

VILLAGE OF ALSIP, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
April 30, 2008

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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 as of and for the year ended April 30, 2008, 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 of Alsip, Illinois, as of April 30, 2008, 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.

The management's discussion and analysis on pages 3 through 12 and the pension information on pages 52 through 54 are not required parts of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As discussed in Note 6 to the financial statements, the Village of Alsip, Illinois has retroactively reported their post employment benefits expense/expenditures and related liabilities as required by the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for the year ended April 30, 2008.

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.

Clifton Gunderson LLP

Oak Brook, Illinois
October 8, 2008

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008

The Village of Alsip 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, 2008. Readers are encouraged to consider the information presented here in conjunction with the Village of Alsip's financial statements which begin on page 13 of this report.

Financial Highlights

The Village of Alsip's net assets total \$31,665,471. Net assets for governmental activities account for \$7,485,505 or 23.6% of the total and business-type activities account for \$24,179,966 or 76.4 %.

The government's total net assets increased by \$594,828 during fiscal year 2008, due to normal Village operations.

As of the close of the current fiscal year, the Village of Alsip's governmental funds reported combined ending fund balances of \$11,151,254.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$4,335,154 or 26.7 % of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village of Alsip'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, stormwater management and senior housing.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008

The Village of Alsip 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 of Alsip 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 of Alsip, 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 of Alsip 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 of Alsip 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, Debt Service Fund and the Capital Projects Fund, all of which are considered to be major funds. Individual fund data for the nonmajor governmental fund, the Special Revenue Fund, is provided elsewhere in this report.

The Village of Alsip 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, 2008

Proprietary Funds

The Village of Alsip maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its Water, Sewer, Stormwater 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, Stormwater 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 49 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 to its employees. Required supplementary information can be found on pages 50 through 54 of this report. Combining and individual fund statements and schedules can be found on pages 56 through 100 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 of Alsip, assets exceeded liabilities by \$31,665,471 at the close of the most recent fiscal year.

By far, the largest portion of the Village of Alsip's net assets (67.3%) 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 of Alsip'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, 2008**

**Condensed Statement of Net Assets
As of April 30, 2008 and 2007
(in Millions)**

| | <u>Governmental Activities</u> | | <u>Business Activities</u> | | <u>Total Primary Government</u> | |
|--|------------------------------------|-----------------------|--------------------------------|-----------------------|-------------------------------------|-----------------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Current and other assets | \$ 16.3 | \$ 16.6 | \$ 9.8 | \$ 2.4 | \$ 26.1 | \$ 19.0 |
| Capital assets | <u>18.7</u> | <u>19.0</u> | <u>31.0</u> | <u>30.7</u> | <u>49.7</u> | <u>49.7</u> |
| Total assets | <u>\$ 35.0</u> | <u>\$ 35.6</u> | <u>\$ 40.8</u> | <u>\$ 33.1</u> | <u>\$ 75.8</u> | <u>\$ 68.7</u> |
| Long-term liabilities | \$ 24.4 | \$ 23.9 | \$ 12.5 | \$ 7.0 | \$ 36.9 | \$ 30.9 |
| Other liabilities | <u>3.1</u> | <u>3.5</u> | <u>4.1</u> | <u>3.3</u> | <u>7.2</u> | <u>6.8</u> |
| Total liabilities | <u>\$ 27.5</u> | <u>\$ 27.4</u> | <u>\$ 16.6</u> | <u>\$ 10.3</u> | <u>\$ 44.1</u> | <u>\$ 37.7</u> |
| Net assets: | | | | | | |
| Invested in capital assets, net of debt | \$ 4.1 | \$ 2.8 | \$ 17.2 | \$ 22.5 | \$ 21.3 | \$ 25.3 |
| Restricted | 7.1 | 7.3 | - | - | 7.1 | 7.3 |
| Unrestricted (deficit) | <u>(3.7)</u> | <u>(1.8)</u> | <u>7.0</u> | <u>.3</u> | <u>3.3</u> | <u>(1.5)</u> |
| Total net assets (deficit) | <u>\$ 7.5</u> | <u>\$ 8.3</u> | <u>\$ 24.2</u> | <u>\$ 22.8</u> | <u>\$ 31.7</u> | <u>\$ 31.1</u> |

