



VILLAGE OF ALSIP, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2009

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Assets	13
Statement of Activities	14
FUND FINANCIAL STATEMENTS:	
Balance Sheet - Governmental Funds	15
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General and Road and Bridge Funds (Budgetary Basis)	18
Statement of Net Assets - Proprietary Funds.....	19
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Fiduciary Net Assets - Fiduciary Funds	24
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	25
NOTES TO FINANCIAL STATEMENTS	26

REQUIRED SUPPLEMENTAL INFORMATION	52
Schedule of Funding Progress.....	53
Schedule of Employer Contributions	55
Schedule of Annual OPEB Cost and Net OPEB Obligation	56
 SUPPLEMENTAL INFORMATION	 57
Combining and Individual Fund Statements and Supporting Schedules:	
General Fund:	
Comparative Balance Sheet	58
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	59
Comparative Statement of Expenditures	61
Special Revenue Funds:	
Combining Balance Sheet.....	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	68
Road and Bridge Fund:	
Comparative Balance Sheet.....	69
Comparative Statement of Revenues, Expenditures, and Changes in Fund Deficit.....	70
9-1-1 Emergency Telephone Fund:	
Comparative Balance Sheet.....	72
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance.....	73

Special Tax Allocation Fund:

Comparative Balance Sheet..... 74

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance..... 75

Motor Fuel Tax Fund:

Comparative Balance Sheet..... 76

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance..... 77

Insurance Fund:

Comparative Balance Sheet..... 78

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance..... 79

Foreign Fire Insurance Tax Fund:

Comparative Balance Sheet..... 80

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance..... 81

Debt Service Fund:

Comparative Balance Sheet 82

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance 83

Capital Projects Fund:

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance 84

Enterprise Funds:

Combining Balance Sheet..... 85

Combining Statement of Revenues, Expenses,
and Changes in Fund Equities 87

Combining Statement of Cash Flows 88

Waterworks and Sewerage Fund:

Comparative Balance Sheet.....	90
Comparative Statement of Revenues, Expenses, and Changes in Fund Equity.....	92
Comparative Statement of Cash Flows.....	93
Comparative Statement of Operating Expenses.....	95

Senior Citizen Complex Fund:

Combining Balance Sheet.....	96
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings.....	97
Combining Statement of Cash Flows.....	98
Combining Statement of Operating Expenses.....	99

Trust Funds:

Pension Trust Funds:

Combining Statement of Plan Net Assets	100
Combining Statement of Changes in Plan Net Assets.....	101

Supporting Schedules:

Schedule of Insurance Coverage (Unaudited).....	102
Property Tax Levies and Collections Extended by Funds and Assessed Valuation	104
Legal Debt Margin	105

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE STATE OF ILLINOIS PUBLIC ACT 85-1142, SUBSECTION (Q) OF SECTION 11-74.4-3	106
---	------------

Independent Auditor's Report

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

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

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

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

Management's discussion and analysis on pages three through 12 and the pension information on pages 53 through 56 are not required parts of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the Village's basic financial statements for the year ended April 30, 2008, which are not presented with the accompanying financial statements. In our report dated

October 23, 2008, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2008 combining and individual fund statements and supporting schedules are fairly presented in all material respects in relation to the basic financial statements for the year ended April 30, 2008, taken as a whole.

Clifton Gunderson LLP

Oak Brook, Illinois
October 23, 2009

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

The Village of Alsip, Illinois (the "Village") offers readers of the Village's financial statements this narrative overview and analysis of the financial activity of the Village for the fiscal year ended April 30, 2009. Readers are encouraged to consider the information presented here in conjunction with the Village's financial statements, which begins on page 13 of this report.

Financial Highlights

The Village's net assets total \$31,922,785. Net assets for governmental activities account for \$6,694,834 or 21% of the total and business-type activities account for \$25,227,951 or 79% of the total.

The government's total net assets increased by \$257,314 during fiscal year 2009, due to normal Village operations.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$11,178,873.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$5,274,658 or 31.2% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

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

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, finance, fire, police, 911 services, civil defense, road and bridge, health and welfare, public works and economic development. The business-type activities of the Village include water, sewer, storm water management and senior housing.

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

The Village includes two separate legal entities in its report, the Village of Alsip Police Pension Employees' Retirement System and the Firefighter's Pension Employees' Retirement System. The Village of Alsip Police Pension Employees' Retirement System and the Firefighters' Pension Employees' Retirement System are considered "blended component units". Although legally separate, these "component units" are important because the Village is financially accountable for them. Financial information for the component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The Village maintains five individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Road and Bridge Fund, Insurance Fund and the Debt Service Fund, all of which are considered to be major funds. Individual fund data for the non-major governmental fund, the Special Revenue Fund, is provided elsewhere in this report.

The Village adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

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

Proprietary Funds

The Village maintains proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses proprietary funds to account for its Water, Sewer, Storm Water Management and Senior Housing Funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Refuse, Storm Water Management and Senior Housing Funds.

The basic proprietary fund financial statements can be found on pages 19 through 23 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the Village. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 51 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. Required supplementary information can be found on pages 52 through 56 of this report. Combining and individual fund statements and schedules can be found on pages 58 through 101 of this report.

Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$31,922,785 at the close of the most recent fiscal year.

By far, the largest portion of the Village's net assets (73.1%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

Condensed Statement of Net Assets
As of April 30, 2009 and 2008
(in Millions)

	<u>Governmental Activities</u>		<u>Business 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>
Current and other assets	\$ 16.7	\$ 16.3	\$ 10.0	\$ 9.8	\$ 26.7	\$ 26.1
Capital assets	<u>18.4</u>	<u>18.7</u>	<u>30.3</u>	<u>31.0</u>	<u>48.7</u>	<u>49.7</u>
Total assets	<u>\$ 35.1</u>	<u>\$ 35.0</u>	<u>\$ 40.3</u>	<u>\$ 40.8</u>	<u>\$ 75.4</u>	<u>\$ 75.8</u>
Long-term liabilities	\$ 25.2	\$ 24.4	\$ 11.1	\$ 12.5	\$ 36.3	\$ 36.9
Other liabilities	<u>3.2</u>	<u>3.1</u>	<u>4.0</u>	<u>4.1</u>	<u>7.2</u>	<u>7.2</u>
Total liabilities	<u>\$ 28.4</u>	<u>\$ 27.5</u>	<u>\$ 15.1</u>	<u>\$ 16.6</u>	<u>\$ 43.5</u>	<u>\$ 44.1</u>
Net assets:						
Invested in capital assets, net of debt	\$ 5.6	\$ 4.1	\$ 17.8	\$ 17.2	\$ 23.4	\$ 21.3
Restricted	6.3	7.1	-	-	6.3	7.1
Unrestricted (deficit)	<u>(5.2)</u>	<u>(3.7)</u>	<u>7.4</u>	<u>7.0</u>	<u>2.2</u>	<u>3.3</u>
Total net assets	<u>\$ 6.7</u>	<u>\$ 7.5</u>	<u>\$ 25.2</u>	<u>\$ 24.2</u>	<u>\$ 31.9</u>	<u>\$ 31.7</u>

A portion of the Village's governmental activities net assets (\$6.3 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets shows a deficit of \$5.2 million. This is mostly due to a negative fund balance in the road and bridge fund, which is projected to be eliminated in the next three years, and the recognition of GASB 45 obligations.

At the end of the current fiscal year, the Village is able to report positive balances in net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Net assets of the Village increased in fiscal year ended 2009 from \$31.7 million to \$31.9 million and increased in fiscal year ended 2008 from \$31.1 million to \$31.7 million.

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

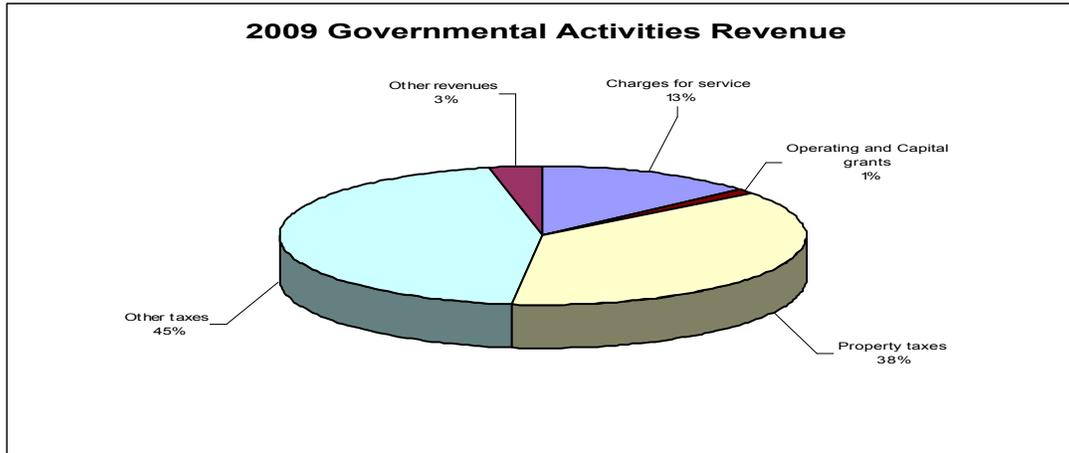
Change in Net Assets

The fiscal year 2009 activities of the Village caused the net assets to increase by \$.3 million (governmental activities, \$.8 million decrease and business type activities, \$1.1 million increase). Key elements are as follows:

Changes in Net Assets	For the Fiscal Years Ended April 30, 2009 and 2008 (in Millions)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenue						
Program revenues:						
Charges for service	\$ 2.9	\$ 2.7	\$ 11.4	\$ 11.3	\$ 14.3	\$ 14.0
Operating and capital grants	.2	.2	-	-	.2	.2
General Revenue:						
Property taxes	8.1	6.4	-	-	8.1	6.4
Other taxes	9.7	10.4	-	-	9.7	10.4
Other revenues	<u>.6</u>	<u>1.0</u>	<u>.1</u>	<u>.3</u>	<u>.7</u>	<u>1.3</u>
Total revenue	<u>21.5</u>	<u>20.7</u>	<u>11.5</u>	<u>11.6</u>	<u>33.0</u>	<u>32.3</u>
Expenses						
Governmental activities:						
General government	2.2	2.6	-	-	2.2	2.6
Public safety	15.3	14.0	-	-	15.3	14.0
Road and bridge	3.3	3.2	-	-	3.3	3.2
Building	.3	.2	-	-	.3	.2
Health and welfare	1.0	.9	-	-	1.0	.9
Drainage and Forestry	-	-	-	-	-	-
Interest	.7	.7	-	-	.7	.7
Business-type:						
Water	-	-	6.7	6.5	6.7	6.5
Sewer	-	-	.2	.2	.2	.2
Senior Complex	<u>-</u>	<u>-</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>
Total expenses	<u>22.8</u>	<u>21.6</u>	<u>10.0</u>	<u>9.8</u>	<u>32.8</u>	<u>31.4</u>
Revenues over expenses	(1.3)	(0.9)	1.5	0.2	.2	.9
Transfers	<u>.5</u>	<u>.4</u>	<u>(.5)</u>	<u>(.4)</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>\$ (0.8)</u>	<u>\$ (0.5)</u>	<u>\$ 1.0</u>	<u>\$ (.2)</u>	<u>\$.2</u>	<u>\$.9</u>

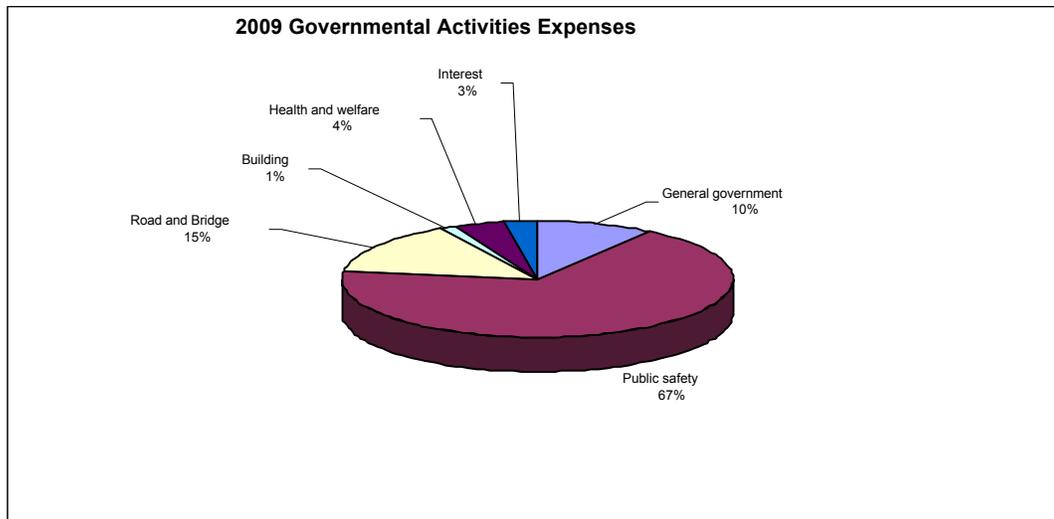
**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2009**

Revenues:



For the fiscal year ended April 30, 2009, revenues from governmental activities totaled \$21.5 million, signifying an increase in revenues of approximately \$.8 million dollars over the previous fiscal year. Property taxes totaled \$8.1 million representing 38% of the total governmental activity revenue. Other taxes, at \$9.7 million, which are primarily attributable to the Village's sales, State income, fuel and real estate transfer taxes, realized a decrease of approximately \$0.7 million over the 2008 fiscal year.

Expenses:



For the fiscal year ended April 30, 2009, expenses for governmental activities totaled \$22.8 million, a \$1.2 million increase over the previous fiscal year.

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

Business-type Activities

This fiscal year saw an increase in total charges for services of approximately \$.1 million. Business-type activities increased the Village's net assets by \$1,047,985. Key elements of this increase were continued capital projects.

Financial Analysis of the Government's Funds

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

Governmental Funds - The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At April 30, 2009, the governmental funds reported a combined fund balance of \$11,178,873, an increase of \$27,619 from the previous fiscal year.

The General Fund is the Village's primary operating fund and the largest source of funding for the day-to-day activities of its various departments. The fund balance of the General Fund experienced a slight decrease of \$392,273 from the previous fiscal year.

General Fund Budgetary Highlights

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 18,512,000	\$ 18,512,000	\$ 16,259,195
Expenditures	<u>18,197,437</u>	<u>18,547,437</u>	<u>16,882,566</u>
Excess of revenues over expenditures	314,563	(35,437)	(623,371)
Other financial sources	<u>-</u>	<u>-</u>	<u>231,098</u>
Net changes in fund balance	<u><u>\$ 314,563</u></u>	<u><u>\$ (34,437)</u></u>	<u><u>\$ (392,273)</u></u>

Proprietary Funds - The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Waterworks and Sewerage Fund and the Senior Citizen Complex Fund as major proprietary funds. The Waterworks and Sewerage Fund account for all of the operations of the municipal water and sewer system. Water is purchased from the City of Chicago at a rate of \$1.77 per thousand gallons. Water is sold to all municipal customers at varying rates, based on usage. The spread between purchase and sales rates is intended to finance the operation of the waterworks and sewerage system, including labor costs, supplies and infrastructure maintenance.

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

Water sales during fiscal year ended 2009 were \$92,031 higher than the previous fiscal year. This was the result of an ordinance approved by the Board that increases water and sewer rates each year for the next three years. Fiscal year 2009 is the first full year of that increase.

Capital Asset and Debt Administration

Capital Assets - The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2009 amounts to \$48,611,562 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, highways, and bridges.

Changes in Net Assets	Capital Assets at Year End Net of Depreciation (in Millions)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	
Land	\$.4	\$ -	\$ 1.9	\$ 1.9	\$ 2.3	\$ 1.9
Improvements	.6	.5	3.5	3.7	4.1	4.2
Construction in progress	-	.1	.3	-	.3	.1
Buildings	4.8	4.9	10.1	10.6	14.9	15.5
Machinery and equipment	1.3	1.2	.7	.8	2.0	2.0
Infrastructure	9.7	10.4	13.7	14.0	23.4	24.4
Vehicles	<u>1.5</u>	<u>1.6</u>	<u>.1</u>	<u>-</u>	<u>1.6</u>	<u>1.6</u>
Total	<u>\$ 18.3</u>	<u>\$ 18.7</u>	<u>\$ 30.3</u>	<u>\$ 31.0</u>	<u>\$ 48.6</u>	<u>\$ 49.7</u>

Additional information on the Village's capital assets can be found in Note 4C on pages 38 through 39 of this report.

Long-term Debt - At the end of the fiscal year 2009, the Village had total bonded debt outstanding of \$25,237,673. Of this amount, 100% comprises debt backed by the full faith and credit of the government.

	Outstanding General Obligation Debt (000's)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds	<u>\$ 12.6</u>	<u>\$ 14.4</u>	<u>\$ 12.6</u>	<u>\$ 13.9</u>	<u>\$ 25.2</u>	<u>\$ 28.3</u>

The Village made principal payments on outstanding general obligation bonds in the current year of \$3,055,596, in accordance with the terms of the various bond issues.

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

In fiscal year ended 2008, the Village was assigned an A1 rating from Moody's. The Village as a home rule authority is not limited to the amount of general obligation debt it may issue, except that any debt issue may not exceed a 40-year payment period. The 2009 total per capita general obligation debt for the community is \$1,278.

Additional information on the Village's long-term debt can be found in Note 4E on pages 41 through 44 of this report.

Economic Factors and Next Year's Budgets and Rates

Alsip is located approximately 19 miles southwest of downtown Chicago, along Interstate 294. The Village has accessibility via highway, rail, water, and air transportation. Interstate 57 and Interstate 80, two major interstate highways, are located in close proximity to the Village. Additionally, the Calumet Sag Channel allows the Village access to the Port of Chicago which includes major docks on Lake Calumet.

The Village is home to approximately 900 businesses, encompassing various segments of commerce, including retail, service and manufacturing. This diversity of business and industry provides a stable economic base, which in turn creates outstanding municipal services, educational systems, health and human care agencies and recreational facilities. The Village is centrally located to both O'Hare Airport, approximately 18 miles northwest of the Village, and Midway Airport, approximately seven miles north of the Village.

