

CONTINUING DISCLOSURE ANNUAL REPORT

Issuer: Solid Waste Agency of Northern Cook County (Illinois)

Bonds: \$29,085,000 Contract Revenue Refunding Bonds,
Series 1995A
\$1,810,000 Contract Revenue Refunding Bonds,
Series 1995B Taxable

CUSIP Base No. 665093

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Reporting Period: Fiscal Year 2007 Ending April 30, 2007

Date of Report: January 28, 2008

**SOLID WASTE AGENCY OF NORTHERN COOK COUNTY
CONTINUING DISCLOSURE ANNUAL REPORT
FISCAL YEAR 2007**

This 2007 Continuing Disclosure is being filed with each Nationally Recognized Municipal Securities Information Repository recognized by the SEC as of this date under the provisions of a Continuing Disclosure Undertaking (the "Agreement") executed and delivered by the Solid Waste Agency of Northern Cook County (the "Agency") in connection with the issuance of \$29,085,000 Contract Revenue Refunding Bonds, Series 1995A, and \$1,810,000 Contract Revenue Refunding Bonds, Series 1995B Taxable (collectively, the "Bonds"). Capitalized terms not otherwise defined herein are defined in the Final Official Statement, dated December 13, 1995, issued in connection with the Bonds. The information in this Disclosure speaks as of April 30, 2007 and is limited to that information which the Agency covenanted to disclose in the Agreement.

AUDITED FINANCIAL STATEMENTS

Attached as Exhibit 1 to this Disclosure are the audited financial statements of the Agency for the fiscal year ending April 30, 2007 ("Fiscal Year 2007").

ANNUAL FINANCIAL INFORMATION

The following Annual Financial Information is provided as required by the Agreement with respect to Fiscal Year 2007.

CONTRACT FOR OPERATION OF THE TRANSFER STATION

On February 1, 1994, the Agency opened a 1,500-ton per day capacity transfer station (the "Glenview Transfer Station") and began accepting deliveries of Member System Waste. Under an agreement between the Agency and Groot Recycling and Waste Services, Inc. ("Groot"), Groot operated the Glenview Transfer Station and provided for

disposal of waste at disposal facilities operated by Waste Management of Illinois ("WMI") or its affiliates. Groot and the Agency executed a new agreement, which became effective March 19, 1996 (the "Long-Term Contract") and applied to all of Fiscal Year 2007. The Agency received an opinion of Mayer Brown, LLP that the implementation of the Long-Term Contract, together with the purchase or provision for payment of those 1992 Bonds allocable to the Glenview Transfer Station, would not cause the 1992 Bonds to be treated as private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code.

Under the Long-Term Contract, the Agency makes payment to Groot for only that waste which is actually delivered to and processed at the Glenview Transfer Station. The Long-Term Contract also provided for reduced per-ton charges for Fiscal Year 2007.

In future years, per-ton charges for operation, maintenance and hauling increase based upon price indices, subject to a Groot obligation to substantiate certain cost increases. Disposal costs increases are subject to price indices until the year 2014. However, the Agency is a beneficiary of a most-favored customer covenant by WMI that the Agency will never pay a fee for waste disposal at a WMI-owned disposal site greater than any other governmental customer of WMI that delivers an equal or smaller amount of waste and is located in the five county northeastern Illinois region.

Both the Agency and Groot have a one-time option to terminate the Long-Term Contract on April 30, 2009. If the Agency terminates the Long-Term Contract on April 30, 2009 but WMI continues to provide waste disposal services to the Agency, the Agency must pay Groot an annual termination fee of \$250,000. Finally the Agency has the option at any time to terminate the disposal component of the Long-Term Contract, if other cost effective waste disposal technologies become available.

In order to increase the volume of non-Member System Waste processed at the Glenview Transfer Station, the Agency began to market its services to private haulers operating within or in the vicinity of the jurisdictions of the Members. In Fiscal Year 2007, Groot processed approximately 33,307 tons of non-Member System Waste at the Glenview Transfer Station.

Tabular Information and Data

As of January 1, 1996, all 23 Members were delivering waste to the Glenview Transfer Station under their respective Project Use Agreements. The actual waste tonnage delivered to the Glenview Transfer Station by each Member for Fiscal Year 2007 and projected waste tonnage to be delivered in Fiscal Year 2008 is set forth in the Table 1. The projected waste is based on a three-year rolling average required by the Project Use Agreement with the members and under projects the actual waste deliveries.

The Project Use Agreements provide for the payment for all of the Agency's Operation and Maintenance Costs and Fixed Costs associated with the ownership and operation of the Project. Actual results for Fiscal Year 2007 and budgeted results for Fiscal Year 2008, are presented on a cash, not an accrual, basis and are shown on the Table 2.

