Over (Under) Expenditures	\$ 2,258,863	\$ 1,290,691	\$ 1,007,845	\$ (274,088)	\$ (1,647,494)	\$ (2,341,344)
Ending Fund Balance	\$ 10,516,377	\$ 11,807,068	\$ 12,814,913	\$ 12,540,825	\$ 10,893,331	\$ 10,199,481

Balance Sheet – December 31

Assets:	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Cash & Investments	\$ 5,875,788	\$ 7,038,324	\$ 7,184,546	\$ 6,906,762	\$ 3,478,913
Receivables					
Property Taxes	9,485,589	9,979,918	10,978,708	10,656,198	11,796,455
Other Taxes	1,384,025	1,215,146	1,494,634	1,255,498	882,194
All Other	152,694	222,962	264,615	319,515	453,866
Due From Other Funds	1,460,746	1,746,404	1,507,604	1,674,287	2,054,902
Due From Other Governments	2,518,122	2,763,050	3,509,591	3,034,026	3,839,368
All Other Assets	101,239	73,529	40,910	228,750	88,492
Total Assets	<u>\$ 20,978,203</u>	<u>\$ 23,039,333</u>	<u>\$ 24,980,608</u>	<u>\$ 24,075,036</u>	<u>\$ 22,594,190</u>
Liabilities & Fund Balance					
Accounts payable	\$ 310,592	\$ 382,346	\$ 517,801	\$ 612,347	\$ 466,189
Deferred Revenues					
Property Taxes	9,485,589	9,979,918	10,418,303	10,642,163	11,635,298
All Other Liabilities	665,645	870,001	1,229,591	279,701	293,222
Fund Balance:					
Reserved	312,499	73,529	40,910	228,750	88,492
Unreserved but Designated	-	-	-	-	-
Unreserved and Undesignated	10,203,878	11,733,539	12,774,003	12,312,075	10,110,989
Total Fund Balance	<u>\$ 10,516,377</u>	<u>\$ 11,807,068</u>	<u>\$ 12,814,913</u>	<u>\$ 12,540,825</u>	<u>\$ 10,199,481</u>
Total Liabilities & Fund Balance	<u>\$ 20,978,203</u>	<u>\$ 23,039,333</u>	<u>\$ 24,980,608</u>	<u>\$ 24,075,036</u>	<u>\$ 22,594,190</u>

- Notes: 1. This condensed financial information for the years ending December 31, 2005-2009 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the Village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: The General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

COMBINED STATEMENT—ALL FUNDS (Note 1)

**Fund Balances 2005-2008 and Summary 2009 Revenues, Excess Revenues and Fund Balance
(Fiscal Years Ended December 31)**

	2005	2006	2007	2008	Fiscal Year Ended December 31, 2009				
					Revenue Incl. Transfers		Revenue		Fund Balance
					Property Tax	Total	Over (Under) Expenditures		
Governmental Fund Types (2):									
General Fund *	\$ 10,516,377	\$ 11,807,066	\$ 12,814,913	\$ 12,540,825	\$ 10,738,759	\$ 38,865,471	\$ (2,341,344)	\$ 10,199,481	
Special Revenue Funds:									
Motor Fuel Tax	\$ 864,995	\$ 537,303	\$ 337,147	\$ (95,687)	\$ -	\$ 1,514,334	\$ (353,047)	\$ (448,734)	
Community Development Block Grant	-	-	-	-	-	798,310	-	-	
Local Law Enforcement Block Grant	163	163	-	-	-	-	-	-	
Refuse Disposal *	1,686,784	1,980,777	2,164,126	2,294,466	1,741,092	4,022,567	(39,453)	2,255,013	
Asset Seizure	59,731	74,789	77,320	54,751	-	3,076	(4,340)	50,411	
DEA shared Funds	53,583	49,493	37,677	31,857	-	73	(12,648)	19,209	
DUI Fines	17,208	35,774	30,245	18,461	-	16,135	8,692	27,153	
Foreign Fire Tax Fund	-	52,533	80,872	85,970	-	44,033	35,067	121,037	
Total Special Revenue	\$ 2,682,444	\$ 2,730,812	\$ 2,727,387	\$ 2,389,818	\$ 1,741,092	\$ 6,398,528	\$ 35,067	\$ 2,024,089	
Debt Service *	419,317	465,990	94,398	(908,316)	1,786,922	6,386,243	423,192	(485,124)	
Capital Projects (3)	3,575,154	4,428,063	4,850,533	2,480,123	2,276,442	3,820,315	(2,370,410)	109,713	
Total Governmental	\$ 17,193,292	\$ 19,431,933	\$ 20,487,231	\$ 16,502,450	\$ 16,543,215	\$ 55,470,557	\$ (4,253,495)	\$ 11,848,159	
Proprietary & Fiduciary Fund Types									
Enterprise Funds (4):									
Water and Sewer *	\$ 23,266,233	\$ 24,309,160	\$ 26,120,909	\$ 27,379,256	\$ 1,520,602	\$ 10,105,104	\$ 711,093	\$ 28,090,349	
Village Parking System	389,081	184,903	150,073	249,712	-	301,781	68,080	317,792	
Internal Service Funds (5)	11,867,059	13,123,794	14,659,788	14,632,472	-	9,527,426	377,037	15,009,509	
Pension Trust Funds:									
Police Pension	37,284,536	40,084,647	42,963,185	36,282,943	-	7,763,561	4,757,537	41,020,480	
Firefighter's Pension	38,091,422	40,166,885	43,030,181	36,681,856	-	7,014,640	4,118,894	40,800,750	
Total Proprietary & Fiduciary	\$ 110,898,331	\$ 117,869,389	\$ 126,924,116	\$ 115,208,239	\$ 1,520,602	\$ 34,712,512	\$ 10,032,641	\$ 125,238,880	
Discreetly Presented Component Unit:									
Mount Prospect Public Library	\$ 3,411,784	\$ 4,020,453	\$ 4,171,946	4,801,850	\$ 8,533,296	\$ 8,895,479	\$ 241,434	5,043,284	
Total All Funds (Memo Only)	\$ 131,503,407	\$ 141,321,775	\$ 151,583,293	\$ 136,510,539	\$ 26,597,113	\$ 99,078,548	\$ 6,020,580	\$ 142,130,323	