- Looking forward towards fiscal year 2010, the Village will continue negotiations dealing with the redevelopment of the 123rd Street TIF and the remainder of Cicero Avenue to 119th Street. This redevelopment is anticipated to bring retail growth, providing additional sales and property tax to the Village.
- The Village is continuing the program begun in FY 2009 to upgrade the water system. These improvements include major renovations and replacement of water and sewer infrastructure. One of these projects is a new connection for service to Crestwood and Palos that in addition to providing better service to those communities, will allow us to use existing infrastructure to better serve the neighborhoods on the far west border of the Village. Other on-going projects scheduled for fiscal year 2010 include replacement of various water mains, upgrading of the Village's storage capacity and improvements to multiple lift stations in the community.
- In August 2009 the Village issued bonds, under the federal "Build America Bonds" program. The proceeds from these bonds will be used for a program of major roadway improvements. This will include both replacement and reconstruction of selected streets, both residential and commercial, in accordance with the Village's approved roadway program. Additionally some of the funds derived from the sale of these bonds will be used to make capital improvements to Village owned senior housing.

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

- In response to the current economic downturn, the Village has taken a number of steps to address declining revenues related to housing and employment. Those measures include, on the expense side, not filling some vacant positions and restricting capital purchases. Additionally the Village imposed an increase to the current Hotel/Motel tax and implemented a charge to residential customers for refuse services. Additionally for the most recent bond issuance the Village again received an A-1 rating from Moody's while also receiving a rating of AA from Standard & Poors.
- In 2006, the Board began a multi-phase program to create a plan for an identifiable "Main Street" for the Village located along Pulaski Avenue from 115th Street to 123rd Street. It is anticipated that a formal plan will be presented for adoption in fiscal year 2010.

These factors will be prominent in the preparation of the Village's budget for the 2010 fiscal year.

Requests for Information

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be addressed to the Director of Finance, Village of Alsip, 4500 W. 123rd Street, Alsip, Illinois 60803.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
April 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 781,531	\$ 100	\$ 781,631
Temporary cash investments	7,491,503	2,262,109	9,753,612
Receivables (net of allowance for uncollectibles)	6,833,073	855,247	7,688,320
Internal balances	668,088	(668,088)	-
Bond issuance costs	-	105,787	105,787
Deposits	-	163,144	163,144
Prepaid expenses	45,039	7,492	52,531
Restricted assets:			
Temporary cash investments	909,340	7,318,807	8,228,147
Capital assets (net of accumulated depreciation):			
Land	350,000	1,886,953	2,236,953
Buildings	4,821,115	10,084,672	14,905,787
Improvements	589,355	3,506,574	4,095,929
System infrastructure	9,739,897	13,730,300	23,470,197
Machinery and equipment	1,268,176	663,441	1,931,617
Furniture and fixtures	64,797	-	64,797
Vehicles	1,505,744	86,765	1,592,509
Construction in progress	-	313,773	313,773
	<u>35,067,658</u>	<u>40,317,076</u>	<u>75,384,734</u>
Total assets			
LIABILITIES			
Accounts payable and other current liabilities	868,803	2,056,794	2,925,597
Accrued interest payable	179,874	154,299	334,173
Intergovernmental liability	141,896	-	141,896
Due to fiduciary funds	103,662	-	103,662
Deposits	-	322,150	322,150
Deferred other revenue	4,782	-	4,782
Payable from restricted accounts:			
Customer deposits	-	26,884	26,884
Noncurrent liabilities:			
Due within one year	1,881,528	1,433,683	3,315,211
Due in more than one year	25,192,279	11,095,315	36,287,594
	<u>28,372,824</u>	<u>15,089,125</u>	<u>43,461,949</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	5,543,710	17,787,197	23,330,907
Restricted for:			
Debt service	5,517,383	-	5,517,383
Other	806,302	-	806,302
Unrestricted	<u>(5,172,561)</u>	<u>7,440,754</u>	<u>2,268,193</u>
TOTAL NET ASSETS	<u>\$ 6,694,834</u>	<u>\$ 25,227,951</u>	<u>\$ 31,922,785</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2009

FUNCTIONS/PROGRAMS	<u>Expenses</u>	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Primary government:						
Governmental activities:						
General government	\$ 2,181,577	\$ 688,155	\$ 57,437	\$ (1,435,985)	\$ -	\$ (1,435,985)
Public safety	15,283,508	1,552,158	114,751	(13,616,599)	-	(13,616,599)
Highway and streets	3,259,425	452,754	-	(2,806,671)	-	(2,806,671)
Building	317,676	72,315	-	(245,361)	-	(245,361)
Health and environmental control	1,049,063	88,174	-	(960,889)	-	(960,889)
Drainage and storm sewers	12,800	-	-	(12,800)	-	(12,800)
Forestry maintenance	21,976	-	-	(21,976)	-	(21,976)
Interest on long-term debt	643,878	-	-	(643,878)	-	(643,878)
Total governmental activities	<u>22,769,903</u>	<u>2,853,556</u>	<u>172,188</u>	<u>(19,744,159)</u>	<u>-</u>	<u>(19,744,159)</u>
Business-type activities:						
Water	6,715,330	6,957,161	-	-	241,831	241,831
Sewer	159,976	668,962	-	-	508,986	508,986
Senior Citizen Complex	3,066,324	3,728,723	-	-	662,399	662,399
Total business-type activities	<u>9,941,630</u>	<u>11,354,846</u>	<u>-</u>	<u>-</u>	<u>1,413,216</u>	<u>1,413,216</u>
Total primary government	<u>\$ 32,711,533</u>	<u>\$ 14,208,402</u>	<u>\$ 172,188</u>	<u>\$ (19,744,159)</u>	<u>\$ 1,413,216</u>	<u>\$ (18,330,943)</u>
General revenues:						
Property taxes				\$ 8,077,611	\$ -	\$ 8,077,611
Sales taxes				5,713,529	-	5,713,529
State income taxes				1,984,948	-	1,984,948
Fuel use taxes				563,071	-	563,071
Motor fuel taxes				514,731	-	514,731
Replacement taxes				366,826	-	366,826
Real estate transfer taxes				132,440	-	132,440
Other taxes				423,713	-	423,713
Sale of capital assets				(58,902)	-	(58,902)
Unrestricted interest/investment earnings				92,831	101,277	194,108
Other				668,574	7,608	676,182
Transfers				<u>474,116</u>	<u>(474,116)</u>	<u>-</u>
Total general revenues and transfers				<u>18,953,488</u>	<u>(365,231)</u>	<u>18,588,257</u>
CHANGE IN NET ASSETS				(790,671)	1,047,985	257,314
NET ASSETS - BEGINNING				<u>7,485,505</u>	<u>24,179,966</u>	<u>31,665,471</u>
NET ASSETS - ENDING				<u>\$ 6,694,834</u>	<u>\$ 25,227,951</u>	<u>\$ 31,922,785</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2009

	<u>General</u>	<u>Road and Bridge</u>	<u>Insurance</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash	\$ 781,531	\$ -	\$ -	\$ -	\$ -	\$ 781,531
Temporary cash investments	1,642,816	45,527	-	4,267,489	1,535,671	7,491,503
Receivables (net of allowance for uncollectibles)	5,601,448	78,909	-	653,240	499,476	6,833,073
Due from other funds	2,739,095	-	177,694	1,391,788	355,322	4,663,899
Prepaid expenses	42,331	2,708	-	-	-	45,039
Restricted assets:						
Temporary cash investments	<u>145,369</u>	<u>-</u>	<u>763,971</u>	<u>-</u>	<u>-</u>	<u>909,340</u>
TOTAL ASSETS	<u>\$ 10,952,590</u>	<u>\$ 127,144</u>	<u>\$ 941,665</u>	<u>\$ 6,312,517</u>	<u>\$ 2,390,469</u>	<u>\$ 20,724,385</u>
LIABILITIES AND FUND BALANCES (DEFICIT)						
Liabilities:						
Accounts payable and other current liabilities	\$ 593,416	\$ 144,504	\$ 84,913	\$ -	\$ 45,970	\$ 868,803
Intergovernmental liability	-	-	-	141,896	-	141,896
Deferred property tax revenue	3,238,326	78,909	-	653,238	460,085	4,430,558
Deferred other revenue	4,782	-	-	-	-	4,782
Due to other funds	<u>1,799,077</u>	<u>2,089,237</u>	<u>-</u>	<u>-</u>	<u>211,159</u>	<u>4,099,473</u>
Total liabilities	<u>5,635,601</u>	<u>2,312,650</u>	<u>84,913</u>	<u>795,134</u>	<u>717,214</u>	<u>9,545,512</u>
Fund balances (deficit):						
Reserved for:						
Reserved for prepaid expenses	42,331	-	-	-	-	42,331
Reserved for insurance	-	-	763,971	-	-	763,971
Reserved for debt service	-	-	-	5,517,383	-	5,517,383
Unreserved, reported in:						
General fund	5,274,658	-	-	-	-	5,274,658
Special revenue funds	<u>-</u>	<u>(2,185,506)</u>	<u>92,781</u>	<u>-</u>	<u>1,673,255</u>	<u>(419,470)</u>
Total fund balances (deficit)	<u>5,316,989</u>	<u>(2,185,506)</u>	<u>856,752</u>	<u>5,517,383</u>	<u>1,673,255</u>	<u>11,178,873</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 10,952,590</u>	<u>\$ 127,144</u>	<u>\$ 941,665</u>	<u>\$ 6,312,517</u>	<u>\$ 2,390,469</u>	

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.	18,339,084
Receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	4,430,558
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(27,253,681)</u>
	<u>\$ 6,694,834</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2009

	<u>General</u>	<u>Road and Bridge</u>	<u>Insurance</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
REVENUES						
Taxes	\$ 13,376,198	\$ 1,205,719	\$ -	\$ 1,427,824	\$ 1,470,215	\$ 17,479,956
Fines	444,597	-	-	-	-	444,597
Licenses and permits	355,448	385,190	-	-	364,651	1,105,289
Grants	172,188	-	-	-	-	172,188
Donations	391,742	-	-	-	-	391,742
Charges for services	88,174	-	-	-	-	88,174
Investment income	33,712	1,095	10,067	32,354	15,603	92,831
Miscellaneous	1,397,136	90,896	3,189,926	-	37,294	4,715,252
Total revenues	<u>16,259,195</u>	<u>1,682,900</u>	<u>3,199,993</u>	<u>1,460,178</u>	<u>1,887,763</u>	<u>24,490,029</u>
EXPENDITURES						
Current: General government	2,062,680	-	-	-	-	2,062,680
Public safety	9,947,747	-	-	-	342,995	10,290,742
Highways and streets	-	1,692,275	-	-	658,964	2,351,239
Building	205,640	-	-	-	-	205,640
Health and environmental control	1,028,671	-	-	-	-	1,028,671
Insurance	3,479,448	-	3,168,382	-	-	6,647,830
Drainage and storm sewers	-	12,800	-	-	-	12,800
Forestry maintenance	-	21,976	-	-	-	21,976
Miscellaneous	52,325	-	-	14,530	1,149	68,004
Debt service: Principal retirement	96,165	15,848	-	1,749,582	45,480	1,907,075
Interest and fiscal charges	9,890	277	-	595,100	17,509	622,776
Total expenditures	<u>16,882,566</u>	<u>1,743,176</u>	<u>3,168,382</u>	<u>2,359,212</u>	<u>1,066,097</u>	<u>25,219,433</u>
Excess (deficiency) of revenues over expenditures	<u>(623,371)</u>	<u>(60,276)</u>	<u>31,611</u>	<u>(899,034)</u>	<u>821,666</u>	<u>(729,404)</u>
OTHER FINANCING SOURCES (USES)						
Operating transfer in	58,691	-	-	1,466,531	-	1,525,222
Operating transfer out	-	-	-	(50,246)	(1,000,860)	(1,051,106)
Sale of Village property	12,407	-	-	-	-	12,407
Loan proceeds	160,000	-	-	-	110,500	270,500
Total other financing sources (uses)	<u>231,098</u>	<u>-</u>	<u>-</u>	<u>1,416,285</u>	<u>(890,360)</u>	<u>757,023</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(392,273)</u>	<u>(60,276)</u>	<u>31,611</u>	<u>517,251</u>	<u>(68,694)</u>	<u>27,619</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS PREVIOUSLY REPORTED						
	4,401,971	(2,125,230)	825,141	6,307,423	1,741,949	11,151,254
Prior period adjustment - see note 6	1,307,291	-	-	(1,307,291)	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS RESTATED						
	<u>5,709,262</u>	<u>(2,125,230)</u>	<u>825,141</u>	<u>5,000,132</u>	<u>1,741,949</u>	<u>11,151,254</u>
FUND BALANCES (DEFICIT), END OF YEAR						
	<u>\$ 5,316,989</u>	<u>\$ (2,185,506)</u>	<u>\$ 856,752</u>	<u>\$ 5,517,383</u>	<u>\$ 1,673,255</u>	<u>\$ 11,178,873</u>

The accompanying notes are an integral part of the financial statements.

**VILLAGE OF ALSIP, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2009**

Amounts reported for governmental activities in the statement of activities (page 14) are different because:

Net change in fund balances - total governmental funds (page 16)	\$	27,619
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. This is the amount by which depreciation, \$2,250,329, exceeded capital outlays, \$1,975,996, in the current period.		(274,333)
The effect of various miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to decrease net assets by the undepreciated balance of the capital assets.		(104,303)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		296,913
The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,608,185
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(2,344,752)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14)	\$	<u>(790,671)</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL GENERAL AND ROAD AND BRIDGE FUNDS
(BUDGETARY BASIS)
For the Year Ended April 30, 2009

	General				Road and Bridge			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES								
Taxes	\$ 15,320,000	\$ 15,320,000	\$ 13,668,652	\$ (1,651,348)	\$ 2,135,000	\$ 2,135,000	\$ 1,205,719	\$ (929,281)
Fines	1,073,000	1,073,000	448,093	(624,907)	-	-	-	-
Licenses and permits	625,000	625,000	355,448	(269,552)	400,000	400,000	385,190	(14,810)
Grants	205,000	205,000	172,188	(32,812)	-	-	-	-
Charges for services	100,000	100,000	88,174	(11,826)	-	-	-	-
Investment income	-	-	33,712	33,712	-	-	1,095	1,095
Miscellaneous	1,189,000	1,364,000	1,861,907	672,907	141,000	141,000	90,896	(50,104)
Total revenues	<u>18,512,000</u>	<u>18,687,000</u>	<u>16,628,174</u>	<u>(1,883,826)</u>	<u>2,676,000</u>	<u>2,676,000</u>	<u>1,682,900</u>	<u>(993,100)</u>
EXPENDITURES								
Current:								
General government	2,720,963	2,806,963	2,039,585	767,378	-	-	-	-
Public safety	10,332,773	10,421,773	9,907,771	514,002	-	-	-	-
Highway and streets	-	-	-	-	2,077,770	2,197,770	1,608,923	588,847
Building	245,000	245,000	209,029	35,971	-	-	-	-
Health and environmental control	1,065,000	1,065,000	1,012,085	52,915	-	-	-	-
Drainage and storm sewers	-	-	-	-	33,500	33,500	12,800	20,700
Forestry maintenance	-	-	-	-	26,920	26,920	20,392	6,528
Insurance	3,745,000	3,745,000	3,491,212	253,788	-	-	-	-
Miscellaneous	73,701	73,701	51,960	21,741	-	-	-	-
Debt service:								
Principal retirement	15,000	15,000	96,165	(81,165)	-	-	15,848	(15,848)
Interest and fiscal charges	-	-	9,890	(9,890)	-	-	277	(277)
Total expenditures	<u>18,197,437</u>	<u>18,372,437</u>	<u>16,817,697</u>	<u>1,554,740</u>	<u>2,138,190</u>	<u>2,258,190</u>	<u>1,658,240</u>	<u>599,950</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 314,563</u>	<u>\$ 314,563</u>	<u>\$ (189,523)</u>	<u>\$ (329,086)</u>	<u>\$ 537,810</u>	<u>\$ 417,810</u>	<u>\$ 24,660</u>	<u>\$ (393,150)</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2009

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	1,812,633	449,476	2,262,109
Receivables (net of allowance for uncollectibles)	855,247	-	855,247
Prepaid insurance/expense	-	7,492	7,492
Due from other funds	<u>217,210</u>	<u>124,290</u>	<u>341,500</u>
Total current assets	<u>2,885,190</u>	<u>581,258</u>	<u>3,466,448</u>
Noncurrent assets:			
Restricted temporary cash investments	5,847,769	1,471,038	7,318,807
Bond issuance costs	76,698	29,089	105,787
Deposits	<u>-</u>	<u>163,144</u>	<u>163,144</u>
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,698,198	18,522,067
Building improvements	36,138	5,014,762	5,050,900
Improvements other than building	-	693,587	693,587
System infrastructure	20,727,562	-	20,727,562
Machinery and equipment	1,606,536	789,132	2,395,668
Vehicles	158,654	-	158,654
Construction in progress	158,297	155,476	313,773
Less accumulated depreciation	<u>(10,652,459)</u>	<u>(8,824,227)</u>	<u>(19,476,686)</u>
Total capital assets (net of accumulated depreciation)	<u>15,858,597</u>	<u>14,413,881</u>	<u>30,272,478</u>
Total noncurrent assets	<u>21,783,064</u>	<u>16,077,152</u>	<u>37,860,216</u>
TOTAL ASSETS	<u>\$ 24,668,254</u>	<u>\$ 16,658,410</u>	<u>\$ 41,326,664</u>