A portion of the Village of Alsip's net assets (\$7.1 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 \$3.7 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 of Alsip is able to report positive balances in all three categories of 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 of Alsip increased in fiscal year ended 2008 from \$31.1 million to \$31.7 million and increased in fiscal year ended 2007 from \$10.1 million to \$31.1 million. This increase in fiscal year ended 2007 was in large part due to the change in accounting principle to account for the implementation of the Village's infrastructure assets in accordance with GASB 34. The Village of Alsip has not restated the 2006 information to include infrastructure assets; however, in future periods, a comparative analysis will be presented.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008**

Change in Net Assets

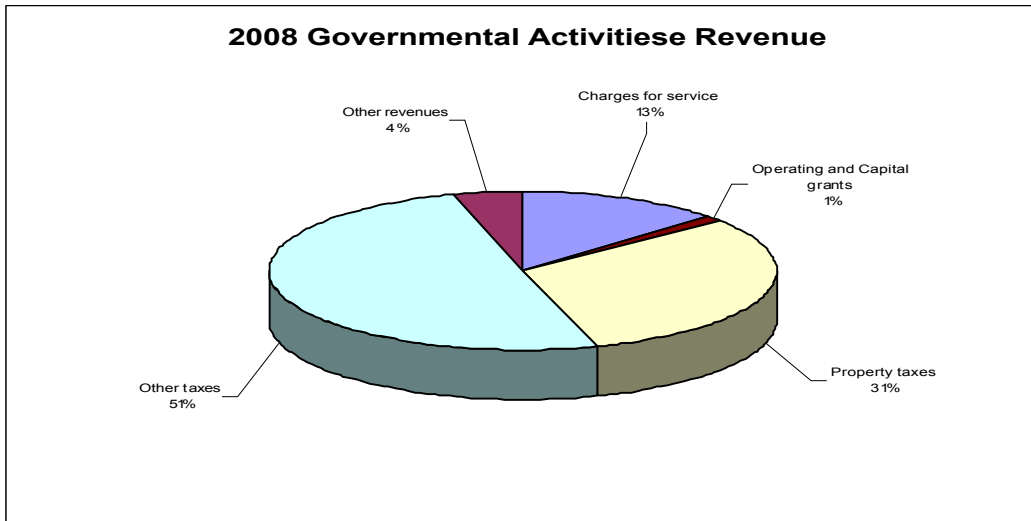
The fiscal year 2008 activities of the Village of Alsip caused the net assets to increase by \$0.9 million (governmental activities, \$.5 million decrease and business type activities, \$1.4 million increase). Key elements are as follows:

**Changes in Net Assets
For the Fiscal Years Ended April 30, 2008 and 2007
(in Millions)**

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Primary Government</u> | |
|------------------------------|------------------------------------|--------------|-------------------------------------|--------------|-------------------------------------|---------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Revenue | | | | | | |
| Program revenues: | | | | | | |
| Charges for service | \$ 2.7 | \$ 2.6 | \$11.3 | \$ 9.6 | \$14.0 | \$12.2 |
| Operating and capital grants | .2 | .1 | | - | .2 | .1 |
| General Revenue: | | | | | | |
| Property taxes | 6.4 | 6.7 | - | - | 6.4 | 6.7 |
| Other taxes | 10.4 | 10.3 | - | - | 10.4 | 10.3 |
| Other revenues | <u>1.0</u> | <u>.7</u> | <u>.3</u> | <u>-</u> | <u>1.3</u> | <u>.7</u> |
| Total revenue | <u>20.7</u> | <u>20.4</u> | <u>11.6</u> | <u>9.6</u> | <u>32.3</u> | <u>30.0</u> |
| Expenses | | | | | | |
| Governmental activities: | | | | | | |
| General government | 2.6 | 2.1 | - | - | 2.6 | 2.1 |
| Public safety | 14.0 | 12.9 | - | - | 14.0 | 12.9 |
| Road and Bridge | 3.2 | 2.9 | - | - | 3.2 | 2.9 |
| Building | .2 | .3 | - | - | .2 | .3 |
| Health and welfare | .9 | .8 | - | - | .9 | .8 |
| Drainage and Forestry | - | .1 | - | - | - | .1 |
| Interest | .7 | .8 | - | - | .7 | .8 |
| Business-type: | | | | | | |
| Water | - | - | 6.5 | 5.8 | 6.5 | 5.8 |
| Sewer | - | - | .2 | .1 | .2 | .1 |
| Senior Complex | <u>-</u> | <u>-</u> | <u>3.1</u> | <u>2.9</u> | <u>3.1</u> | <u>2.9</u> |
| Total expenses | <u>21.6</u> | <u>19.9</u> | <u>9.8</u> | <u>8.8</u> | <u>31.4</u> | <u>28.7</u> |
| Revenues over expenses | (0.9) | 0.5 | 1.8 | .8 | .9 | 1.3 |
| Transfers | <u>.4</u> | <u>.2</u> | <u>(.4)</u> | <u>(.2)</u> | <u>-</u> | <u>-</u> |
| Change in net assets | <u>\$ (0.5)</u> | <u>\$.7</u> | <u>\$ 1.4</u> | <u>\$.6</u> | <u>\$.9</u> | <u>\$ 1.3</u> |