* Designated as major funds.

	2005	2006	2007	2008	2009
Cash & Investments at 12/31 (6):					
General Fund	\$ 5,875,788	\$ 7,038,324	\$ 7,184,546	\$ 6,906,762	\$ 3,478,913
Internal Service Funds	8,582,358	10,073,099	10,820,995	11,031,805	10,350,298
Refuse Disposal	1,641,568	1,795,604	1,853,585	2,055,278	2,005,380
Other Special Revenue Funds	925,308	1,491,014	1,175,936	464,682	227,363
Debt Service Funds	347,754	558,087	370,799	(238,703)	163,099
Subtotal	\$ 17,372,776	\$ 20,954,128	\$ 21,405,861	\$ 20,219,824	\$ 16,225,053
Capital Project Funds	4,215,628	4,817,224	4,671,780	2,323,527	8,621,164
Water & Sewer	3,609,877	3,911,189	4,342,452	4,231,532	3,648,859
Other Enterprise Funds	257,872	70,894	104,143	358,890	438,421
Pension Trust Funds	75,042,504	79,774,305	85,551,389	72,563,407	81,418,602
Other Fiduciary Funds	1,288,931	1,711,374	2,033,936	1,816,941	1,411,976
Discreetly Presented Component Unit	4,068,222	4,484,981	4,544,340	5,174,060	4,668,713
Total	\$ 105,855,810	\$ 115,724,095	\$ 122,653,881	\$ 106,688,181	\$ 116,432,788

Notes: 1. This condensed financial information for the years ending December 31, 2005-2009 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets; expenditures are recognized when the related fund liability is incurred. All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. This table excludes the Village's Expendable Trust Funds and Agency Funds. The Village's Comprehensive Annual Financial Report for the year ended December 31, 2009 included an unqualified "Independent Auditor's Report". Similar unqualified opinions were included in the Village's Comprehensive Annual Financial Reports for the years ending December 31, 2005-2008. The "Independent Auditor's Report" included in the latest audit states, in part:

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

- The Village's property tax revenue recognition policy conforms to the provisions of "NCGA Interpretation 3, Revenue Recognition Property Taxes." The current net tax levy receivable is recognized in the balance sheet along with a corresponding amount of deferred revenue. In addition, the debt service payments and liabilities related to the current net tax levy are not reflected in the Debt Service Funds; the un-matured principal is reflected in the General Long-Term Debt Account Group.
- Includes the Capital Improvement Fund, which accounts for the resources used to provide for mid-sized capital projects. Financing is provided by one-quarter cent home rule sales tax, developer contributions, transfers from other funds, interest income, and bond proceeds.
- Fund balances shown for the Enterprise Funds are total fund equity, including contributed capital and retained earnings, and the column "Revenue Over Expenditures" represents the change in that amount. The "Total Revenues" column represents operating revenues.
- The Village created a Risk Management Fund in 1984 to account for the servicing and payment of claims for liability, property, casualty coverage and Workers' Compensation. Financing is provided by charges to the various Village funds. The Village created a Vehicle Replacement Fund in fiscal year 1991 to account for the acquisition and depreciation of Village vehicles. Financing is provided by charges to the General, Water and Sewer, and Parking Funds. The Village created a Vehicle Maintenance Fund in 1996 to account for maintenance and repair of all Village vehicles except Fire Department vehicles. In 1997, the Village created a Computer Replacement Fund to account for the acquisition and depreciation of Village computer hardware.
- Excludes agency funds.

CAPITAL ASSETS (Note)
(December 31, 2009)

	Governmental Activities		Business Type Activities
Capital Assets Not Being Depreciated		Capital Assets Not Being Depreciated	
Land	\$ 19,588,086	Land	\$ 229,541
Total Assets Not Being Depreciated	\$ 19,588,086	Total Assets Not Being Depreciated	\$ 229,541
Capital Assets Being Depreciated		Capital Assets Being Depreciated	
Buildings	\$ 27,429,229	Buildings and Improvements	\$ 10,105,656
Improvements Other Than Buildings	1,645,403	Equipment	4,061,367
Infrastructure and All Other	61,263,305	Infrastructure	38,039,248
Total Capital Assets Being Depreciated	\$ 90,337,937	Total Capital Assets Being Depreciated	\$ 52,206,271
Less Accumulated Depreciation	\$ 54,040,475	Less Accumulated Depreciation	\$ 30,023,678
Total Capital Assets Being Depreciated, Net	\$ 36,297,462	Total Capital Assets Being Depreciated, Net	\$ 22,182,593
Net Assets	\$ 55,885,548	Net Assets	\$ 22,412,134

Note: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000, except for infrastructure for which the cost is \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.