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 1,967,136	\$ 89,658	\$ 2,056,794
Accrued interest payable	97,045	57,254	154,299
Security deposits	-	322,150	322,150
Due to other funds	-	1,009,588	1,009,588
Current portion of note payable	45,479	-	45,479
Current portion of general obligation bonds	<u>239,875</u>	<u>1,148,329</u>	<u>1,388,204</u>
Total current liabilities	<u>2,349,535</u>	<u>2,626,979</u>	<u>4,976,514</u>
Current liabilities payable from restricted assets:			
Deposits	<u>26,884</u>	<u>-</u>	<u>26,884</u>
Noncurrent liabilities:			
Compensated absences payable	11,799	-	11,799
Post employment benefit obligation	31,918	-	31,918
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>6,636,623</u>	<u>4,414,975</u>	<u>11,051,598</u>
Total noncurrent liabilities	<u>6,680,340</u>	<u>4,414,975</u>	<u>11,095,315</u>
Total liabilities	<u>9,056,759</u>	<u>7,041,954</u>	<u>16,098,713</u>
NET ASSETS			
Invested in capital assets, net of related debt	8,936,620	8,850,577	17,787,197
Unrestricted	<u>6,674,875</u>	<u>765,879</u>	<u>7,440,754</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,611,495</u>	<u>\$ 9,616,456</u>	<u>\$ 25,227,951</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended April 30, 2009

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for sales and services:			
Water and sewer sales	\$ 7,551,781	\$ -	\$ 7,551,781
Rental sales	-	3,691,444	3,691,444
Other sales and services	<u>79,027</u>	<u>37,279</u>	<u>116,306</u>
Total operating revenues	<u>7,630,808</u>	<u>3,728,723</u>	<u>11,359,531</u>
OPERATING EXPENSES			
Cost of sales and services	5,804,792	2,074,893	7,879,685
Depreciation	<u>756,555</u>	<u>613,191</u>	<u>1,369,746</u>
Total operating expenses	<u>6,561,347</u>	<u>2,688,084</u>	<u>9,249,431</u>
Operating income	<u>1,069,461</u>	<u>1,040,639</u>	<u>2,110,100</u>
NON-OPERATING REVENUES (EXPENSES)			
Amortization of bond issuance costs	(3,384)	(10,908)	(14,292)
Amortization of underwriter's discount	(2,310)	(1,231)	(3,541)
Amortization of bond premium	2,923	-	2,923
Note and bond interest and fiscal charges	(308,265)	(366,101)	(674,366)
Investment earnings	<u>79,329</u>	<u>21,948</u>	<u>101,277</u>
Total non-operating revenues (expenses)	<u>(231,707)</u>	<u>(356,292)</u>	<u>(587,999)</u>
Income before transfers	837,754	684,347	1,522,101
TRANSFERS OUT	<u>(252,000)</u>	<u>(222,116)</u>	<u>(474,116)</u>
Change in net assets	585,754	462,231	1,047,985
NET ASSETS - BEGINNING OF YEAR	<u>15,025,741</u>	<u>9,154,225</u>	<u>24,179,966</u>
NET ASSETS - END OF YEAR	<u>\$ 15,611,495</u>	<u>\$ 9,616,456</u>	<u>\$ 25,227,951</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2009

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 7,644,291	\$ 3,728,275	\$ 11,372,566
Payments to suppliers	(5,861,165)	(1,796,095)	(7,657,260)
Payments to employees	(457,626)	(408,323)	(865,949)
	<u>1,325,500</u>	<u>1,523,857</u>	<u>2,849,357</u>
Net cash provided by operating activities			
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers out	<u>(252,000)</u>	<u>(222,116)</u>	<u>(474,116)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of property and building and building improvements	(514,892)	(173,338)	(688,230)
Principal payments on note payable	(89,679)	-	(89,679)
Principal payments on bonds payable	(170,000)	(1,092,945)	(1,262,945)
Interest paid on notes and bonds	(310,532)	(311,363)	(621,895)
	<u>(1,085,103)</u>	<u>(1,577,646)</u>	<u>(2,662,749)</u>
Net cash used in capital and related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	<u>79,329</u>	<u>21,948</u>	<u>101,277</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS			
	67,726	(253,957)	(186,231)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR			
	<u>7,592,776</u>	<u>2,174,471</u>	<u>9,767,247</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR			
	<u>\$ 7,660,502</u>	<u>\$ 1,920,514</u>	<u>\$ 9,581,016</u>

	Business-type Activities - Enterprise Funds		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 1,069,461	\$ 1,040,639	\$ 2,110,100
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	756,555	613,191	1,369,746
Effects of changes in operating assets and liabilities:			
Receivables - account customers	31,453	-	31,453
Receivables - unbilled charges	(17,479)	-	(17,479)
Due from other funds	(217,210)	60,000	(157,210)
Prepaid insurance/expense	-	6,051	6,051
Utility overpayment	939	-	939
Deposits	-	(448)	(448)
Accounts payable	(115,390)	(101,814)	(217,204)
Due to other funds	(185,013)	(90,247)	(275,260)
Other accrued expenses	(167)	-	(167)
Security deposits	-	(3,515)	(3,515)
Post employment benefit obligation	3,781	-	3,781
Restricted liabilities	(1,430)	-	(1,430)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,325,500</u>	<u>\$ 1,523,857</u>	<u>\$ 2,849,357</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
April 30, 2009

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension</u>	<u>Firemen's Pension</u>	
ASSETS			
Cash and cash equivalents	\$ 1,334,463	\$ 2,689,392	\$ 4,023,855
Receivables:			
Contributions	1,167,858	645,093	1,812,951
Accrued interest	73,388	54,029	127,417
Due from other funds	185,062	-	185,062
Investments, at fair value:			
U.S. Government securities	6,413,894	6,604,893	13,018,787
Mutual funds	2,761,979	3,276,283	6,038,262
Stocks	1,302,104	1,225,159	2,527,263
Insurance contracts	-	887,035	887,035
	<u>13,238,748</u>	<u>15,381,884</u>	<u>28,620,632</u>
Total assets			
	<u>13,238,748</u>	<u>15,381,884</u>	<u>28,620,632</u>
LIABILITIES			
Accrued liabilities	16,624	-	16,624
Deferred contributions	1,148,456	645,093	1,793,549
Due to other funds	-	81,400	81,400
	<u>1,165,080</u>	<u>726,493</u>	<u>1,891,573</u>
Total liabilities			
	<u>1,165,080</u>	<u>726,493</u>	<u>1,891,573</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
	<u>\$ 12,073,668</u>	<u>\$ 14,655,391</u>	<u>\$ 26,729,059</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended April 30, 2009

	<u>Pension Trust</u>		
	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	<u>Totals</u>
ADDITIONS			
Contributions:			
Employer	\$ 1,121,894	\$ 792,881	\$ 1,914,775
Employee	<u>282,146</u>	<u>265,278</u>	<u>547,424</u>
Total contributions	<u>1,404,040</u>	<u>1,058,159</u>	<u>2,462,199</u>
Investment earnings (loss):			
Net depreciation in fair value of investments	(2,197,778)	(1,909,266)	(4,107,044)
Dividends	128,009	84,545	212,554
Interest	292,431	317,429	609,860
Miscellaneous income	<u>-</u>	<u>259</u>	<u>259</u>
	(1,777,338)	(1,507,033)	(3,284,371)
Less investment expense	<u>52,065</u>	<u>82,008</u>	<u>134,073</u>
Net investment earnings (loss)	<u>(1,829,403)</u>	<u>(1,589,041)</u>	<u>(3,418,444)</u>
Total additions (deductions)	<u>(425,363)</u>	<u>(530,882)</u>	<u>(956,245)</u>
DEDUCTIONS			
Retirement benefits	1,841,715	259,785	2,101,500
Duty disability benefits	27,444	508,966	536,410
Surviving spouse benefits	56,228	144,401	200,629
Miscellaneous	<u>18,210</u>	<u>-</u>	<u>18,210</u>
Total deductions	<u>1,943,597</u>	<u>913,152</u>	<u>2,856,749</u>
NET DECREASE	(2,368,960)	(1,444,034)	(3,812,994)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING	<u>14,442,628</u>	<u>16,099,425</u>	<u>30,542,053</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING	<u>\$ 12,073,668</u>	<u>\$ 14,655,391</u>	<u>\$ 26,729,059</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Alsip (the "Village") was incorporated in 1927 and operates under a Mayor-Trustee form of government. The Village provides the following services as authorized by its Charter: Public safety (police and fire), highways and streets, sanitation, health and social services, culture recreation, education, public improvements, planning and zoning, and general administrative services. The Village has an April 30 year end.

The following is a summary of the more significant policies:

A. Principles used to determine the scope of the reporting entity

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The Village's reporting entity includes the Village's governing board. There are no related organizations for which the Village is financially accountable.

Blended component unit – The pension trust funds are legally separate entities for which the Village has fiduciary responsibilities, as such, the activity in these funds is reported in the Villages' financial statements as fiduciary funds.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and fund financial statements (continued)

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

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

The *general fund* is the Village's primary operating fund. It accounts for all financial resources of the Village, except those required to be accounted for in another fund.

The *road and bridge fund* accounts for the Village's share of fuel use tax, vehicle license and road and bridge property tax revenue that are utilized for the maintenance of the Village's roads and bridges, drainage and storm sewers and forests.

The *insurance fund* accounts for the resources accumulated and payments made for the insurance needs of governmental funds.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The Village reports the following major proprietary funds:

The *waterworks and sewerage fund* accounts for the activities of the Village's water distribution system, sewage pumping stations and collection systems and sewage treatment plant.

The *senior citizen complex fund* accounts for the activities of the Village's two senior citizen living facilities.

Additionally, the Village reports the following fund type:

The *pension trust funds* account for the activities of the Police Pension and Firemen's Pension plans, which accumulate resources for pension benefit payments to qualified employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Village has elected not to follow subsequent private-sector guidance.

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

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services. The principal operating revenues of the senior citizen complex enterprise fund are charges to customers for rental of living facilities. The water and sewer enterprise fund 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 the 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 non-operating revenues and expenses.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

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

D. Reclassifications

Certain reclassifications have been made to the 2008 financial statements in order to conform to the 2009 presentation. These reclassifications had no effect on net assets or change in net assets.

E. Assets, liabilities, and net assets or equity

1. *Deposits and investments*

The Village's cash and cash equivalents are considered to be cash on hand and demand deposits.

The Village and the pension trusts' temporary cash investments are saving and money market accounts and certificates of deposit.

State statutes authorize the Village and the pension trusts to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, mutual funds, stocks and the State Treasurer's Investment Pool.

Investments for the Village, as well as for its pension trusts, are reported at fair value, which are based on quoted market prices. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations.

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 3% of the original levy amount, with the exception of the property tax receivable applicable to the bond and interest levies which is equal to 5%.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is divided into two billings: the first billing (mailed on February 1) is an estimate of the current year's levy based on the prior year's taxes: the second billing (mailed on October 1) reflects adjustments to the current year's actual levy.

The billings are considered past due 60 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. *Inventories and prepaid items*

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

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

4. *Restricted assets*

Certain assets of the Village are classified as restricted assets because their use is restricted for insurance requirements, waterworks and sewerage consumer deposits and federal and state seizure requirements.

5. *Capital assets*

Capital assets, which include property, plant and equipment, 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 \$5,000 (amount not rounded) with an estimated useful life in excess of two years. 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.

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

Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, drainage systems, water and sewer systems and lighting systems.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

5. *Capital assets* (continued)

Property, plant and equipment of the Village are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Building/site/ground improvements	10 - 40
System infrastructure	20
Vehicles	8
Machinery and equipment	5 - 15
Furniture and fixtures	10 - 15

6. *Compensated absences*

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated vacation time since the Village does not have a policy to pay any amounts when employees separate from service with the Village. Sick pay is accrued based on the Village employee's area of employment, an employee's years of service, the number of days accumulated, and a set maximum percentage of the total time accumulated. A liability is recognized in the government-wide and proprietary fund's financial statements for that portion of accumulated sick pay benefits that it is estimated will be taken as "terminal leave" prior to retirement.

7. *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 premium and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Losses on extinguishment of debt are deferred and amortized over the shorter of the life of the new or old bonds using the straight-line method. Using the straight-line method is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and any losses on extinguishment of debt. 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 in 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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

8. *Fund equity*

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

NOTE 2 -RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The Governmental Fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$27,253,681 difference are as follows:

Bonds and notes payable	\$ 13,010,684
Less deferred charge on refunding (to be amortized over life of debt)	(93,976)
Less deferred charge for issuance costs (to be amortized over life of debt)	(99,767)
Less net issuance (discount) premium (to be amortized over life of debt)	(21,823)
Accrued interest payable	179,874
Other payable	244,410
Compensated absences	251,885
Net pension obligation	13,167,834
Post-retirement benefit obligation	<u>614,560</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 27,253,681</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The detail of this \$(274,333) difference is as follows:

Capital outlay	\$ 1,975,996
Depreciation expense	<u>(2,250,329)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (274,333)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.” The detail of this \$1,608,185 difference is as follows:

Issuance of notes payable	\$ (270,500)
Principal repayments:	
Note payable debt	114,350
General obligation debt	1,792,652
Amortization of charge on refunding	(13,801)
Amortization of issuance costs	(14,252)
Amortization of bond premiums	8,045
Amortization of bond discounts	<u>(8,309)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,608,185</u>

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$(2,344,752), difference are as follows:

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Compensated absences	\$ 12,016
Net pension obligation	(2,279,172)
Post-retirement benefit obligation	(99,415)
Accrued interest	<u>21,819</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (2,344,752)</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Village mayor and finance director propose an operating budget based upon requests submitted by individual departments for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Budget hearings are conducted.
3. The Village mayor is authorized to transfer budgeted amounts within departments. Any revision that alters the total expenditure of any department is made through the passage of a resolution. Any revision that alters the total expenditure of any fund is made through the passage of a supplemental appropriations ordinance. Appropriations lapse at year-end.
4. Expenditure budgets for the General, certain Special Revenue Funds and components of the Debt Service and Capital Project Funds are legally adopted on the cash basis through passage of an appropriations ordinance. For the year ended April 30, 2009, an expenditure budget was not prepared for the Special Tax Allocation and Insurance Special Revenue Funds or for the 2000 Bond and Tax Incremental Financing District of the Debt Service Fund.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

The reconciliation of the revenues and expenditures for the funds budgeted on a cash basis is as follows:

<u>Fund</u>	<u>Cash Basis</u>	<u>Accrual Basis</u>	<u>Difference</u>
General:			
Revenues	\$ 16,628,174	\$ 16,431,602	\$ 196,572
Expenditures	\$ 16,817,697	\$ 16,882,566	\$ (64,869)
Road and Bridge:			
Revenues	\$ 1,682,900	\$ 1,682,900	\$ -
Expenditures	\$ 1,658,240	\$ 1,743,176	\$ (84,936)

The differences between revenue and expense amounts for the cash basis and modified accrual basis is due to the Village budgeting for taxes and other revenue, as well salaries and other expenses to the extent to be paid, rather than on the modified accrual basis.

Excess of expenditures over appropriations

For the year ended April 30, 2009, expenditures exceeded appropriations in the debt service department of the general fund by \$91,055. Expenditures exceed appropriations in the debt service department of the road and bridge fund by \$16,125. These over-expenditures were funded by less than anticipated expenditures in the other departments of the general and road and bridge funds and by available fund balance of the general fund.

Deficit fund equity

The Road and Bridge special revenue fund had a deficit fund balance of \$2,185,506 as of April 30, 2009.

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank or other financial institution failure, the government's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2009, none of the Village's bank balance of \$20,037,184 was exposed to custodial credit risk.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Investments

As of April 30, 2009, the Police and Firemen’s Pension trust funds own all of the investments, which are comprised of the following:

<u>Investment Type</u>	<u>Fair Value</u>
U. S. Government securities	\$ 13,018,787
Domestic and international equities	2,527,263
Mutual funds	6,038,262
Insurance contracts	<u>887,035</u>
Total	<u>\$ 22,471,347</u>

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

Credit Risk. State law limits the type of investment pension funds may choose. The pension funds have no investment policy that would further limit its investment choices.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the pension fund investments are insured, registered or held by the pension fund or its agent in the pension fund’s name.