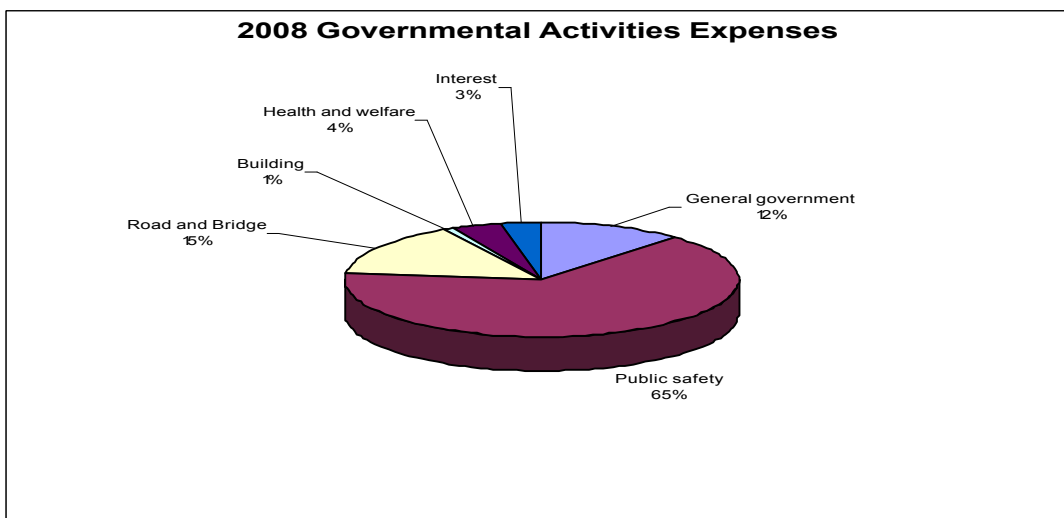
**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008**

Revenues:



For the fiscal year ended April 30, 2008, revenues from governmental activities totaled \$20.7 million, signifying an increase in revenues of approximately \$0.3 million dollars over the previous fiscal year. Property taxes totaled \$6.4 million representing 31% of the total governmental activity revenue. Other taxes, at \$10.4 million, are primarily attributable to the Village's sales, state income, fuel and real estate transfer taxes, realized an increase of approximately \$0.1 million over the 2007 fiscal year.

Expenses:



For the fiscal year ended April 30, 2008, expenses for governmental activities totaled \$21.6 million, a \$1.7 million increase over the previous fiscal year.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008**

Business-type Activities

This fiscal year saw an increase in total charges for services of approximately \$1.7 million. Business-type activities increased the Village of Alsip' net assets by \$1,387,206. Key elements of this increase were continued capital projects.

Financial Analysis of the Government's Funds

As noted earlier, the Village of Alsip 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, 2008, the governmental funds reported a combined fund balance of \$11,151,254, an increase of \$597,896 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 \$887,898 from the previous fiscal year.

General Fund Budgetary Highlights

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> |
|---|----------------------------|-------------------------|---------------------|
| Revenues | \$ 17,564,000 | \$ 17,564,000 | \$ 15,172,276 |
| Expenditures | <u>16,201,834</u> | <u>16,599,834</u> | <u>16,227,671</u> |
| Excess of revenues over expenditures | 1,362,166 | 964,166 | (1,055,395) |
| Other financial sources | <u>-</u> | <u>-</u> | <u>167,499</u> |
| Net changes in fund balance | <u>\$ 1,362,166</u> | <u>\$ 964,166</u> | <u>\$ (887,896)</u> |

Proprietary Funds - The Village of Alsip'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 \$1.55 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, 2008**

Water sales during fiscal year ended 2008 were \$1,635,248 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 2008 is the first full year of that increase.