TABLE 1 - MEMBER WASTE DELIVERIES

Member	<u>Actual FY2007</u>		<u>Projected FY2008</u>	
Arlington Hts.	26,763	9.18%	27,712	9.97%
Barrington	3,914	1.34%	4,289	1.54%
Buffalo Grove	17,910	6.14%	17,841	6.42%
Elk Grove Village	13,088	4.49%	13,878	4.99%
Evanston	19,355	6.64%	19,335	6.96%
Glencoe	3,539	1.21%	3,656	1.32%
Glenview	12,726	4.36%	13,190	4.75%
Hoffman Estates	15,420	5.29%	12,124	4.36%
Inverness	3,037	1.04%	3,028	1.09%
Kenilworth	2,131	0.73%	2,327	0.84%
Lincolnwood	4,858	1.67%	4,725	1.70%
Morton Grove	7,862	2.70%	7,826	2.82%
Mount Prospect	21,716	7.45%	21,620	7.78%
Niles	8,356	2.87%	8,725	3.14%
Palatine	27,862	9.56%	30,678	11.04%
Park Ridge	15,122	5.19%	15,836	5.70%
Prospect Hts.	7,396	2.54%	4,952	1.78%
Rolling Meadows	11,370	3.90%	11,190	4.03%
Skokie	19,605	6.72%	20,757	7.47%
South Barrington	1,935	0.66%	1,947	0.70%
Wheeling	11,307	3.88%	12,557	4.52%
Wilmette	10,691	3.67%	11,050	3.98%
Winnetka	<u>8,270</u>	2.84%	<u>8,756</u>	3.15%
TOTAL	274,235	94%	277,998	100.04%

**Numbers are rounded for presentation purposes.*

TABLE 2 - REVENUES AND EXPENDITURES

Revenue	<u>Actual FY2007</u>	<u>Proposed FY2008</u>
Member Payments		
Operations and Maintenance	14,872,890	15,038,515
Fixed Costs	1,006,353	995,500
Fixed Costs True-Up	-	-
Subtotal	<u>15,879,242</u>	<u>16,034,015</u>
Other Revenues		
Transfer From Revenue Fund	83,462	116,587
Investments	387,275	225,000
Commercial Waste Program	237,553	195,000
Debt Service Coverage Fund	162,590	177,708
Other	95,041	102,000
Subtotal	<u>965,922</u>	<u>816,295</u>
Total	16,845,164	16,850,310
Expenses		
Glenview Transfer Station		
Operations	3,787,179	3,849,676
Transportation	2,528,443	2,570,168
Disposal	8,660,327	8,803,243
Host Community Fees	109,694	110,001
Repair and Maintenance	149,892	151,252
Utility Charges	277,031	220,002
Rolling Meadows Waste Credit	(1,157,661)	(1,078,485)
Rolling Meadows Trans. Credit	(156,221)	(168,784)
Groot Chicago Waste Credit	(18,062)	(18,778)
Subtotal	<u>14,180,623</u>	<u>14,438,295</u>
Administration		
Personnel & Office	740,639	680,421
Professional Services\Insurance	456,529	388,000
Education & Recycling	81,377	158,800
Subtotal	<u>1,278,546</u>	<u>1,227,221</u>
Total Operation and Maintenance Costs	15,459,168	15,665,516
Net Revenues Before Debt Service	1,385,996	1,184,794
Debt Service	<u>921,348</u>	<u>1,007,018</u>
Net Revenues	<u><u>464,648</u></u>	<u><u>177,776</u></u>
Debt Service Coverage	150.43%	117.65%

The following Table 3 shows actual costs per ton of waste processed at the Glenview Transfer Station for Fiscal Year 2007 and projected costs per ton for Fiscal Year 2008 paid by the Members under their respective Project Use Agreements.

TABLE 3 - MEMBER COSTS PER TON

	Actual FY2007	Projected FY2008
Tonnage Received From Members	274,235	277,998
Operations & Maintenance Cost/Ton	\$53.50	\$54.68
Fixed Cost/Ton	\$3.62	\$3.62
All-in Cost per Ton	\$57.12	\$58.30

Under the Project Use Agreements, each Member is obligated to make annual payments to the Agency in an amount sufficient to pay all of the Operation and Maintenance Costs and all Fixed Costs of the Project. Table 4 shows the actual payments made by the Members with respect to Fiscal Year 200 and the projected payments to be made with respect to Fiscal Year 2008, together with the per household costs for those periods.

TABLE 4 - ALLOCATION OF ANNUAL PAYMENTS

Member	FY2007 Annual Total	Monthly Per Household (1)	FY2008 Annual Total	Monthly Per Household (1)
Arlington Heights	\$1,528,724.84	\$4.25	\$1,615,587.06	\$4.49
Barrington	223,559	5.66	250,031	6.33
Buffalo Grove	1,023,032	5.65	1,040,126	5.75
Elk Grove	747,592	4.89	809,078	5.29
Evanston	1,105,579	6.33	1,127,221	6.46
Glencoe	202,127	5.16	213,120	5.44
Glenview	726,929	5.10	768,964	5.39
Hoffman Estates	880,813	5.77	706,841	4.63
Inverness	173,457	6.25	176,555	6.36
Kenilworth	121,748	11.77	135,686	13.12
Lincolnwood	277,498	5.16	275,444	5.12
Morton Grove	449,078	4.57	456,268	4.64
Mount Prospect	1,240,396	4.73	1,260,429	4.81
Niles	477,288	4.33	508,670	4.62
Palatine	1,591,471	4.65	1,788,529	5.23
Park Ridge	863,783	6.31	923,266	6.75
Prospect Hts.	422,444	15.52	288,682	10.60
Rolling Meadows	649,471	6.07	652,368	6.09
Skokie	1,119,854	5.16	1,210,151	5.58
South Barrington	110,505	8.98	113,508	9.23
Wheeling	645,875	3.93	732,091	4.46
Wilmette	610,667	5.39	644,202	5.69
Winnetka	472,386	9.13	510,464	9.87
Average		\$6.64		\$6.60

- (1) Annual Total divided by total number of households in the community divided by twelve months. Total number of households includes both single family and multi-family units. Waste deliveries exclude multi-family units for some communities.
- (2) Includes some Commercial Waste that increases average waste per household.