Concentration of Credit Risk. The pension funds place no limit on the amount the funds may invest in any one issuer. More than 5% of the Firemen’s pension fund’s investments are in a U.S. Treasury Note with a January 15, 2012 maturity, a Gateway mutual fund and a First Midwest EB Large Cap Equity mutual fund. These investments are 8.6%, 13.0% and 8.4%, respectively, of the firemen’s pension fund’s total investments. The Police pension fund is invested in more than 5% in U.S. Treasury Notes with maturity dates of December 15, 2010, December 31, 2011, November 30, 2012, November 15, 2013 and August 15, 2023. These investments are 5.1%, 5.2%, 5.1%, 6.3% and 6.0%, respectively, of the police pension fund’s total investments.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

Receivables as of year end for the Village's individual major funds and non-major and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Non-major and Fiduciary Funds</u>	<u>Total</u>
Receivables:						
Interest	\$ -	\$ -	\$ -	\$ -	\$ 127,417	\$ 127,417
Taxes	5,393,648	83,333	716,823	-	526,326	6,720,130
Accounts	<u>1,160,443</u>	<u>-</u>	<u>-</u>	<u>855,247</u>	<u>1,812,951</u>	<u>3,828,641</u>
Gross receivables	6,554,091	83,333	716,823	855,247	2,466,694	10,676,188
Less allowance for uncollectibles	<u>(952,643)</u>	<u>(4,424)</u>	<u>(63,583)</u>	<u>-</u>	<u>(26,850)</u>	<u>(1,047,500)</u>
Net total receivables	<u>\$5,601,448</u>	<u>\$ 78,909</u>	<u>\$ 653,240</u>	<u>\$ 855,247</u>	<u>\$2,439,844</u>	<u>\$ 9,628,688</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (general fund)	\$ 3,238,326	\$ -
Delinquent property taxes receivable (special revenue funds)	538,994	-
Delinquent property taxes receivable (debt service fund)	653,238	-
Grant drawdowns prior to meeting all eligibility requirements	<u>-</u>	<u>4,782</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 4,430,558</u>	<u>\$ 4,782</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets

Capital asset activity for the year ended April 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Government activities:				
Capital assets, not being depreciated:				
Land	\$ -	\$ 350,000	\$ -	\$ 350,000
Construction in progress	<u>135,000</u>	<u>-</u>	<u>(135,000)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>135,000</u>	<u>350,000</u>	<u>(135,000)</u>	<u>350,000</u>
Capital assets being depreciated:				
Buildings	8,345,449	127,592	-	8,473,041
Improvements other than building	1,355,470	102,301	-	1,457,771
System infrastructure	35,560,786	890,256	-	36,451,042
Machinery and equipment	2,710,938	407,650	(125,000)	2,993,588
Furniture and fixtures	352,459	-	-	352,459
Vehicles	<u>3,857,966</u>	<u>233,197</u>	<u>(77,318)</u>	<u>4,013,845</u>
Total capital assets being depreciated	<u>52,183,068</u>	<u>1,760,996</u>	<u>(202,318)</u>	<u>53,741,746</u>
Less accumulated depreciation for:				
Buildings	(3,436,816)	(215,110)	-	(3,651,926)
Improvements other than building	(824,648)	(43,768)	-	(868,416)
System infrastructure	(25,193,995)	(1,517,150)	-	(26,711,145)
Machinery and equipment	(1,591,477)	(175,498)	41,563	(1,725,412)
Furniture and fixtures	(271,376)	(16,286)	-	(287,662)
Vehicles	<u>(2,282,038)</u>	<u>(282,517)</u>	<u>56,454</u>	<u>(2,508,101)</u>
Total accumulated depreciation	<u>(33,600,350)</u>	<u>(2,250,329)</u>	<u>98,017</u>	<u>(35,752,662)</u>
Total capital assets being depreciated, net	<u>18,582,718</u>	<u>(489,333)</u>	<u>(104,301)</u>	<u>17,989,084</u>
Governmental activities capital assets, net	<u>\$18,717,718</u>	<u>\$ (139,333)</u>	<u>\$ (239,301)</u>	<u>\$18,339,084</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,886,953	\$ -	\$ -	\$ 1,886,953
Construction in progress	<u>19,208</u>	<u>313,773</u>	<u>(19,208)</u>	<u>313,773</u>
Total capital assets, not being depreciated	<u>1,906,161</u>	<u>313,773</u>	<u>(19,208)</u>	<u>2,200,726</u>
Capital assets being depreciated:				
Buildings	18,522,067	-	-	18,522,067
Improvements	5,726,625	17,862	-	5,744,487
System infrastructure	20,420,317	307,245	-	20,727,562
Machinery and equipment	2,395,668	-	-	2,395,668
Vehicles	<u>90,096</u>	<u>68,558</u>	<u>-</u>	<u>158,654</u>
Total capital assets being depreciated	<u>47,154,773</u>	<u>393,665</u>	<u>-</u>	<u>47,548,438</u>
Less accumulated depreciation for:				
Buildings	(7,914,654)	(522,741)	-	(8,437,395)
Improvements	(2,026,810)	(211,103)	-	(2,237,913)
System infrastructure	(6,456,688)	(540,574)	-	(6,997,262)
Machinery and equipment	(1,643,128)	(89,099)	-	(1,732,227)
Vehicles	<u>(65,660)</u>	<u>(6,229)</u>	<u>-</u>	<u>(71,889)</u>
Total accumulated depreciation	<u>(18,106,940)</u>	<u>(1,369,746)</u>	<u>-</u>	<u>(19,476,686)</u>
Total capital assets being depreciated, net	<u>29,047,833</u>	<u>(976,081)</u>	<u>-</u>	<u>28,071,752</u>
Business-type activities capital assets, net	<u>\$30,953,994</u>	<u>\$ (662,308)</u>	<u>\$ (19,208)</u>	<u>\$30,272,478</u>

Depreciation expense was charged to functions/programs of the Village as follows:

Government activities:	
General government	\$ 80,412
Public safety	515,214
Highways and streets	1,599,145
Building	<u>55,558</u>
Total	<u>\$ 2,250,329</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables, and transfers

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

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Road and Bridge Fund	\$ 2,089,237	\$ -
9-1-1 Emergency Telephone Fund	-	39,454
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Insurance Fund	-	177,694
Debt Service Fund	-	863,789
Senior Citizen Complex Fund	568,458	-
Water and Sewer Fund	-	217,210
Police Pension Fund	-	185,062
Firemen's Pension Fund	<u>81,400</u>	<u>-</u>
Total	<u>2,739,095</u>	<u>1,799,077</u>
Road and Bridge Fund:		
General Fund	<u>-</u>	<u>2,089,237</u>
9-1-1 Emergency Telephone Fund:		
General Fund	<u>39,454</u>	<u>-</u>
Special Tax Allocation Fund:		
General Fund	50,525	-
Debt Service Fund	<u>-</u>	<u>211,159</u>
Total	<u>50,525</u>	<u>211,159</u>
Motor Fuel Tax Fund:		
General Fund	<u>265,343</u>	<u>-</u>
Insurance Fund:		
General Fund	<u>177,694</u>	<u>-</u>
Debt Service Fund:		
General Fund	863,789	-
Special Tax Allocation Fund	211,159	-
Senior Citizen Complex Fund	<u>316,840</u>	<u>-</u>
Total	<u>1,391,788</u>	<u>-</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

	<u>Receivables</u>	<u>Payables</u>
Water and Sewer Fund:		
General Fund	217,210	-
Senior Citizen Complex Fund:		
General Fund	124,290	692,748
Debt Service Fund	-	316,840
Total	124,290	1,009,588
Police Pension Fund:		
General Fund	185,062	-
Firemen's Pension Fund:		
General Fund	-	81,400
Total all funds	\$ 5,190,461	\$ 5,190,461

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

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Transfer out:			
Motor Fuel Tax Fund	\$ -	\$ 57,060	\$ 57,060
9-1-1 Emergency Telephone Fund	-	47,100	47,100
Special Allocation Tax Fund	-	896,700	896,700
Debt Service Fund	50,246	-	50,246
Waterworks and Sewerage Fund	-	252,000	252,000
Senior Citizen Complex Fund	8,445	213,671	222,116
Total	\$ 58,691	\$ 1,466,531	\$ 1,525,222

E. Long-term debt

General obligation bonds

The Village issues general obligation bonds to provide for the acquisition, construction and rehabilitation of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The original amount of general obligation bonds issued in prior years was \$56,737,000. The Village did not issue general obligation bonds during the year ended April 30, 2009.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. These bonds generally are issued as 15 to 20-year serial bonds with various amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50 - 6.75%	\$ 5,625,471
Governmental activities - refunding	2.06 - 4.50%	7,015,000
Business-type activities	1.50 - 5.20%	<u>12,597,202</u>
Total general obligation bonds		<u>\$ 25,237,673</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,155,477	\$ 1,118,197	\$ 4,273,674
2011	3,204,400	1,012,251	4,216,651
2012	3,255,370	871,400	4,126,770
2013	2,156,389	684,001	2,840,390
2014	1,687,457	599,141	2,286,598
2015-2016	2,563,580	1,000,717	3,564,297
2017-2021	4,430,000	1,624,437	6,054,437
2022-2026	2,365,000	854,538	3,219,538
2027-2032	<u>2,420,000</u>	<u>387,733</u>	<u>2,807,733</u>
Total	<u>\$ 25,237,673</u>	<u>\$ 8,152,415</u>	<u>\$ 33,390,088</u>

On August 14, 2009, the Village issued *Taxable General Obligation Bonds Series 2009A* (Build America Bonds - Direct Payment) in the amount of \$7,815,000 and *General Obligation Refunding Bonds Series 2009B* in the amount of \$1,570,000. The Series 2009A Bond proceeds are to be used for improvements at the Village's senior housing facilities and street improvements. The bonds bear interest between 4.18% and 6.58% and principal payments are due in installments from January 1, 2015 through January 1, 2033. The Series 2009B Bond proceeds are to be used for the refunding of the 1997A Bonds. The bonds bear interest between 1.40% and 1.85% and principal payments are due in installments on January 1, 2011 and January 1, 2012.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Notes payable

The Village has entered into loan arrangements for the financing of the repainting of the Village's water towers and the purchase of vehicles and radio equipment. Notes payable that are currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	3.82 - 11.27%	\$ 370,213
Business-type activities	5.60%	<u>45,479</u>
Total		<u>\$ 415,692</u>

Annual debt service requirements for the notes payable are as follows:

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 159,734	\$ 25,852	\$ 185,586
2011	122,844	16,052	138,896
2012	106,391	7,057	113,448
2013	<u>26,723</u>	<u>356</u>	<u>27,079</u>
Total	<u>\$ 415,692</u>	<u>\$ 49,317</u>	<u>\$ 465,009</u>

Advance refunding

In November 2005, the Village issued \$3,060,000 and \$2,425,000 of general obligation refunding bonds to advance refund for general obligation bond issues, totaling \$7,770,000. The net proceeds of \$5,389,979 were used to purchase U.S. Government State and Local Government Series securities. Those securities were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, except for \$590,000, the refunded bonds are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of \$140,000. As of April 30, 2009, \$1,980,000 of the defeased debt is still outstanding.

Line of credit

The Village renewed a working capital line of credit with First Midwest Bank on September 15, 2008 for \$1,000,000 bearing interest at a rate of 3.12% annually. No amounts were drawn against the line during fiscal year 2009. The line matured in April 2009 and was secured by the Village's deposit accounts at First Midwest Bank. This line of credit was renewed on April 30, 2009 for \$1,000,000 bearing interest at a rate of 3.44% annually. The new line matures on April 22, 2010.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Government activities:					
Bonds payable:					
General obligation bonds	\$14,433,122	\$ -	\$(1,792,651)	\$12,640,471	\$ 1,767,273
Less deferred amounts:					
For issuance costs and discounts	<u>(243,882)</u>	<u>-</u>	<u>28,316</u>	<u>(215,566)</u>	<u>-</u>
Total bonds payable	14,189,240	-	(1,764,335)	12,424,905	1,767,273
Notes payable	214,062	270,500	(114,349)	370,213	114,255
Compensated absences	263,901	-	(12,016)	251,885	-
Other long-term liabilities	244,410	-	-	244,410	-
Net pension obligation	10,888,663	2,279,171	-	13,167,834	-
Post-retirement benefit obligation	<u>515,145</u>	<u>99,415</u>	<u>-</u>	<u>614,560</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$26,315,421</u>	<u>\$ 2,649,086</u>	<u>\$(1,890,700)</u>	<u>\$27,073,807</u>	<u>\$ 1,881,528</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$13,860,147	\$ -	\$(1,262,945)	\$12,597,202	\$ 1,388,204
Less deferred amounts:					
For loss on extinguishment of debt	(230,432)	-	62,830	(167,602)	-
For premiums and discounts	<u>9,584</u>	<u>618</u>	<u>-</u>	<u>10,202</u>	<u>-</u>
Total bonds payable	13,639,299	618	(1,200,115)	12,439,802	1,388,204
Notes payable	135,158	-	(89,679)	45,479	45,479
Compensated absences	11,799	-	-	11,799	-
Post employment benefit obligation	<u>28,137</u>	<u>3,781</u>	<u>-</u>	<u>31,918</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$13,814,393</u>	<u>\$ 4,399</u>	<u>\$(1,289,794)</u>	<u>\$12,528,998</u>	<u>\$ 1,433,683</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

F. Segment information

The Village maintains two enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended April 30, 2009 is presented below:

	Waterworks and <u>Sewerage</u>	Senior Citizen <u>Complex</u>	<u>Total</u>
Operating revenues	\$ 7,630,808	\$ 3,728,723	\$ 11,359,531
Depreciation expense	756,555	613,191	1,369,746
Operating income	1,069,461	1,040,639	2,110,100
Net income	585,754	462,231	1,047,985
Property, plant and equipment additions	514,892	173,338	688,230
Net working capital	6,356,540	(574,683)	5,781,857
Total assets	24,668,254	16,658,410	41,326,664
Bonds payable and other long-term debt	6,965,694	5,563,304	12,528,998
Net assets	15,611,495	9,616,456	25,227,951
Operating transfers out	252,000	222,116	474,116

NOTE 5 - OTHER INFORMATION

A. Risk management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In February 1986, the Village joined together with other municipal units in the State to form the Illinois Public Risk Fund (IPRF), a public entity risk pool currently operating as a common provider for the defense and payment of members' workers' compensation claims for approximately 465 member municipal units. The Village pays an annual premium to IPRF for its workers' compensation insurance coverage. Village costs are proportional, based on contributions developed by a payroll audit of all members.

The Village has adopted a risk management program to provide group health insurance to its employees. Payments are made monthly and deposited into a savings account to be used to pay claims. The program has a stop-loss clause in effect which limits the Village's liability to \$70,000 per individual. After \$70,000, the underwriter reimburses the Village for paid claims. At April 30, 2009, the Village owes \$84,913 for medical claims; this liability is accrued in the Insurance Fund.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 5 - OTHER INFORMATION (continued)

B. Subsequent events

In September 2009, the Village approved a contract totaling \$198,000 for sandblasting, priming and painting of Village fire hydrants.

C. Contingent liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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.

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

D. Employment retirement systems and pension plans

Pension plans - primary government

Agent-Multiple-Employer Defined Benefit Pension Plan:

Plan Description:

The Village's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Funding Policy and Annual Pension Cost:

The Village's Annual Pension Cost and related information for the plan is located in the required supplemental information section of this report.

Digest of Changes:

Assumptions:

The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005 - 2007 Experience Study.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 5 - OTHER INFORMATION (continued)

D. Employment retirement systems and pension plans (continued)

Single-Employer Defined Benefit Pension Plans:

Plan Descriptions:

The Village contributes to two single-employer defined benefit pension plans: Police Pension Plan (PPP) and Firemen's Pension Plan (FPP). Each plan provides retirement, disability, and pension benefits to plan members and beneficiaries. The plan documents establish the benefit provisions of the plan that can only be amended by the Village's Pension Boards. The plans do not issue a publicly available financial report that includes financial statements and required supplemental information.

Membership of each plan consisted of the following at the date of the latest actuarial valuation:

	<u>PPP</u>	<u>FPP</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	31	25
Active plan members	<u>42</u>	<u>37</u>
Total	<u><u>73</u></u>	<u><u>62</u></u>

Basis of Accounting:

The financial statements are prepared using the accrual basis of accounting. Employee and Village contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each Plan.

Method Used to Value Investments:

Fixed income securities are reported at fair value. Equity securities are valued at the last reported sales price. Insurance contracts are reported at contract value.

Funding Policy and Annual Pension Cost:

The Village's annual pension cost and related information for each plan is located in the required supplemental information section of this report.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 5 - OTHER INFORMATION (continued)

E. Funded status and funding progress - Employee retirement systems and pension plans (continued)

The funded status of the IMRF as of December 31, 2008 and the PPP and FPP as of April 20, 2008, the most recent actuarial valuation dates, respectively, is as follows:

<u>Plan</u>	<u>(1)</u> Actuarial Value of Assets	<u>(2)</u> Actuarial Accrued Liability (AAL) - Entry Age	<u>(3)</u> (Excess of Assets Over) Unfunded AAL (UAAL) <u>(2) - (1)</u>	<u>(4)</u> Funded Ratio <u>(1) ÷ (2)</u>	<u>(5)</u> Covered Payroll	<u>(6)</u> UAAL as a Percentage of Covered Payroll <u>(3) ÷ (5)</u>
IMRF	3,336,332	5,926,929	2,590,597	56.29%	2,766,516	93.64%
PPP	14,442,626	36,548,413	22,105,787	39.50%	2,822,581	783.20%
FPP	15,721,646	24,757,356	9,035,710	63.50%	2,567,263	315.96%

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

F. Postemployment benefit plans other than pensions

Health Insurance Plan for Retired Employees:

Plan Description:

Eligible Village employees who retire are extended coverage under the Village's health insurance plan but are required to pay a portion of the insurance cost depending on their age at retirement and length of service. These costs are recognized when the employee provides services, consequently, the Village recognizes a liability for the difference between the cumulative amounts contributed to the plan and the cumulative annual obligation for postretirement employee benefits (OPEB) costs.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 5 - OTHER INFORMATION (continued)

F. Postemployment benefit plans other than pensions (continued)

Health Insurance Plan for Retired Employees (continued)

Membership of the plan consisted of the following at the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	63
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	64
Active nonvested plan members	<u>70</u>
Total	<u><u>197</u></u>

Actuarial Valuations:

Valuations of reported information about the annual required contribution, annual OPEB cost and the funded status and funding progress of OPEB plans are based on actuarial methods and assumptions. These valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point and reflect a long-term perspective.