Capital Asset and Debt Administration

Capital Assets - The Village of Alsip's investment in capital assets for its governmental and business-type activities as of April 30, 2008 amounts to \$49,671,712 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, highways, and bridges.

**Capital Assets at Year End
Net of Depreciation
(in Millions)**

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--------------------------|------------------------------------|---------------|-------------------------------------|---------------|-------------------------------------|---------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Land | \$ - | \$ - | \$ 1.9 | \$ 1.9 | \$ 1.9 | \$ 1.9 |
| Improvements | .5 | .4 | 3.7 | 3.6 | 4.2 | 4.0 |
| Construction in progress | .1 | .2 | - | 1.5 | .1 | 1.7 |
| Building | 4.9 | 5.1 | 10.6 | 11.1 | 15.5 | 16.2 |
| Machinery and equipment | 1.2 | 1.0 | .8 | .8 | 2.0 | 1.8 |
| Infrastructure | 10.4 | 10.6 | 14.0 | 11.8 | 24.4 | 22.4 |
| Vehicles | <u>1.6</u> | <u>1.7</u> | <u>-</u> | <u>-</u> | <u>1.6</u> | <u>1.7</u> |
| Total | <u>\$18.7</u> | <u>\$19.0</u> | <u>\$ 31.0</u> | <u>\$30.7</u> | <u>\$49.7</u> | <u>\$49.7</u> |

Additional information on the Village of Alsip'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 2008, the Village of Alsip had total bonded debt outstanding of \$28,293,269. 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 Activities | | Total Primary Government | |
|--------------------------|------------------------------------|---------------|--------------------------------|---------------|-------------------------------------|---------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| General obligation bonds | <u>\$14.4</u> | <u>\$16.3</u> | <u>\$13.9</u> | <u>\$ 8.1</u> | <u>\$28.3</u> | <u>\$24.4</u> |

The Village of Alsip made principal payments on outstanding general obligation bonds in the current year of \$2,951,760, in accordance with the terms of the various bond issues.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008

In fiscal year ended 2007, the Village of Alsip was assigned an A1 rating from Moody's. The Village of Alsip 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 2008 total per capita general obligation debt for the community is \$1,415.

Additional information on the Village of Alsip' 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 of Alsip 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 2009, 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 of Alsip is planning for major infrastructure improvements throughout the Village for fiscal year 2009. 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 projects scheduled for fiscal year 2009 include replacement of various water mains, upgrading of the Village's storage capacity and improvements to multiple lift stations in the community. Additionally the Village anticipates 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.
- In 2006, the Board began a multi-phase program to create a plan for an identifiable "Main Street" for the Village of Alsip 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 2009.

These factors will be prominent in the preparation of the Village's budget for the 2009 fiscal year.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008**

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, 2008

| | Governmental Activities | Business-type Activities | Total |
|---|------------------------------------|-------------------------------------|----------------------|
| ASSETS | | | |
| Cash | \$ 156,217 | \$ 100 | \$ 156,317 |
| Temporary cash investments | 7,181,950 | 1,893,633 | 9,075,583 |
| Receivables (net of allowance for uncollectibles) | 6,771,098 | 869,221 | 7,640,319 |
| Internal balances | 1,100,558 | (1,100,558) | - |
| Bond issuance costs | - | 120,079 | 120,079 |
| Deposits | - | 162,696 | 162,696 |
| Prepaid expenses | 66,817 | 13,543 | 80,360 |
| Restricted assets: | | | |
| Temporary cash investments | 1,019,256 | 7,873,514 | 8,892,770 |
| Capital assets (net of accumulated depreciation): | | | |
| Land | - | 1,886,953 | 1,886,953 |
| Buildings | 4,908,633 | 10,607,413 | 15,516,046 |
| Improvements other than building | 530,822 | 3,699,815 | 4,230,637 |
| System infrastructure | 10,366,791 | 13,963,629 | 24,330,420 |
| Machinery and equipment | 1,119,461 | 752,540 | 1,872,001 |
| Furniture and fixtures | 81,083 | - | 81,083 |
| Vehicles | 1,575,928 | 24,436 | 1,600,364 |
| Construction in progress | 135,000 | 19,208 | 154,208 |
| | <u>35,013,614</u> | <u>40,786,222</u> | <u>75,799,836</u> |
| Total assets | | | |
| LIABILITIES | | | |
| Accounts payable and other current liabilities | 715,264 | 2,273,226 | 2,988,490 |
| Accrued interest payable | 201,693 | 164,658 | 366,351 |
| Intergovernmental liability | 141,896 | - | 141,896 |
| Due to fiduciary funds | 115,453 | - | 115,453 |
| Deposits | - | 325,665 | 325,665 |
| Deferred other revenue | 38,382 | - | 38,382 |
| Payable from restricted accounts: | | | |
| Customer deposits | - | 28,314 | 28,314 |
| Noncurrent liabilities: | | | |
| Due within one year | 1,874,362 | 1,352,813 | 3,227,175 |
| Due in more than one year | 24,441,059 | 12,461,580 | 36,902,639 |
| | <u>27,528,109</u> | <u>16,606,256</u> | <u>44,134,365</u> |
| Total liabilities | | | |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 4,119,416 | 17,179,658 | 21,299,074 |
| Restricted for: | | | |
| Debt service | 6,307,423 | - | 6,307,423 |
| Other | 819,752 | - | 819,752 |
| Unrestricted | <u>(3,761,086)</u> | <u>7,000,308</u> | <u>3,239,222</u> |
| TOTAL NET ASSETS | <u>\$ 7,485,505</u> | <u>\$ 24,179,966</u> | <u>\$ 31,665,471</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, 2008