Funding Policy, Annual OPEB Cost and Net OPEB Obligation:

The Village's annual other postemployment benefit cost and related information is located in the required supplemental information section of this report. The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. As of April 30, 2009, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$8,628,731 and the actuarial value of plan assets was \$0, resulting in an unfunded actuarial liability of \$8,628,731.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 5 - OTHER INFORMATION (continued)

G. Additional information as of the latest actuarial valuation date - Employee retirement systems and pension plans and postemployment benefit plans other than pensions

	Illinois Municipal Retirement Fund	Police Pension Fund	Firemen's Pension Fund	Health Insurance Plan for Retired Employees
Contribution rates:				
Village	N/A	N/A	N/A	N/A
Plan members	4.50%	9.91%	8.46%	0.00%
Annual pension/OPEB cost	\$407,231	\$863,954	\$975,587	\$650,433
Contributions made	\$407,231	\$1,132,809	\$987,381	\$460,650
Actuarial valuation date	December 31, 2008	April 30, 2008	April 30, 2008	April 30, 2009
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period
Remaining amortization period	25 years	25 years	25.1699 years	30 years
Asset valuation method	Market value	Market value	Market value	Market value
Actuarial assumptions:				
Rate of return on investment of present and future assets*	7.5% compounded annually	7.0% compounded annually	7.0% compounded annually	5.0% compounded annually
Projected salary increases attributable to inflation*	.4% to 11.6% compounded annually	5.5% compounded annually	5.5% compounded annually	5.0% compounded annually
*Includes inflation at	4.0%	3.0%	4.0%	3.0%
Healthcare inflation rate	N/A	N/A	N/A	8.0%
Cost of living adjustments	3.0%	3.0%	3.0%	N/A

NOTE 6 - PRIOR PERIOD ADJUSTMENT

Due to an accounting error in a prior period, the amounts due to the Village's debt service fund from the Village's general fund were overstated as of April 30, 2008. The amounts, totaling \$1,307,291, issued to the general fund were spent on items related to the debt issues and as such were never intended to be re-paid. The amounts should have been recorded as increases to fund balance on the general fund and decreases to fund balance on the debt service fund in a prior period. The effect of this prior period adjustment on the fund financial statements was to decrease due to other funds and increase fund balance in the general fund and to decrease due from other funds and fund balance in the debt service fund. This adjustment had no effect on the total governmental funds or Government - Wide financial statements.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2009

NOTE 7 - CHANGE IN ACCOUNTING PRINCIPLE

In May 2007, the Governmental Accounting Standards Board issued Statement No. 50, *Pension Disclosures* - an amendment of GASB Statements No. 25 and No. 27. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits and, in doing so, enhances information disclosed in the notes to financial statements or presented as required supplemental information by pension plans and by employers that provide pension benefits. The Village adopted this new standard beginning with its 2009 fiscal year. This change did not have a significant impact on the Village's financial statements.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2009**

I. SCHEDULE OF FUNDING PROGRESS

Illinois Municipal Retirement Fund						
Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Liability Entry Age (AAL)	(3) (Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)
12/31/00	\$4,971,380	\$4,660,933	\$ (310,447)	106.66%	\$1,704,092	0.00%
12/31/01	\$5,622,856	\$5,015,598	\$ (607,258)	112.11%	\$1,748,558	0.00%
12/31/02	\$5,773,306	\$5,507,787	\$ (265,519)	104.82%	\$1,898,136	0.00%
12/31/03	\$6,110,977	\$5,988,220	\$ (122,757)	102.05%	\$1,977,602	0.00%
12/31/04	\$6,146,998	\$6,376,910	\$ 229,912	96.39%	\$2,198,108	10.46%
12/31/05	\$4,025,870	\$5,132,842	\$1,106,972	78.43%	\$2,403,463	46.06%
12/31/06	\$4,311,748	\$6,004,736	\$1,692,988	71.81%	\$2,307,763	73.36%
12/31/07	\$4,195,372	\$5,455,201	\$1,259,829	76.91%	\$2,551,900	49.37%
12/31/08	\$3,336,332	\$5,926,929	\$2,590,597	56.29%	\$2,766,516	93.64%

Police Pension Fund						
Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liabilities (AAL)	(3) Unfunded AAL (2) - (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/00	\$12,215,800	\$18,102,760	\$ 5,886,960	67.48%	\$2,104,554	279.72%
4/30/01	\$12,831,055	\$21,293,641	\$ 8,462,586	60.26%	\$2,134,787	396.41%
4/30/02	\$12,934,405	\$23,048,285	\$10,113,880	56.12%	\$2,494,702	405.41%
4/30/03	\$12,911,696	\$26,009,369	\$13,097,673	49.64%	\$2,320,945	564.33%
4/30/04	\$13,238,404	\$28,721,804	\$15,483,400	46.91%	\$2,587,530	598.39%
4/30/05	\$13,393,892	\$28,999,241	\$15,605,349	46.19%	\$2,481,395	629.89%
4/30/06	\$14,030,355	\$32,678,836	\$18,648,481	42.93%	\$2,483,080	751.02%
4/30/07	\$14,790,406	\$32,492,365	\$17,701,959	45.52%	\$2,538,657	697.30%
4/30/08	\$14,442,626	\$36,548,413	\$22,105,787	39.50%	\$2,822,581	783.20%

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2009

I. SCHEDULE OF FUNDING PROGRESS (continued)

Firemen's Pension Fund

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/00	\$10,617,209	\$15,331,143	\$ 4,713,934	69.25%	\$1,811,278	260.25%
4/30/01	\$10,652,818	\$16,113,015	\$ 5,460,197	66.11%	\$2,037,839	267.94%
4/30/02	\$10,505,041	\$17,434,787	\$ 6,929,746	60.25%	\$2,054,148	337.35%
4/30/03	\$10,926,500	\$18,269,849	\$ 7,343,349	59.81%	\$2,258,460	325.15%
4/30/04	\$11,716,680	\$19,774,070	\$ 8,057,390	59.25%	\$2,385,475	337.77%
4/30/05	\$12,643,083	\$20,125,387	\$ 7,482,304	62.82%	\$2,370,182	315.68%
4/30/06	\$13,862,998	\$20,410,714	\$ 6,547,716	67.92%	\$2,247,854	291.29%
4/30/07	\$15,253,135	\$22,372,210	\$ 7,119,075	68.18%	\$2,558,973	278.20%
4/30/08	\$15,721,646	\$24,757,356	\$ 9,035,710	63.50%	\$2,567,263	351.96%

Health Insurance for Retired Employees

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/07	\$ -	\$7,345,789	\$7,345,789	0.00%	N/A	N/A
4/30/09	\$ -	\$8,628,731	\$8,628,731	0.00%	N/A	N/A

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2009

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

	<u>Actuarial Valuation Date</u>	<u>Annual Pension/ OPEB Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension/ OPEB Obligation</u>
Illinois Municipal Retirement Fund	12/31/00	\$138,883	100%	\$ -
	12/31/01	127,470	100%	-
	12/31/02	116,166	100%	-
	12/31/03	93,343	100%	-
	12/31/04	161,781	100%	-
	12/31/05	199,968	100%	-
	12/31/06	216,007	100%	-
	12/31/07	328,429	100%	-
	12/31/08	407,231	100%	-
Police Pension Fund	4/30/00	988,144	57%	1,021,206
	4/30/01	1,228,142	51%	1,619,736
	4/30/02	1,470,044	55%	2,289,053
	4/30/03	1,787,670	44%	3,294,791
	4/30/04	2,101,616	45%	4,447,540
	4/30/05	2,120,962	53%	5,435,573
	4/30/06	2,493,710	46%	6,773,940
	4/30/07	2,431,862	47%	8,058,866
	4/30/08	863,945	100%	9,788,110
Firemen's' Pension Fund	4/30/99	355,297	145%	58,171
	4/30/00	876,035	66%	355,888
	4/30/01	1,040,389	59%	777,290
	4/30/02	1,213,041	66%	1,185,867
	4/30/03	1,308,973	65%	1,639,631
	4/30/04	1,422,468	69%	2,084,784
	4/30/05	1,363,963	83%	2,318,691
	4/30/06	1,243,394	89%	2,458,493
	4/30/07	1,358,684	73%	2,829,797
4/30/08	975,587	66%	3,379,724	
Retired Employees' Health Insurance	4/30/07	612,210	56%	270,021
	4/30/08	647,321	71%	456,694
	4/30/09	650,433	71%	646,477

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2009

III. SCHEDULE OF ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>4/30/09</u>	<u>4/30/08</u>
Annual required contribution	\$ 642,821	\$ 642,821
Interest on net OPEB obligation	22,835	13,501
Adjustment to annual required contribution	<u>(15,223)</u>	<u>(9,001)</u>
Annual OPEB cost	650,433	647,321
Contributions made	<u>(460,650)</u>	<u>(460,650)</u>
Increase in net OPEB obligation	189,783	186,671
Net OPEB obligation, beginning of year	<u>456,694</u>	<u>270,023</u>
Net OPEB obligation, end of year	<u>\$ 646,477</u>	<u>\$ 456,694</u>

SUPPLEMENTAL INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Cash	\$ 781,531	\$ 156,217
Temporary cash investment	1,642,816	2,171,675
Restricted assets:		
Temporary cash investment	145,369	266,321
Receivables (net of allowance for uncollectibles):		
Taxes	5,229,950	4,875,568
Accounts	371,498	309,215
Due from other funds	2,739,095	2,684,952
Prepaid expense	<u>42,331</u>	<u>66,817</u>
 TOTAL ASSETS	 <u>\$ 10,952,590</u>	 <u>\$ 10,530,765</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 391,881	\$ 353,154
Other accrued expenses	201,535	194,710
Due to other funds	1,799,077	1,643,767
Deferred revenue:		
Property taxes	3,238,326	2,591,490
Other	<u>4,782</u>	<u>38,382</u>
Total liabilities	<u>5,635,601</u>	<u>4,821,503</u>

FUND BALANCES

Reserved for prepaid expenses	42,331	66,817
Unreserved - undesignated	<u>5,274,658</u>	<u>5,642,445</u>
Total fund balances	<u>5,316,989</u>	<u>5,709,262</u>

TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,952,590</u>	<u>\$ 10,530,765</u>
--	-----------------------------	-----------------------------

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Taxes:		
Property tax	\$ 5,226,439	\$ 3,699,627
Sales tax	5,413,529	5,795,120
State income tax	1,879,948	1,633,332
Mini-warehouse tax	98,188	99,488
Hotel/motel tax	272,042	254,637
Replacement tax	353,612	403,366
Transfer tax	<u>132,440</u>	<u>312,028</u>
Total taxes	<u>13,376,198</u>	<u>12,197,598</u>
Miscellaneous revenue:		
Flea market fees	68,633	65,819
Miscellaneous income	303,626	655,899
Police seizure income	71,689	25,725
Damage to Village property - insurance reimbursements	22,055	25,618
Miscellaneous fees	724,321	635,975
Cable TV franchise fees	189,690	203,954
Boat launch fee	<u>17,122</u>	<u>26,162</u>
Total miscellaneous revenue	<u>1,397,136</u>	<u>1,639,152</u>
Police and court fines	444,597	326,859
Licenses and permits	355,448	544,644
Grants	172,188	206,589
Donations	391,742	-
Charges for services	88,174	75,902
Interest	<u>33,712</u>	<u>100,989</u>
Total	<u>1,485,861</u>	<u>1,254,983</u>
Total revenues	<u>16,259,195</u>	<u>15,091,733</u>
EXPENDITURES		
General government:		
Administrative department	565,743	209,307
Planning commission	2,387	4,161
Police and fire commission	21,242	29,297
Social Security and IMRF	485,108	435,310
Finance department	482,414	470,966
Village clerk department	302,511	329,314
Village hall department	<u>203,275</u>	<u>388,968</u>
Total general government	<u>2,062,680</u>	<u>1,867,323</u>

	<u>2009</u>	<u>2008</u>
EXPENDITURES (continued)		
Public safety:		
Civil defense	9,290	10,663
Fire department	2,954,694	2,888,867
Fire department ambulance service	1,536,444	1,515,628
Police department	<u>5,447,319</u>	<u>5,115,377</u>
Total public safety	<u>9,947,747</u>	<u>9,530,535</u>
Building department	205,640	215,747
Health and environmental control department	1,028,671	855,404
Insurance department	3,479,448	3,494,071
Boat launch	52,325	47,709
Debt service	<u>106,055</u>	<u>216,882</u>
Total	<u>4,872,139</u>	<u>4,829,813</u>
Total expenditures	<u>16,882,566</u>	<u>16,227,671</u>
Deficiency of revenues over expenditures	(623,371)	(1,135,938)
OTHER FINANCING SOURCES		
Operating transfers in	58,691	167,499
Loan proceeds	160,000	-
Sale of Village property	<u>12,407</u>	<u>80,541</u>
Deficiency of revenues and other financing sources over expenditures	<u>(392,273)</u>	<u>(887,898)</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	5,709,262	5,289,869
Prior period adjustment - see note 6	<u>-</u>	<u>1,307,291</u>
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>5,709,262</u>	<u>6,597,160</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,316,989</u>	<u>\$ 5,709,262</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008**

GENERAL GOVERNMENT	<u>2009</u>	<u>2008</u>
Administrative Department:		
Salary - mayor	\$ 92,856	\$ 89,625
Salary - secretary	44,820	43,675
Compensation - trustees	75,600	71,456
Hotel/motel tax	86,273	77,477
Economic development	-	5,330
Membership and dues	6,365	6,833
Legal retainer	12,000	11,000
Legal fees - other	130,971	168,832
Contingent expenses	21,757	32,692
Newsletter expense	11,520	3,942
Employee travel	3,957	4,630
Office expense	716	520
Beautification	31,472	33,938
Street fair	33,621	-
Acquisition of land	350,000	-
Other expense	66,315	33,632
Reimbursements from other funds	<u>(402,500)</u>	<u>(374,275)</u>
Total administrative department	<u>565,743</u>	<u>209,307</u>
Planning Commission:		
Staff expense	1,185	1,963
Secretarial services	802	1,710
Contingent expense	<u>400</u>	<u>488</u>
Total planning commission	<u>2,387</u>	<u>4,161</u>
Police and Fire Commission:		
Secretarial services	-	500
Legal fees	-	430
Examinations	16,168	25,142
Staff expense	4,316	3,022
Office supplies	-	102
Printing and publications	<u>758</u>	<u>101</u>
Total police and fire commission	<u>21,242</u>	<u>29,297</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
GENERAL GOVERNMENT		
Social Security and IMRF:		
Social Security and IMRF	467,909	417,745
Unemployment insurance	17,199	17,565
	<hr/>	<hr/>
Total Social Security and IMRF	485,108	435,310
	<hr/>	<hr/>
Finance Department:		
Salary - finance director, treasurer and accountant	241,244	201,185
Salary - computer operator	78,992	77,109
Payroll service and administrator	24,334	47,590
Purchase computer equipment	2,048	3,666
Computer forms and supplies	5,754	9,564
Computer maintenance	52,259	52,773
Office supplies	1,437	1,561
Accounting service	70,337	66,262
Contingent expense	5,870	6,254
Office equipment	139	5,002
	<hr/>	<hr/>
Total finance department	482,414	470,966
	<hr/>	<hr/>
Village Clerk Department:		
Salary - village clerk	15,700	14,875
Salary - recording secretary	4,201	5,548
Salaries - clerical	154,234	145,480
Telephone expense	87,525	117,944
Postage expense	15,009	18,175
Contingent expense	3,597	4,948
Legal advertising	2,907	3,735
Codification	6,499	4,630
Decals and tags	-	789
Repair - office equipment	65	55
Equipment purchases	1,367	10
Equipment rental	6,699	6,579
Office supplies	3,589	3,663
Printing	1,119	2,883
	<hr/>	<hr/>
Total village clerk department	302,511	329,314
	<hr/>	<hr/>

VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
GENERAL GOVERNMENT		
Village Hall Department:		
Salary - wages	45,771	39,443
Salary - custodian	75,779	73,849
Maintain village hall	43,899	49,027
Contract repair and utilities	28,113	217,090
Cleaning supplies	9,605	8,812
Contingent expense	108	747
	<hr/>	<hr/>
Total village hall department	203,275	388,968
	<hr/>	<hr/>
Total General Government	2,062,680	1,867,323
	<hr/>	<hr/>
PUBLIC SAFETY		
Civil Defense:		
Salary - director	8,240	7,933
Repair - warning systems	1,050	1,050
Purchase new equipment	-	1,680
	<hr/>	<hr/>
Total civil defense	9,290	10,663
	<hr/>	<hr/>
Fire Department:		
Salaries - all firemen	1,557,594	1,414,422
Volunteers, paid calls, and overtime	210,596	245,688
Holiday pay	25,558	26,092
Salaries - incentive pay	24,242	24,921
Retirement buyout	-	23,372
Publications and membership	5,089	7,282
Repair - fire trucks	62,119	37,206
Repair - radio equipment	4,953	2,006
Maintenance - fire stations	54,812	26,153
Utilities - fire stations	6,088	3,608
Fire prevention expense	2,445	2,878
Contingent expense	5,468	3,402
Purchase fire equipment	26,825	28,024
Purchase vehicles	-	6,627
Purchase radio equipment	6,794	5,219
Education reimbursement	15,213	9,436
Gasoline and oil	13,149	11,654
Clothing allowance	23,234	18,170
Training materials	1,066	1,423
Training facility	41,742	-
Physical examinations	15,168	15,345
Copy machine rental	2,620	2,650

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
GENERAL GOVERNMENT		
Fire Department: (continued)		
Photo supplies	-	273
Office supplies	57,038	9,881
State grant expenditures	-	228,043
Firemen's pension contribution	792,881	735,092
	<hr/>	<hr/>
Total fire department	2,954,694	2,888,867
Fire Department Ambulance Service:		
Salaries - ambulance personnel	1,258,218	1,269,286
Holiday pay	32,764	28,871
Retirement buyout	29,036	18,250
Repairs - ambulance	108,264	32,152
Maintenance - stations	31,523	51,583
Contingent expense	697	1,702
Ambulance supplies	12,053	8,238
Gasoline and oil	17,338	19,710
Clothing allowance	8,508	49,161
Office supplies	2,176	2,497
Collection fees	35,867	34,178
	<hr/>	<hr/>
Total fire department ambulance service	1,536,444	1,515,628
Police Department:		
Salaries - policemen	2,796,241	2,743,837
Salaries - clerical	130,177	126,205
Salaries - communications	502,216	485,825
Salaries - overtime	198,460	151,442
Salaries - crossing guards	24,005	23,045
Salaries - municipal court	35,932	35,245
Purchase equipment	1,189	408
Holiday pay	77,998	67,717
Impoundments	2,754	1,843
Clothing allowance	37,906	39,347
Purchase vehicles	73,898	139,748
Miscellaneous vehicle equipment	17,877	31,344
Equipment poundmasters and traffic safety	10,134	3,340
Computer purchase	12,967	26,149
Purchase office furniture	3,675	3,374
Photo supplies and rental	7,570	9,029
Gasoline and oil	98,395	118,210
Firearms and ammunition	9,942	12,361
Investigative aids	10,770	9,309
Training	38,207	17,857
Crime prevention	18,009	38,827

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
GENERAL GOVERNMENT		
Police Department: (continued)		
Vehicle maintenance	43,216	49,657
Radio equipment repair and maintenance contract	127,676	82,404
Repair - office equipment	260	506
Contingent expense	24,292	16,140
Publications, membership and dues	3,468	2,583
Prisoner food/care	1,894	2,187
Physical examination fee	5,240	3,530
Office supplies	9,403	9,954
Building security	1,654	-
Police pension contribution	1,121,894	863,954
	<hr/>	<hr/>
Total police department	5,447,319	5,115,377
	<hr/>	<hr/>
Total Public Safety	9,947,747	9,530,535
	<hr/>	<hr/>
Building Department:		
Salary - commissioner	87,433	83,229
Salaries - clerical	83,245	81,925
Salaries - building inspectors	13,336	15,773
Salaries - electrical inspectors	2,398	3,453
Salaries - plumbing inspectors	5,025	7,900
Outside inspection fee	1,376	3,120
Repair and maintenance	-	46
Contingent expense	962	1,469
Research, testing, and plan review	10,560	16,002
Office equipment and supplies	1,305	2,830
	<hr/>	<hr/>
Total building department	205,640	215,747
	<hr/>	<hr/>
Health and Environmental Control Department:		
Salary - commissioner	17,298	17,635
Part-time inspector/office assistant	33,548	30,577
Dues and memberships	305	190
Refuse contract	972,655	801,961
Rodent control contract	2,640	2,560
Equipment maintenance	852	581
Contingent expense	1,356	1,743
Supplies	17	157
	<hr/>	<hr/>
Total health and environmental control department	1,028,671	855,404
	<hr/>	<hr/>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
GENERAL GOVERNMENT		
Insurance Department:		
General liability	40,082	15,937
Liability - public official and police	81,574	72,944
Comprehensive general, automobile, umbrella and workmen's compensation	627,553	614,808
Group health and life	2,870,239	2,930,382
Contingent expense	-	-
Reimbursements from other funds	<u>(140,000)</u>	<u>(140,000)</u>
Total insurance department	<u>3,479,448</u>	<u>3,494,071</u>
Boat Launch:		
Salary - wages	17,609	27,682
Utilities	1,031	1,759
Supplies	536	405
Grounds and maintenance	31,654	17,579
Telephone expense	271	284
Contingent expense	588	-
Physicals	<u>636</u>	<u>-</u>
Total boat launch	<u>52,325</u>	<u>47,709</u>
Debt Service	<u>106,055</u>	<u>216,882</u>
TOTAL GENERAL FUND EXPENDITURES	<u>\$ 16,882,566</u>	<u>\$ 16,227,671</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
April 30, 2009
with Comparative Totals at April 30, 2008**

	<u>Road and Bridge</u>	<u>9-1-1 Emergency Telephone</u>	<u>Special Tax Allocation</u>	<u>Motor Fuel Tax</u>	<u>Insurance</u>	<u>Foreign Fire Insurance Tax</u>	<u>Totals</u>	
							<u>2009</u>	<u>2008</u>
ASSETS								
Temporary cash investments	\$ 45,527	\$ 389,820	\$ 669,453	\$ 433,647	\$ -	\$ 42,751	\$ 1,581,198	\$ 1,341,418
Restricted temporary cash investments	-	-	-	-	763,971	-	763,971	752,935
Receivables (net of allowance for uncollectibles):								
Taxes	78,909	-	460,085	-	-	-	538,994	609,279
Other	-	-	-	39,391	-	-	39,391	44,156
Prepaid expense	2,708	-	-	-	-	-	2,708	-
Due from other funds	-	39,454	50,525	265,343	177,694	-	533,016	785,022
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 127,144</u>	<u>\$ 429,274</u>	<u>\$ 1,180,063</u>	<u>\$ 738,381</u>	<u>\$ 941,665</u>	<u>\$ 42,751</u>	<u>\$ 3,459,278</u>	<u>\$ 3,532,810</u>
LIABILITIES AND FUND BALANCES (DEFICIT)								
Liabilities:								
Accounts payable	\$ 110,992	\$ -	\$ -	\$ 45,970	\$ -	\$ -	\$ 156,962	\$ 40,994
Other accrued expenses	33,512	-	-	-	84,913	-	118,425	126,406
Deferred property tax revenue	78,909	-	460,085	-	-	-	538,994	609,279
Due to other funds	2,089,237	-	211,159	-	-	-	2,300,396	2,314,271
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>2,312,650</u>	<u>-</u>	<u>671,244</u>	<u>45,970</u>	<u>84,913</u>	<u>-</u>	<u>3,114,777</u>	<u>3,090,950</u>
Fund balances (deficit):								
Reserved for insurance	-	-	-	-	763,971	-	763,971	752,935
Unreserved - undesignated	(2,185,506)	429,274	508,819	692,411	92,781	42,751	(419,470)	(311,075)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>(2,185,506)</u>	<u>429,274</u>	<u>508,819</u>	<u>692,411</u>	<u>856,752</u>	<u>42,751</u>	<u>344,501</u>	<u>441,860</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 127,144</u>	<u>\$ 429,274</u>	<u>\$ 1,180,063</u>	<u>\$ 738,381</u>	<u>\$ 941,665</u>	<u>\$ 42,751</u>	<u>\$ 3,459,278</u>	<u>\$ 3,532,810</u>

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Insurance	Foreign Fire Insurance Tax	Totals	
							2009	2008
REVENUES								
Taxes	\$ 1,205,719	\$ -	\$ 902,001	\$ 514,731	\$ -	\$ 53,483	\$ 2,675,934	\$ 2,910,074
Licenses and permits	385,190	364,651	-	-	-	-	749,841	637,007
Investment income:								
Interest	1,095	3,475	6,013	6,016	10,067	99	26,765	78,147
Miscellaneous	90,896	1,000	-	36,294	3,189,926	-	3,318,116	3,105,758
Total revenues	<u>1,682,900</u>	<u>369,126</u>	<u>908,014</u>	<u>557,041</u>	<u>3,199,993</u>	<u>53,582</u>	<u>6,770,656</u>	<u>6,730,986</u>
EXPENDITURES								
Public safety	-	281,543	-	-	-	61,452	342,995	351,644
Self insurance	-	-	-	-	3,168,382	-	3,168,382	2,827,838
Highways and streets	1,692,275	-	-	658,964	-	-	2,351,239	2,462,817
Drainage and storm sewers	12,800	-	-	-	-	-	12,800	5,487
Forestry maintenance	21,976	-	-	-	-	-	21,976	19,260
Miscellaneous	-	-	1,149	-	-	-	1,149	871
Debt service	16,125	62,989	-	-	-	-	79,114	57,935
Total expenditures	<u>1,743,176</u>	<u>344,532</u>	<u>1,149</u>	<u>658,964</u>	<u>3,168,382</u>	<u>61,452</u>	<u>5,977,655</u>	<u>5,725,852</u>
Excess (deficiency) of revenues over expenditures	<u>(60,276)</u>	<u>24,594</u>	<u>906,865</u>	<u>(101,923)</u>	<u>31,611</u>	<u>(7,870)</u>	<u>793,001</u>	<u>1,005,134</u>
OTHER FINANCING SOURCES (USES)								
Operating transfers out	-	(47,100)	(896,700)	(57,060)	-	-	(1,000,860)	(856,005)
Loan proceeds	-	110,500	-	-	-	-	110,500	195,000
Total other financing sources (uses)	<u>-</u>	<u>63,400</u>	<u>(896,700)</u>	<u>(57,060)</u>	<u>-</u>	<u>-</u>	<u>(890,360)</u>	<u>(661,005)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(60,276)</u>	<u>87,994</u>	<u>10,165</u>	<u>(158,983)</u>	<u>31,611</u>	<u>(7,870)</u>	<u>(97,359)</u>	<u>344,129</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR								
Residual equity transfer in	(2,125,230)	341,280	498,654	851,394	825,141	50,621	441,860	(36,928)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,659</u>
FUND BALANCES (DEFICIT), END OF YEAR								
	<u>\$ (2,185,506)</u>	<u>\$ 429,274</u>	<u>\$ 508,819</u>	<u>\$ 692,411</u>	<u>\$ 856,752</u>	<u>\$ 42,751</u>	<u>\$ 344,501</u>	<u>\$ 441,860</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ 45,527	\$ 28,413
Receivable (net of allowance for uncollectibles):		
Taxes	78,909	183,378
Prepaid expense	<u>2,708</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 127,144</u>	 <u>\$ 211,791</u>

LIABILITIES AND FUND DEFICIT

LIABILITIES

Accounts payable	\$ 110,992	\$ 29,613
Other accrued expenses	33,512	20,918
Deferred property tax revenue	78,909	183,378
Due to other funds	<u>2,089,237</u>	<u>2,103,112</u>
Total liabilities	2,312,650	2,337,021

FUND DEFICIT

Unreserved - undesignated	<u>(2,185,506)</u>	<u>(2,125,230)</u>
---------------------------	--------------------	--------------------

TOTAL LIABILITIES AND FUND DEFICIT	<u>\$ 127,144</u>	<u>\$ 211,791</u>
---	--------------------------	--------------------------

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND DEFICIT
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Property taxes	\$ 224,434	\$ 175,053
Replacement tax	13,214	21,442
Fuel use tax	563,071	541,784
Sales tax	300,000	243,579
Income tax	105,000	500,000
Vehicle license	385,190	377,417
Garage fees	42,000	42,000
Waste transfer fee	12,764	13,521
Property rental	12,800	12,000
Miscellaneous income	23,332	10,980
Interest income	1,095	2,247
	<hr/>	<hr/>
Total revenues	1,682,900	1,940,023
	<hr/>	<hr/>
EXPENDITURES		
Street department:		
Salary - superintendent	86,196	84,003
Wages	597,272	492,202
Engineering fees	6,978	37,217
Garage security system	-	83
Purchase new equipment and vehicles	87,344	81,132
Postage	-	1,715
Uniforms	5,997	4,051
Purchase street signs	9,593	7,114
Resurface and repair streets	388,531	703,552
Sidewalk repair and maintenance	60,375	56,317
Purchase salt	86,241	79,015
Village vehicle stickers	10,682	5,596
Gasoline and oil	41,394	31,806
Equipment and repair	21,898	16,475
Equipment maintenance	15,851	13,554
Purchase radio communication	2,928	3,622
Garage maintenance and supplies	14,540	20,314
Utilities	10,100	13,734
Energy charge - street lights	38,717	41,163
Social Security and IMRF	150,533	123,358
Unemployment insurance	7,036	7,186
Contingent expense	1,675	2,469
Dumping charges	16,485	15,731
Office supplies	1,960	1,328
Training	1,255	950
Refunds	1,209	459
Equipment rental - pagers	1,661	1,555
Cleaning supplies	17,724	17,853
Physicals	995	1,315
JULIE charges	1,521	1,829
Chemicals	5,584	4,875
	<hr/>	<hr/>
Total street department	1,692,275	1,871,573
	<hr/>	<hr/>

	<u>2009</u>	<u>2008</u>
EXPENDITURES (continued)		
Drainage and storm sewers:		
Engineering fees	2,405	-
Supplies	1,675	1,161
Maintenance - storm sewers	7,611	628
Contingent expense	1,109	1,000
Drainage project	-	2,698
	<u>12,800</u>	<u>5,487</u>
Total drainage and storm sewers		
Forestry maintenance:		
Equipment purchase	3,453	3,907
Equipment maintenance	636	802
Forestry maintenance	16,496	13,675
Training	120	-
Equipment repairs	1,271	876
	<u>21,976</u>	<u>19,260</u>
Total forestry maintenance		
Debt service	<u>16,125</u>	<u>19,404</u>
Total expenditures	<u>1,743,176</u>	<u>1,915,724</u>
Excess (deficiency) of revenues over expenditures	(60,276)	24,299
FUND DEFICIT, BEGINNING OF YEAR	(2,125,230)	(2,284,188)
Residual equity transfer in	<u>-</u>	<u>134,659</u>
FUND DEFICIT, END OF YEAR	<u>\$ (2,185,506)</u>	<u>\$ (2,125,230)</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ 389,820	\$ 250,336
Due from other funds	<u>39,454</u>	<u>90,944</u>
 TOTAL ASSETS	 <u><u>\$ 429,274</u></u>	 <u><u>\$ 341,280</u></u>

LIABILITIES AND FUND BALANCE

FUND BALANCE

Unreserved - undesignated	<u>\$ 429,274</u>	<u>\$ 341,280</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 429,274</u></u>	 <u><u>\$ 341,280</u></u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Surcharge fees	\$ 364,651	\$ 259,590
Interest income	3,475	6,711
Miscellaneous income	<u>1,000</u>	<u>20,002</u>
Total revenues	<u>369,126</u>	<u>286,303</u>
 EXPENDITURES		
Wages	37,500	-
Telephone charges	23,316	12,478
Equipment purchases	218,645	310,085
Maintenance	-	13,282
Travel	2,082	1,753
Debt service	<u>62,989</u>	<u>38,531</u>
Total expenditures	<u>344,532</u>	<u>376,129</u>
Excess (deficiency) of revenues over expenditures	24,594	(89,826)
 OTHER FINANCING SOURCES (USES)		
Operating transfers out	(47,100)	(47,100)
Loan proceeds	<u>110,500</u>	<u>195,000</u>
Excess of revenues and other financing sources over expenditures and other financing uses	87,994	58,074
 FUND BALANCE, BEGINNING OF YEAR	<u>341,280</u>	<u>283,206</u>
 FUND BALANCE, END OF YEAR	<u>\$ 429,274</u>	<u>\$ 341,280</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ 669,453	\$ 458,772
Receivable (net of allowance for uncollectibles):		
Taxes	460,085	425,901
Due from other funds	<u>50,525</u>	<u>251,041</u>
 TOTAL ASSETS	 <u>\$ 1,180,063</u>	 <u>\$ 1,135,714</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred property tax revenue	\$ 460,085	\$ 425,901
Due to other funds	<u>211,159</u>	<u>211,159</u>
Total liabilities	671,244	637,060

FUND BALANCE

Unreserved - undesignated	<u>508,819</u>	<u>498,654</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 1,180,063</u>	 <u>\$ 1,135,714</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Property taxes	\$ 902,001	\$ 832,963
Interest income	<u>6,013</u>	<u>15,690</u>
Total revenues	908,014	848,653
 EXPENDITURES		
Bank fees	<u>1,149</u>	<u>871</u>
Excess of revenues over expenditures	906,865	847,782
 OTHER FINANCING USES		
Operating transfers out	<u>(896,700)</u>	<u>(664,117)</u>
Excess of revenues over expenditures and other financing uses	10,165	183,665
 FUND BALANCE, BEGINNING OF YEAR	 <u>498,654</u>	 <u>314,989</u>
 FUND BALANCE, END OF YEAR	 <u><u>\$ 508,819</u></u>	 <u><u>\$ 498,654</u></u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ 433,647	\$ 553,276
Receivables:		
Allotments from the State of Illinois	39,391	44,156
Due from other funds	<u>265,343</u>	<u>265,343</u>
 TOTAL ASSETS	 <u>\$ 738,381</u>	 <u>\$ 862,775</u>

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts payable	\$ 45,970	\$ 11,381
 FUND BALANCE		
Unreserved - undesignated	<u>692,411</u>	<u>851,394</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 738,381</u>	 <u>\$ 862,775</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
State allotments	\$ 514,731	\$ 550,678
Interest income	6,016	25,211
Miscellaneous income	<u>36,294</u>	<u>41,094</u>
Total revenues	<u>557,041</u>	<u>616,983</u>
 EXPENDITURES		
General maintenance	133,432	73,092
Road maintenance	<u>525,532</u>	<u>518,152</u>
Total expenditures	<u>658,964</u>	<u>591,244</u>
Excess (deficiency) of revenues over expenditures	(101,923)	25,739
 OTHER FINANCING USES		
Operating transfers out	<u>(57,060)</u>	<u>(144,788)</u>
Deficiency of revenues over expenditures and other financing uses	(158,983)	(119,049)
FUND BALANCE, BEGINNING OF YEAR	<u>851,394</u>	<u>970,443</u>
FUND BALANCE, END OF YEAR	<u>\$ 692,411</u>	<u>\$ 851,394</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
INSURANCE FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Restricted temporary cash investment	\$ 763,971	\$ 752,935
Due from other funds	<u>177,694</u>	<u>177,694</u>
 TOTAL ASSETS	 <u><u>\$ 941,665</u></u>	 <u><u>\$ 930,629</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accrued medical claims	<u>\$ 84,913</u>	<u>\$ 105,488</u>
------------------------	------------------	-------------------

FUND BALANCES

Reserved for insurance	763,971	752,935
Unreserved - undesignated	<u>92,781</u>	<u>72,206</u>
Total fund balances	<u><u>856,752</u></u>	<u><u>825,141</u></u>

TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 941,665</u></u>	<u><u>\$ 930,629</u></u>
--	--------------------------	--------------------------

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
INSURANCE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Premium income	\$ 3,189,926	\$ 2,966,161
Interest income	10,067	28,152
	<hr/>	<hr/>
Total revenues	3,199,993	2,994,313
 EXPENDITURES		
Claims paid, administrative and insurance costs	<hr/> 3,168,382	<hr/> 2,827,838
Excess of revenues over expenditures	31,611	166,475
 FUND BALANCE, BEGINNING OF YEAR	 <hr/> 825,141	 <hr/> 658,666
 FUND BALANCE, END OF YEAR	 <hr/> <u>\$ 856,752</u>	 <hr/> <u>\$ 825,141</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ <u>42,751</u>	\$ <u>50,621</u>
TOTAL ASSETS	<u>\$ 42,751</u>	<u>\$ 50,621</u>

LIABILITIES AND FUND BALANCE

FUND BALANCE

Unreserved - undesignated	\$ <u>42,751</u>	\$ <u>50,621</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 42,751</u>	<u>\$ 50,621</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Foreign fire insurance tax	\$ 53,483	\$ 44,575
Interest income	99	136
	<hr/>	<hr/>
Total revenues	<u>53,582</u>	<u>44,711</u>
 EXPENDITURES		
Clothing allowance	1,594	168
Ambulance supplies	3,749	2,074
Furniture and fixtures	10,326	-
Equipment and supplies	30,894	8,531
Public education materials	221	500
Training tower	11,269	-
Contingent expense	3,399	2,773
	<hr/>	<hr/>
Total expenditures	<u>61,452</u>	<u>14,046</u>
Excess (deficiency) of revenues over expenditures	(7,870)	30,665
 FUND BALANCE, BEGINNING OF YEAR	 <u>50,621</u>	 <u>19,956</u>
 FUND BALANCE, END OF YEAR	 <u>\$ 42,751</u>	 <u>\$ 50,621</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
Temporary cash investment	\$ 4,267,489	\$ 3,668,857
Receivable (net of allowance for uncollectibles):		
Taxes	653,240	932,880
Due from other funds	<u>1,391,788</u>	<u>1,473,169</u>
 TOTAL ASSETS	 <u>\$ 6,312,517</u>	 <u>\$ 6,074,906</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred property tax revenues	\$ 653,238	\$ 932,878
Intergovernmental liability	<u>141,896</u>	<u>141,896</u>
Total liabilities	795,134	1,074,774