| FUNCTIONS/PROGRAMS | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Assets</u> | | |
|---|----------------------|-----------------------------|---|--|---------------------------------|------------------------|
| | | <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 | \$ 2,608,107 | \$ 716,935 | \$ 198,280 | \$ (1,692,892) | \$ - | \$ (1,692,892) |
| Public safety | 14,032,237 | 1,400,733 | 8,309 | (12,623,195) | - | (12,623,195) |
| Highway and streets | 3,221,503 | 444,938 | - | (2,776,565) | - | (2,776,565) |
| Building | 127,802 | 95,872 | - | (31,930) | - | (31,930) |
| Health and environmental control | 869,770 | 75,902 | - | (793,868) | - | (793,868) |
| Drainage and storm sewers | 5,487 | - | - | (5,487) | - | (5,487) |
| Forestry maintenance | 19,260 | - | - | (19,260) | - | (19,260) |
| Interest on long-term debt | 717,031 | - | - | (717,031) | - | (717,031) |
| Total governmental activities | <u>21,601,197</u> | <u>2,734,380</u> | <u>206,589</u> | <u>(18,660,228)</u> | <u>-</u> | <u>(18,660,228)</u> |
| Business-type activities: | | | | | | |
| Water | 6,523,644 | 6,802,751 | - | - | 279,107 | 279,107 |
| Sewer | 177,046 | 729,935 | - | - | 552,889 | 552,889 |
| Senior Citizen Complex | 3,105,740 | 3,787,406 | - | - | 681,666 | 681,666 |
| Total business-type activities | <u>9,806,430</u> | <u>11,320,092</u> | <u>-</u> | <u>-</u> | <u>1,513,662</u> | <u>1,513,662</u> |
| Total primary government | <u>\$ 31,407,627</u> | <u>\$ 14,054,472</u> | <u>\$ 206,589</u> | <u>\$ (18,660,228)</u> | <u>\$ 1,513,662</u> | <u>\$ (17,146,566)</u> |
| General revenues: | | | | | | |
| Property taxes | | | | \$ 6,400,377 | \$ - | \$ 6,400,377 |
| Sales taxes | | | | 6,038,699 | - | 6,038,699 |
| State income taxes | | | | 2,133,332 | - | 2,133,332 |
| Fuel use taxes | | | | 541,784 | - | 541,784 |
| Motor fuel taxes | | | | 550,678 | - | 550,678 |
| Replacement taxes | | | | 424,808 | - | 424,808 |
| Real estate transfer taxes | | | | 312,028 | - | 312,028 |
| Other taxes | | | | 398,700 | - | 398,700 |
| Sale of capital assets | | | | 59,294 | - | 59,294 |
| Unrestricted interest/investment earnings | | | | 271,108 | 257,212 | 528,320 |
| Other | | | | 603,162 | 20,233 | 623,395 |
| Transfers | | | | 403,901 | (403,901) | - |
| Total general revenues and transfers | | | | <u>18,137,871</u> | <u>(126,456)</u> | <u>18,011,415</u> |
| CHANGE IN NET ASSETS | | | | (522,357) | 1,387,206 | 864,849 |
| NET ASSETS - BEGINNING | | | | 8,263,899 | 22,806,744 | 31,070,643 |
| Change in accounting principle | | | | (256,037) | (13,984) | (270,021) |
| NET ASSETS - ENDING | | | | <u>\$ 7,485,505</u> | <u>\$ 24,179,966</u> | <u>\$ 31,665,471</u> |