FUND BALANCE

Reserved for debt service	<u>5,517,383</u>	<u>5,000,132</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 6,312,517</u>	 <u>\$ 6,074,906</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
REVENUES		
Taxes	\$ 1,427,824	\$ 1,259,614
Investment income:		
Interest	17,026	41,107
Dividends	<u>15,328</u>	<u>50,865</u>
Total revenues	<u>1,460,178</u>	<u>1,351,586</u>
 EXPENDITURES		
Debt service:		
Principal retirement	1,749,582	1,818,405
Interest and fiscal charges	595,100	671,777
Contingencies	11,700	5,200
Miscellaneous	<u>2,830</u>	<u>2,738</u>
Total expenditures	<u>2,359,212</u>	<u>2,498,120</u>
Deficiency of revenues over expenditures	(899,034)	(1,146,534)
 OTHER FINANCING SOURCES (USES)		
Operating transfers in	1,466,531	1,219,906
Operating transfers out	<u>(50,246)</u>	<u>(127,499)</u>
Total other financing sources	<u>1,416,285</u>	<u>1,092,407</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>517,251</u>	<u>(54,127)</u>
 FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	5,000,132	6,361,550
Prior period adjustment - see note 6	<u>-</u>	<u>(1,307,291)</u>
 FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>5,000,132</u>	<u>5,054,259</u>
 FUND BALANCE, END OF YEAR	<u>\$ 5,517,383</u>	<u>\$ 5,000,132</u>

VILLAGE OF ALSIP, ILLINOIS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
FUND BALANCE, BEGINNING OF YEAR	-	134,659
Residual equity transfer out	-	(134,659)
 FUND BALANCE, END OF YEAR	\$ -	\$ -

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
April 30, 2009
With Comparative Totals at April 30, 2008**

ASSETS				
	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2009</u>	<u>2008</u>
CURRENT ASSETS				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	1,812,633	449,476	2,262,109	1,893,633
Receivables (net of allowance for uncollectibles):				
Account customers	229,096	-	229,096	260,549
Estimated unbilled water and sewer charges	626,151	-	626,151	608,672
Prepaid expense/insurance	-	7,492	7,492	13,543
Due from other funds	<u>217,210</u>	<u>124,290</u>	<u>341,500</u>	<u>184,290</u>
Total current assets	<u>2,885,190</u>	<u>581,258</u>	<u>3,466,448</u>	<u>2,960,787</u>
RESTRICTED ASSETS				
Temporary cash investments	<u>5,847,769</u>	<u>1,471,038</u>	<u>7,318,807</u>	<u>7,873,514</u>
FIXED ASSETS				
Property, building and equipment - net	<u>15,858,597</u>	<u>14,413,881</u>	<u>30,272,478</u>	<u>30,953,994</u>
OTHER ASSETS				
Bond issuance costs	76,698	29,089	105,787	120,079
Deposits	<u>-</u>	<u>163,144</u>	<u>163,144</u>	<u>162,696</u>
Total other assets	<u>76,698</u>	<u>192,233</u>	<u>268,931</u>	<u>282,775</u>
 TOTAL ASSETS	 <u>\$ 24,668,254</u>	 <u>\$ 16,658,410</u>	 <u>\$ 41,326,664</u>	 <u>\$ 42,071,070</u>

LIABILITIES AND FUND EQUITIES

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2009</u>	<u>2008</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)				
Accounts payable	\$ 422,626	\$ 89,658	\$ 512,284	\$ 729,488
Other accrued expenses	1,543,571	-	1,543,571	1,543,738
Current portion of note payable	45,479	-	45,479	89,718
Current portion of general obligation bonds	239,875	1,148,329	1,388,204	1,263,095
Due to other funds	-	1,009,588	1,009,588	1,284,848
Security deposits	-	322,150	322,150	325,665
Utility overpayments	939	-	939	-
Accrued interest payable	<u>97,045</u>	<u>57,254</u>	<u>154,299</u>	<u>164,658</u>
Total current liabilities (payable from current assets)	<u>2,349,535</u>	<u>2,626,979</u>	<u>4,976,514</u>	<u>5,401,210</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)				
Deposits	<u>26,884</u>	<u>-</u>	<u>26,884</u>	<u>28,314</u>
LONG-TERM LIABILITIES				
Compensated absences payable	11,799	-	11,799	11,799
Post employment benefit obligation	31,918	-	31,918	28,137
Long-term portion of note payable	-	-	-	45,440
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>6,636,623</u>	<u>4,414,975</u>	<u>11,051,598</u>	<u>12,376,204</u>
Total long-term liabilities	<u>6,680,340</u>	<u>4,414,975</u>	<u>11,095,315</u>	<u>12,461,580</u>
Total liabilities	9,056,759	7,041,954	16,098,713	17,891,104
FUND EQUITIES				
Retained earnings: Unreserved	<u>15,611,495</u>	<u>9,616,456</u>	<u>25,227,951</u>	<u>24,179,966</u>
TOTAL LIABILITIES AND FUND EQUITIES	<u>\$ 24,668,254</u>	<u>\$ 16,658,410</u>	<u>\$ 41,326,664</u>	<u>\$ 42,071,070</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND EQUITIES
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008**

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2009</u>	<u>2008</u>
OPERATING REVENUES				
Charges for services	\$ 7,551,781	\$ -	\$ 7,551,781	\$ 7,459,750
Rental income	-	3,691,444	3,691,444	3,732,416
Other income	<u>79,027</u>	<u>37,279</u>	<u>116,306</u>	<u>146,088</u>
Total operating revenues	<u>7,630,808</u>	<u>3,728,723</u>	<u>11,359,531</u>	<u>11,338,254</u>
OPERATING EXPENSES				
Water department	5,659,155	-	5,659,155	5,568,192
Sewer department	145,637	-	145,637	162,708
Senior citizen complex	<u>-</u>	<u>2,074,893</u>	<u>2,074,893</u>	<u>2,084,943</u>
Total operating expenses	<u>5,804,792</u>	<u>2,074,893</u>	<u>7,879,685</u>	<u>7,815,843</u>
Operating income before depreciation	1,826,016	1,653,830	3,479,846	3,522,411
DEPRECIATION				
	<u>756,555</u>	<u>613,191</u>	<u>1,369,746</u>	<u>1,339,913</u>
Operating income	<u>1,069,461</u>	<u>1,040,639</u>	<u>2,110,100</u>	<u>2,182,498</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond premium	2,923	-	2,923	2,071
Amortization of bond issue costs	(3,384)	(10,908)	(14,292)	(13,305)
Amortization of underwriter's discount	(2,310)	(1,231)	(3,541)	(2,980)
Note and bond interest and fiscal charges	(308,265)	(366,101)	(674,366)	(634,389)
Operating transfers out	(252,000)	(222,116)	(474,116)	(403,901)
Interest income	<u>79,329</u>	<u>21,948</u>	<u>101,277</u>	<u>257,212</u>
Total non-operating expenses and transfers	<u>(483,707)</u>	<u>(578,408)</u>	<u>(1,062,115)</u>	<u>(795,292)</u>
NET INCOME	585,754	462,231	1,047,985	1,387,206
FUND EQUITIES, BEGINNING OF YEAR	15,025,741	9,154,225	24,179,966	22,806,744
Change in accounting principle	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,984)</u>
FUND EQUITIES, END OF YEAR	<u>\$ 15,611,495</u>	<u>\$ 9,616,456</u>	<u>\$ 25,227,951</u>	<u>\$ 24,179,966</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>	
			<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 1,069,461	\$ 1,040,639	\$ 2,110,100	\$ 2,182,498
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	756,555	613,191	1,369,746	1,339,913
Effects of changes in operating assets and liabilities:				
Receivables - account customers	31,453	-	31,453	(47,003)
Receivables - unbilled charges	(17,479)	-	(17,479)	(177,315)
Due from other funds	(217,210)	60,000	(157,210)	202,460
Prepaid insurance/expense	-	6,051	6,051	(4,563)
Utility overpayment	939	-	939	(614)
Deposits	-	(448)	(448)	(7,522)
Accounts payable	(115,390)	(101,814)	(217,204)	226,958
Due to other funds	(185,013)	(90,247)	(275,260)	5,985
Other accrued expenses	(167)	-	(167)	157,102
Security deposits	-	(3,515)	(3,515)	3,475
Post employment benefit obligation	3,781	-	3,781	14,153
Restricted liabilities	(1,430)	-	(1,430)	(2,546)
Compensated absences	-	-	-	224
	<u>1,325,500</u>	<u>1,523,857</u>	<u>2,849,357</u>	<u>3,893,205</u>
Net cash provided by operating activities				
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfers out	<u>(252,000)</u>	<u>(222,116)</u>	<u>(474,116)</u>	<u>(403,901)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	(514,892)	(173,338)	(688,230)	(1,545,243)
Principal payments on note payable	(89,679)	-	(89,679)	(84,782)
Proceeds from issuance of bonds payable	-	-	-	6,757,467
Principal payments on bonds payable	(170,000)	(1,092,945)	(1,262,945)	(1,017,715)
Interest paid on notes and bonds	<u>(310,532)</u>	<u>(311,363)</u>	<u>(621,895)</u>	<u>(492,151)</u>
	<u>(1,085,103)</u>	<u>(1,577,646)</u>	<u>(2,662,749)</u>	<u>3,617,576</u>
Net cash provided by (used in) capital and related financing activities				

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2009</u>	<u>2008</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	<u>79,329</u>	<u>21,948</u>	<u>101,277</u>	<u>257,212</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	67,726	(253,957)	(186,231)	7,364,092
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>7,592,776</u>	<u>2,174,471</u>	<u>9,767,247</u>	<u>2,403,155</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 7,660,502</u>	<u>\$ 1,920,514</u>	<u>\$ 9,581,016</u>	<u>\$ 9,767,247</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2009 and 2008**

ASSETS

	<u>2009</u>	<u>2008</u>
CURRENT ASSETS		
Cash	\$ 100	\$ 100
Temporary cash investments	1,812,633	1,386,593
Receivables (net of allowance for uncollectibles):		
Account customers	229,096	260,549
Estimated unbilled water and sewer charges	626,151	608,672
Due from other funds	<u>217,210</u>	<u>-</u>
Total current assets	2,885,190	2,255,914
RESTRICTED ASSETS		
Temporary cash investments	5,847,769	6,206,083
PROPERTY, BUILDING AND EQUIPMENT, NET	15,858,597	16,100,260
OTHER ASSETS		
Bond issue costs	<u>76,698</u>	<u>80,082</u>
 TOTAL ASSETS	 <u>\$ 24,668,254</u>	 <u>\$ 24,642,339</u>

LIABILITIES AND FUND EQUITY

	<u>2009</u>	<u>2008</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	\$ 422,626	\$ 538,016
Accrued interest payable	97,045	99,312
Other accrued expenses	1,543,571	1,543,738
Utility overpayments	939	-
Due to other fund	-	185,013
Current portion of general obligation bonds	239,875	170,000
Current portion of note payable	<u>45,479</u>	<u>89,718</u>
Total current liabilities (payable from current assets)	<u>2,349,535</u>	<u>2,625,797</u>
 CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Deposits	<u>26,884</u>	<u>28,314</u>
 LONG-TERM LIABILITIES		
Compensated absences payable	11,799	11,799
Post employment benefit obligation	31,918	28,137
Notes payable	-	45,440
General obligation bonds (net of unamortized discount and premium)	<u>6,636,623</u>	<u>6,877,111</u>
Total long-term liabilities	<u>6,680,340</u>	<u>6,962,487</u>
Total liabilities	<u>9,056,759</u>	<u>9,616,598</u>
 FUND EQUITY		
Contributed capital	480,831	480,831
Retained earnings:		
Unreserved	<u>15,130,664</u>	<u>14,544,910</u>
Total fund equity	<u>15,611,495</u>	<u>15,025,741</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 24,668,254</u>	 <u>\$ 24,642,339</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND EQUITY
For the Years Ended April 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
OPERATING REVENUES		
Charges for services:		
Water	\$ 6,761,925	\$ 6,533,867
Sewer	668,762	725,985
Tapping fees	29,372	117,550
Fines and penalties	91,722	82,348
Other income	<u>79,027</u>	<u>91,098</u>
Total operating revenues	<u>7,630,808</u>	<u>7,550,848</u>
 OPERATING EXPENSES		
Water department	5,659,155	5,568,192
Sewer department	<u>145,637</u>	<u>162,708</u>
Total operating expenses	<u>5,804,792</u>	<u>5,730,900</u>
Operating income before depreciation	1,826,016	1,819,948
 DEPRECIATION	<u>756,555</u>	<u>728,655</u>
Operating income	<u>1,069,461</u>	<u>1,091,293</u>
 NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS		
Amortization of bond premium	2,923	2,071
Amortization of underwriter's discount	(2,310)	(1,636)
Amortization of bond issue costs	(3,384)	(2,397)
Note and bond interest and fiscal charges	(308,265)	(237,102)
Operating transfers out	(252,000)	(287,756)
Interest income	<u>79,329</u>	<u>196,376</u>
Total non-operating expenses and transfers	<u>(483,707)</u>	<u>(330,444)</u>
 NET INCOME	585,754	760,849
 FUND EQUITY, BEGINNING OF YEAR	15,025,741	14,278,876
Change in accounting principle	<u>-</u>	<u>(13,984)</u>
 FUND EQUITY, END OF YEAR	<u>\$ 15,611,495</u>	<u>\$ 15,025,741</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 1,069,461	\$ 1,091,293
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	756,555	728,655
Effects of changes in operating assets and liabilities:		
Receivables - account customers	31,453	(47,003)
Receivables - unbilled charges	(17,479)	(177,315)
Due from other funds	(217,210)	202,460
Prepaid expense	-	2,292
Accounts payable	(115,390)	98,419
Other accrued expenses	(167)	157,102
Utility overpayment	939	(614)
Due to other funds	(185,013)	185,013
Compensated absences payable	-	224
Post employment benefit obligation	3,781	14,153
Restricted liabilities	(1,430)	(2,546)
	1,325,500	2,252,133
Net cash provided by operating activities	1,325,500	2,252,133
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Operating transfers out	(252,000)	(287,756)
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(514,892)	(1,391,762)
Principal payments on note payable	(89,679)	(84,782)
Proceeds from issuance of bonds payable	-	6,757,467
Principal payments on bonds payable	(170,000)	(129,750)
Interest paid on notes and bonds	(310,532)	(146,350)
	(1,085,103)	5,004,823
Net cash provided by (used in) capital and related financing activities	(1,085,103)	5,004,823

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	<u>79,329</u>	<u>196,376</u>
NET INCREASE IN CASH AND TEMPORARY CASH INVESTMENTS	67,726	7,165,576
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>7,592,776</u>	<u>427,200</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 7,660,502</u>	<u>\$ 7,592,776</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF OPERATING EXPENSES
For the Years Ended April 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
WATER DEPARTMENT		
Salary - commissioner	\$ 86,196	\$ 82,400
Salary - clerical	45,176	37,090
Wages - meter readers	16,127	14,556
Wages - general labor	206,409	213,327
Engineering fees	10,995	11,110
Tools and equipment	1,910	2,561
Purchase - office equipment	1,584	5,795
Purchase - new equipment	22,701	8,811
Purchase - meters	39,409	50,362
Purchase - computer	100	713
Repairs - equipment	20,589	11,698
Restoration (main breaks)	171,659	128,710
Maintenance water system	402,293	459,500
Utilities	251,634	198,138
Water tap-ons	6,265	150,550
Purchase - water	3,768,733	3,666,964
Social Security and IMRF	89,222	90,309
Insurance and administrative expense	355,536	320,275
Contingent expense	15,532	16,464
Water system expense	44,079	8,048
Building and grounds maintenance	63,441	42,986
Pager service	1,555	1,669
Office supplies	2,762	5,542
Water sampling fees	4,269	3,425
Purchase chlorine	1,448	2,064
Gasoline and oil	9,077	8,000
Water billing charges	17,230	16,741
Dues and memberships	300	-
Post employment benefit obligation	<u>2,924</u>	<u>10,384</u>
Total water department	<u>5,659,155</u>	<u>5,568,192</u>
SEWER DEPARTMENT		
Salary - clerical	54,148	52,815
Wages - general labor	49,570	73,235
Purchase - new equipment	6,413	4,189
Material and supplies	5,282	1,030
Repair - equipment	1,105	9
Maintenance - sanitary sewers	13,810	13,529
Contingent expense	41	-
Uniforms	2,411	2,132
Garage rentals	12,000	12,000
Post employment benefit obligation	<u>857</u>	<u>3,769</u>
Total sewer department	<u>145,637</u>	<u>162,708</u>
TOTAL OPERATING EXPENSES	<u>\$ 5,804,792</u>	<u>\$ 5,730,900</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING BALANCE SHEET
April 30, 2009 and 2008**

ASSETS					
				Totals	
	<u>Heritage I</u>	<u>Heritage II</u>	<u>2009</u>	<u>2008</u>	
CURRENT ASSETS					
Temporary cash investments	\$ -	\$ 449,476	\$ 449,476	\$ 507,040	
Due from other funds	-	124,290	124,290	184,290	
Prepaid insurance	1,056	6,436	7,492	13,543	
	<u>1,056</u>	<u>6,436</u>	<u>7,492</u>	<u>13,543</u>	
Total current assets	<u>1,056</u>	<u>580,202</u>	<u>581,258</u>	<u>704,873</u>	
RESTRICTED ASSETS					
Temporary cash investments	-	1,471,038	1,471,038	1,667,431	
	<u>-</u>	<u>1,471,038</u>	<u>1,471,038</u>	<u>1,667,431</u>	
PROPERTY, BUILDING AND EQUIPMENT - NET					
	<u>5,878,313</u>	<u>8,535,568</u>	<u>14,413,881</u>	<u>14,853,734</u>	
OTHER ASSETS					
Bond issuance costs	-	29,089	29,089	39,997	
Deposit	162,144	1,000	163,144	162,696	
	<u>162,144</u>	<u>1,000</u>	<u>163,144</u>	<u>162,696</u>	
Total other assets	<u>162,144</u>	<u>30,089</u>	<u>192,233</u>	<u>202,693</u>	
TOTAL ASSETS	<u>\$ 6,041,513</u>	<u>\$ 10,616,897</u>	<u>\$ 16,658,410</u>	<u>\$ 17,428,731</u>	

LIABILITIES AND FUND EQUITIES

CURRENT LIABILITIES					
Accrued interest payable	\$ 29,105	\$ 28,149	\$ 57,254	\$ 65,346	
Accounts payable	-	89,658	89,658	191,472	
Current portion of general obligation bonds	102,920	1,045,409	1,148,329	1,093,095	
Due to other funds	1,009,588	-	1,009,588	1,099,835	
Security deposits	109,425	212,725	322,150	325,665	
	<u>1,251,038</u>	<u>1,375,941</u>	<u>2,626,979</u>	<u>2,775,413</u>	
Total current liabilities	<u>1,251,038</u>	<u>1,375,941</u>	<u>2,626,979</u>	<u>2,775,413</u>	
LONG-TERM LIABILITIES					
General obligation bonds (net of unamortized discount and loss from extinguishment of debt)	<u>1,975,400</u>	<u>2,439,575</u>	<u>4,414,975</u>	<u>5,499,093</u>	
Total liabilities	<u>3,226,438</u>	<u>3,815,516</u>	<u>7,041,954</u>	<u>8,274,506</u>	
FUND EQUITIES					
Retained earnings - unreserved	<u>2,815,075</u>	<u>6,801,381</u>	<u>9,616,456</u>	<u>9,154,225</u>	
TOTAL LIABILITIES AND FUND EQUITIES	<u>\$ 6,041,513</u>	<u>\$ 10,616,897</u>	<u>\$ 16,658,410</u>	<u>\$ 17,428,731</u>	

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2009</u>	<u>2008</u>
OPERATING REVENUES				
Rental income	\$ 1,230,425	\$ 2,461,019	\$ 3,691,444	\$ 3,732,416
Other income	<u>11,425</u>	<u>25,854</u>	<u>37,279</u>	<u>54,990</u>
Total operating revenues	1,241,850	2,486,873	3,728,723	3,787,406
OPERATING EXPENSES	<u>732,356</u>	<u>1,342,537</u>	<u>2,074,893</u>	<u>2,084,943</u>
Operating income before depreciation	509,494	1,144,336	1,653,830	1,702,463
DEPRECIATION	<u>210,811</u>	<u>402,380</u>	<u>613,191</u>	<u>611,258</u>
Operating income	<u>298,683</u>	<u>741,956</u>	<u>1,040,639</u>	<u>1,091,205</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond issuance costs	-	(10,908)	(10,908)	(10,908)
Amortization of underwriters' discount	-	(1,231)	(1,231)	(1,344)
Operating transfers in (out)	(229,216)	7,100	(222,116)	(116,145)
Bond interest	(89,207)	(276,894)	(366,101)	(397,287)
Interest income	<u>-</u>	<u>21,948</u>	<u>21,948</u>	<u>60,836</u>
Total non-operating expenses and transfers	<u>(318,423)</u>	<u>(259,985)</u>	<u>(578,408)</u>	<u>(464,848)</u>
NET INCOME (LOSS)	(19,740)	481,971	462,231	626,357
RETAINED EARNINGS, BEGINNING OF YEAR	<u>2,834,815</u>	<u>6,319,410</u>	<u>9,154,225</u>	<u>8,527,868</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 2,815,075</u>	<u>\$ 6,801,381</u>	<u>\$ 9,616,456</u>	<u>\$ 9,154,225</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 298,683	\$ 741,956	\$ 1,040,639	\$ 1,091,205
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	210,811	402,380	613,191	611,258
Effects of changes in operating assets and liabilities:				
Due from other funds	-	60,000	60,000	-
Prepaid insurance	36	6,015	6,051	(6,855)
Deposits	(448)	-	(448)	(7,522)
Accounts payable	-	(101,814)	(101,814)	128,539
Security deposits	135	(3,650)	(3,515)	3,475
Due to other funds	(90,247)	-	(90,247)	(179,028)
	<u>418,970</u>	<u>1,104,887</u>	<u>1,523,857</u>	<u>1,641,072</u>
Net cash provided by operating activities				
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfer in (out)	<u>(229,216)</u>	<u>7,100</u>	<u>(222,116)</u>	<u>(116,145)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	-	(173,338)	(173,338)	(153,481)
Principal payments on bonds payable	(99,600)	(993,345)	(1,092,945)	(887,965)
Interest paid on bonds	<u>(90,154)</u>	<u>(221,209)</u>	<u>(311,363)</u>	<u>(345,801)</u>
Net cash used in capital and related financing activities	<u>(189,754)</u>	<u>(1,387,892)</u>	<u>(1,577,646)</u>	<u>(1,387,247)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	<u>-</u>	<u>21,948</u>	<u>21,948</u>	<u>60,836</u>
NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS				
	-	(253,957)	(253,957)	198,516
TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR				
	<u>-</u>	<u>2,174,471</u>	<u>2,174,471</u>	<u>1,975,955</u>
TEMPORARY CASH INVESTMENTS, END OF YEAR				
	<u>\$ -</u>	<u>\$ 1,920,514</u>	<u>\$ 1,920,514</u>	<u>\$ 2,174,471</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF OPERATING EXPENSES
For the Year Ended April 30, 2009
with Comparative Totals for the Year Ended April 30, 2008**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2009</u>	<u>2008</u>
Salaries	\$ 141,276	\$ 267,047	\$ 408,323	\$ 401,008
Repairs and maintenance	150,747	243,236	393,983	404,867
Management fee	73,826	148,118	221,944	223,932
Administrative fee	50,000	144,000	194,000	194,000
Decorating	12,758	46,402	59,160	68,723
Office supplies	6,473	80	6,553	5,720
Telephone	7,989	-	7,989	7,758
Utilities	180,481	270,191	450,672	460,190
Insurance	39,259	69,100	108,359	108,993
Scavenger	14,169	51,512	65,681	54,001
Pest control	3,724	8,500	12,224	9,402
Contingent expense	8,174	3,294	11,468	11,603
Payroll taxes	11,536	21,379	32,915	11,539
Uniforms	1,717	3,100	4,817	-
Legal fees	-	-	-	480
Union health/pension	29,892	66,578	96,470	122,481
Other employee benefits	335	-	335	246
TOTAL OPERATING EXPENSES	<u>\$ 732,356</u>	<u>\$ 1,342,537</u>	<u>\$ 2,074,893</u>	<u>\$ 2,084,943</u>

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET ASSETS
April 30, 2009
with Comparative Totals at April 30, 2008**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2009</u>	<u>2008</u>
ASSETS				
Cash and cash equivalents	\$ 1,334,463	\$ 2,689,392	\$ 4,023,855	\$ 2,656,240
Receivables:				
Contributions	1,167,858	645,093	1,812,951	1,256,488
Accrued interest	73,388	54,029	127,417	153,053
Due from other funds	185,062	-	185,062	196,540
Investments, at fair value:				
U.S. Government securities	6,413,894	6,604,893	13,018,787	14,016,754
Mutual funds	2,761,979	3,276,283	6,038,262	8,839,703
Stocks	1,302,104	1,225,159	2,527,263	3,757,213
Insurance contracts	-	887,035	887,035	942,566
	<u>13,238,748</u>	<u>15,381,884</u>	<u>28,620,632</u>	<u>31,818,557</u>
Total assets				
LIABILITIES				
Accrued liabilities	16,624	-	16,624	5,129
Deferred contributions	1,148,456	645,093	1,793,549	1,190,288
Due to other funds	-	81,400	81,400	81,087
	<u>1,165,080</u>	<u>726,493</u>	<u>1,891,573</u>	<u>1,276,504</u>
Total liabilities				
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 12,073,668</u>	<u>\$ 14,655,391</u>	<u>\$ 26,729,059</u>	<u>\$ 30,542,053</u>

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
For the Year Ended April, 30, 2009
with Comparative Totals for the Year Ended April, 30, 2008**

	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	<u>Total</u>	
			<u>2009</u>	<u>2008</u>
ADDITIONS				
Contributions:				
Employer	\$ 1,121,894	\$ 792,881	\$ 1,914,775	\$ 1,599,045
Employee	282,146	265,278	547,424	521,145
	<u>1,404,040</u>	<u>1,058,159</u>	<u>2,462,199</u>	<u>2,120,190</u>
Total contributions				
Investment income:				
Net appreciation (depreciation) in fair value of investments	(2,197,778)	(1,909,266)	(4,107,044)	173,482
Dividends	128,009	84,545	212,554	308,472
Interest	292,431	317,429	609,860	700,172
Miscellaneous income	-	259	259	5,630
	<u>(1,777,338)</u>	<u>(1,507,033)</u>	<u>(3,284,371)</u>	<u>1,187,756</u>
Total investment income				
Less investment expense	52,065	82,008	134,073	161,060
	<u>(1,829,403)</u>	<u>(1,589,041)</u>	<u>(3,418,444)</u>	<u>1,026,696</u>
Net investment income (loss)				
Total additions	<u>(425,363)</u>	<u>(530,882)</u>	<u>(956,245)</u>	<u>3,146,886</u>
DEDUCTIONS				
Retirement benefits	1,841,715	259,785	2,101,500	1,911,631
Duty disability benefits	27,444	508,966	536,410	522,666
Surviving spouse benefits	56,228	144,401	200,629	203,629
Miscellaneous	18,210	-	18,210	10,447
	<u>1,943,597</u>	<u>913,152</u>	<u>2,856,749</u>	<u>2,648,373</u>
Total deductions				
NET INCREASE (DECREASE)	(2,368,960)	(1,444,034)	(3,812,994)	498,513
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR				
	<u>14,442,628</u>	<u>16,099,425</u>	<u>30,542,053</u>	<u>30,043,540</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR				
	<u>\$ 12,073,668</u>	<u>\$ 14,655,391</u>	<u>\$ 26,729,059</u>	<u>\$ 30,542,053</u>

TABLE 1

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2009**

(Unaudited)

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Coverage Dates</u>	<u>Type of Coverage</u>	<u>Description</u>	<u>Limit Amounts</u>
Scottsdale	WA10001752	05/01/08-09	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Scottsdale	PK10001574	05/01/08-09	Professional liability insurance	Law enforcement officers and public officials	Multiple Coverages
Scottsdale	PES0004956	05/01/08-09	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Scottsdale and Arch Insurance	UMS0023216 MEUM07163101	05/01/08-09	Excess liability - umbrella	Bodily injury and property damage, includes civil rights	\$10,000,000
Arch Insurance	MEPK07351001	05/01/08-09	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137801	05/01/08-09	Portable Equipment		Multiple Coverages
IPRF	AGC-1Q36-IL	12/15/08-09	Workmen's Compensation		\$2,500,000
Travelers	103199571	08/03/08-11	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	103062011	02/20/09-10	Blanket Employee Crime Bond		\$250,000
Travelers	103199575	08/03/08-11	Police Pension Fund Bond	Errors and omissions	\$1,000,000
AIG Life	280-4885	05/01/08-09	Specific/Aggregate Health		Various

TABLE 1

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2009**

(Unaudited)

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Coverage Dates</u>	<u>Type of Coverage</u>	<u>Description</u>	<u>Limit Amounts</u>
AutoOwners	6760466307571	05/09/08-09	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	6760466307776	05/09/08-09	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
AutoOwners	6760466307570	05/09/08-09	Public Official Bond - Gregory Palumbo	Errors and omissions	\$150,000
Liberty Mutual	285025029	01/30/09-10	Public Official Bond - Elizabeth Gonzalez	Errors and omissions	\$150,000
Safeco	6400805	12/20/08-09	Public Official Bond - Sharon McDowell	Errors and omissions	\$5,000
Safeco	6233277	08/05/05-09	IL Notary Public Bond - Deborah Venhuizen	Errors and omissions	\$5,000
Safeco	6233260	04/04/09-13	IL Notary Public Bond - Judith DeLuise	Errors and omissions	\$5,000
Safeco	6233249	04/21/08-12	IL Notary Public Bond - Violet Regan	Errors and omissions	\$5,000
Safeco	6233247	03/28/08-12	IL Notary Public Bond - Sharon Szynalski	Errors and omissions	\$5,000
Safeco	6233278	10/28/05-09	IL Notary Public Bond - Lucille Kwiatkowski	Errors and omissions	\$5,000
Safeco	6118973	06/06/07-11	IL Notary Public Bond - Joyce Welch	Errors and omissions	\$5,000
Safeco	6396092	07/18/06-10	IL Notary Public Bond - Susan Bruesch	Errors and omissions	\$5,000
Safeco	6396098	03/20/07-11	IL Notary Public Bond - Elizabeth Gonzalez	Errors and omissions	\$5,000
Safeco	6396109	02/18/08-12	IL Notary Public Bond - Alisa Bahr	Errors and omissions	\$5,000
Reliance Standard	GL137122	05/01/08-09	Life insurance		Various
Reliance Standard	VAR202787	05/01/08-09	Accidental Death & Dismemberment		Various
North Point	NPCM005152	4/21/08-09	Canine policy		Multiple Coverages

VILLAGE OF ALSIP
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS
AND ASSESSED VALUATION
April 30, 2009

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Assessed valuation	<u>\$ 599,532,642</u>	<u>\$ 687,386,575</u>	<u>\$ 680,364,001</u>	<u>\$ 710,758,298</u>	<u>\$ 802,041,333</u>
Tax rates:					
General	.4051	.3639	.3758	.4014	.3592
Police pension	.1457	.1269	.1470	.1617	.1995
Fire pension	.1331	.1212	.1154	.1176	.1216
Road and bridge	.0000	.0000	.0089	.0294	.0066
Debt service	.2195	.1922	.1967	.2004	.1454
Total - All Funds	<u>.9034</u>	<u>.8042</u>	<u>.8438</u>	<u>.9105</u>	<u>.8323</u>
Tax levies:					
General	\$ 2,501,474	\$ 2,576,519	\$ 2,633,799	\$ 2,812,916	\$ 2,880,986
Police pension	899,533	898,675	1,030,000	1,133,000	1,600,000
Fire pension	821,671	863,964	808,606	824,000	975,587
Road and bridge	-	-	60,255	206,000	51,500
Debt service	1,315,938	1,318,305	1,338,228	1,363,753	1,166,351
Total - All Funds	<u>\$ 5,538,616</u>	<u>\$ 5,657,463</u>	<u>\$ 5,870,888</u>	<u>\$ 6,339,669</u>	<u>\$ 6,674,424</u>
Collections:					
General	\$ 2,434,615	\$ 2,441,540	\$ 2,405,040	\$ 2,816,590	\$ 1,358,941
Police pension	856,573	851,379	945,224	997,978	499,543
Fire pension	781,430	818,591	740,202	786,697	359,762
Road and bridge	-	-	55,559	175,930	24,349
Debt service	1,269,484	1,249,066	1,242,316	1,167,311	533,952
Total - All Funds	<u>\$ 5,342,102</u>	<u>\$ 5,360,576</u>	<u>\$ 5,388,341</u>	<u>\$ 5,944,506</u>	<u>\$ 2,776,547</u>
Percentage of levies collected	<u>96.5%</u>	<u>94.8%</u>	<u>91.8%</u>	<u>93.8%</u>	<u>41.6%</u>
Township levies	<u>\$ 116,909</u>	<u>\$ 134,040</u>	<u>\$ 134,040</u>	<u>\$ 91,849</u>	<u>\$ 95,952</u>
Collections	<u>\$ 89,204</u>	<u>\$ 86,635</u>	<u>\$ 82,577</u>	<u>\$ 88,556</u>	<u>\$ 41,316</u>
Percentage of collections	<u>76.3%</u>	<u>64.6%</u>	<u>61.6%</u>	<u>96.4%</u>	<u>43.1%</u>
Special service areas levies	<u>\$ 169,505</u>	<u>\$ 169,449</u>	<u>\$ 168,896</u>	<u>\$ 168,862</u>	<u>\$ 168,862</u>
Collections	<u>\$ 169,589</u>	<u>\$ 169,459</u>	<u>\$ 168,901</u>	<u>\$ 168,876</u>	<u>\$ 84,438</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>50.0%</u>
Tax increment levies	<u>\$ 722,610</u>	<u>\$ 790,971</u>	<u>\$ 830,520</u>	<u>\$ 835,330</u>	<u>\$ 895,000</u>
Collections	<u>\$ 706,176</u>	<u>\$ 794,492</u>	<u>\$ 831,597</u>	<u>\$ 835,330</u>	<u>\$ 408,065</u>
Percentage of collections	<u>97.7%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>45.6%</u>

**VILLAGE OF ALSIP, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2009**

		Tax Year <u>2008</u>
Assessed valuation		<u>\$ 802,041,333</u>
Statutory debt limitation (8.625% of assessed valuation)		\$ 69,176,065
Total debt:		
General obligation debt:		
Notes payable	\$ 415,946	
Bonds payable	<u>25,237,673</u>	
	<u>25,653,619</u>	
Deductions:		
Amount available for repayment of general obligation bonds	<u>5,517,383</u>	
	<u>5,517,383</u>	<u>20,136,236</u>
Legal debt margin		<u>\$ 49,039,829</u>

**REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH THE REQUIREMENTS
OF THE STATE OF ILLINOIS PUBLIC ACT 85-1142
SUBSECTION (Q) OF SECTION 11-74.4-3
Independent Auditor's Report on Compliance with Requirements
Applicable to the State of Illinois Public Act 85-1142,
Subsection (q) of Section 11-74.4-3**

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

We have audited the basic financial statements of the Village of Alsip ("the Village"), as of and for the year ended April 30, 2009 and have issued our report thereon dated October 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Village is the responsibility of the Village's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Village's compliance with certain provisions of laws, regulations, contracts and grants applicable to the Special Tax Allocation Special Revenue Fund including the Village's compliance with subsection (q) of Section 11-74.4-3 of the State of Illinois Public Act 85-1142, "An Act in Relation to Tax Increment Financing." However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the Special Tax Allocation Special Revenue Fund complied, in all material respects, with the provisions referred to in the preceding paragraph.

This report is intended solely for the information and use of the mayor and trustees, management and certain state agencies and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Oak Brook, Illinois
October 23, 2009