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

VILLAGE OF ALSIP, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2008

| | <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 | \$ 156,217 | \$ - | \$ - | \$ - | \$ - | \$ 156,217 |
| Temporary cash investments | 2,171,675 | 28,413 | - | 3,668,857 | 1,313,005 | 7,181,950 |
| Receivables (net of allowance for uncollectibles) | 5,184,783 | 183,378 | - | 932,880 | 470,057 | 6,771,098 |
| Due from other funds | 2,684,952 | - | 177,694 | 2,780,460 | 607,328 | 6,250,434 |
| Prepaid expenses | 66,817 | - | - | - | - | 66,817 |
| Restricted assets: | | | | | | |
| Temporary cash investments | 266,321 | - | 752,935 | - | - | 1,019,256 |
| TOTAL ASSETS | <u>\$ 10,530,765</u> | <u>\$ 211,791</u> | <u>\$ 930,629</u> | <u>\$ 7,382,197</u> | <u>\$ 2,390,390</u> | <u>\$ 21,445,772</u> |
| LIABILITIES AND FUND BALANCES (DEFICIT) | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable and other current liabilities | \$ 547,864 | \$ 50,531 | \$ 105,488 | \$ - | \$ 11,381 | \$ 715,264 |
| Intergovernmental liability | - | - | - | 141,896 | - | 141,896 |
| Deferred property tax revenue | 2,591,490 | 183,378 | - | 932,878 | 425,901 | 4,133,647 |
| Deferred other revenue | 38,382 | - | - | - | - | 38,382 |
| Due to other funds | 2,951,058 | 2,103,112 | - | - | 211,159 | 5,265,329 |
| Total liabilities | <u>6,128,794</u> | <u>2,337,021</u> | <u>105,488</u> | <u>1,074,774</u> | <u>648,441</u> | <u>10,294,518</u> |
| Fund balances (deficit): | | | | | | |
| Reserved for: | | | | | | |
| Reserved for prepaid expenses | 66,817 | - | - | - | - | 66,817 |
| Reserved for insurance | - | - | 752,935 | - | - | 752,935 |
| Reserved for debt service | - | - | - | 6,307,423 | - | 6,307,423 |
| Unreserved, reported in: | | | | | | |
| General fund | 4,335,154 | - | - | - | - | 4,335,154 |
| Special revenue funds | - | (2,125,230) | 72,206 | - | 1,741,949 | (311,075) |
| Total fund balances (deficit) | <u>4,401,971</u> | <u>(2,125,230)</u> | <u>825,141</u> | <u>6,307,423</u> | <u>1,741,949</u> | <u>11,151,254</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICIT) | <u>\$ 10,530,765</u> | <u>\$ 211,791</u> | <u>\$ 930,629</u> | <u>\$ 7,382,197</u> | <u>\$ 2,390,390</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.

18,717,718

Receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

4,133,647

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

(26,517,114)

\$ 7,485,505

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, 2008

| | <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 | \$ 12,197,598 | \$ 1,481,858 | \$ - | \$ 1,259,614 | \$ 1,428,216 | \$ 16,367,286 |
| Fines | 326,859 | - | - | - | - | 326,859 |
| Licenses and permits | 544,644 | 377,417 | - | - | 259,590 | 1,181,651 |
| Grants | 206,589 | - | - | - | - | 206,589 |
| Charges for services | 75,902 | - | - | - | - | 75,902 |
| Investment income | 100,989 | 2,247 | 28,152 | 91,972 | 47,748 | 271,108 |
| Miscellaneous | 1,639,152 | 78,501 | 2,966,161 | - | 61,096 | 4,744,910 |
| | <u>15,091,733</u> | <u>1,940,023</u> | <u>2,994,313</u> | <u>1,351,586</u> | <u>1,796,650</u> | <u>23,174,305</u> |
| Total revenues | | | | | | |
| EXPENDITURES | | | | | | |
| Current: General government | 2,241,598 | - | - | - | - | 2,241,598 |
| Public safety | 9,530,535 | - | - | - | 351,644 | 9,882,179 |
| Highways and streets | - | 1,871,573 | - | - | 591,244 | 2,462,817 |
| Building | 215,747 | - | - | - | - | 215,747 |
| Health and environmental control | 855,404 | - | - | - | - | 855,404 |
| Insurance | 3,119,796 | - | 2,827,838 | - | - | 5,947,634 |
| Drainage and storm sewers | - | 5,487 | - | - | - | 5,487 |
| Forestry maintenance | - | 19,260 | - | - | - | 19,260 |
| Miscellaneous | 47,709 | - | - | 7,938 | 871 | 56,518 |
| Debt service: Principal retirement | 205,023 | 18,441 | - | 1,818,405 | 28,407 | 2,070,276 |
| Interest and fiscal charges | 11,859 | 963 | - | 671,777 | 10,124 | 694,723 |
| | <u>16,227,671</u> | <u>1,915,724</u> | <u>2,827,838</u> | <u>2,498,120</u> | <u>982,290</u> | <u>24,451,643</u> |
| Total expenditures | | | | | | |
| Excess (deficiency) of revenues over expenditures | <u>(1,135,938)</u> | <u>24,299</u> | <u>166,475</u> | <u>(1,146,534)</u> | <u>814,360</u> | <u>(1,277,338)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Operating transfer in | 167,499 | - | - | 1,219,906 | - | 1,387,405 |
| Operating transfer out | - | - | - | (127,499) | (856,005) | (983,504) |
| Sale of Village property | 80,541 | - | - | - | - | 80,541 |
| Loan proceeds | - | - | - | - | 195,000 | 195,000 |
| | <u>248,040</u> | <u>-</u> | <u>-</u> | <u>1,092,407</u> | <u>(661,005)</u> | <u>679,442</u> |
| Total other financing sources (uses) | | | | | | |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (887,898) | 24,299 | 166,475 | (54,127) | 153,355 | (597,896) |
| FUND BALANCES (DEFICIT), BEGINNING OF YEAR | 5,289,869 | (2,284,188) | 658,666 | 6,361,550 | 1,723,253 | 11,749,150 |
| Residual equity transfers in (out) | - | 134,659 | - | - | (134,659) | - |
| FUND BALANCES (DEFICIT), END OF YEAR | <u>\$ 4,401,971</u> | <u>\$ (2,125,230)</u> | <u>\$ 825,141</u> | <u>\$ 6,307,423</u> | <u>\$ 1,741,949</u> | <u>\$ 11,151,254</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, 2008

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) | \$ (597,896) |
| 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, \$2,351,184, exceeded capital outlays, \$2,096,010, in the current period. | (255,174) |
| 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. | (46,866) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 433,120 |
| 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. | 1,866,407 |
| 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>(1,921,948)</u> |
| CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14) | <u>\$ (522,357)</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, 2008

| | <u>General</u> | | | | <u>Road and Bridge</u> | | | |
|--|----------------------------|-------------------------|-----------------------|---|----------------------------|-------------------------|--------------------|---|
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
| REVENUES | | | | | | | | |
| Taxes | \$14,790,000 | \$14,790,000 | \$ 12,021,020 | \$ (2,768,980) | \$ 2,105,000 | \$ 2,105,000 | \$ 1,481,858 | \$ (623,142) |
| Fines | 650,000 | 650,000 | 319,647 | (330,353) | - | - | - | - |
| Licenses and permits | 670,000 | 670,000 | 544,644 | (125,356) | 380,000 | 380,000 | 377,417 | (2,583) |
| Grants | 250,000 | 250,000 | 206,589 | (43,411) | - | - | - | - |
| Charges for services | 80,000 | 80,000 | 75,902 | (4,098) | - | - | - | - |
| Investment income | - | - | 100,989 | 100,989 | - | - | 2,247 | 2,247 |
| Miscellaneous | 1,124,000 | 1,124,000 | 1,651,705 | 527,705 | 186,000 | 186,000 | 113,499 | (72,501) |
| Total revenues | 17,564,000 | 17,564,000 | 14,920,496 | (2,643,504) | 2,671,000 | 2,671,000 | 1,975,021 | (695,979) |
| EXPENDITURES | | | | | | | | |
| Current: General government | 2,376,830 | 2,774,830 | 2,259,933 | 514,897 | - | - | - | - |
| Public safety | 9,190,242 | 9,190,242 | 9,561,380 | (371,138) | - | - | - | - |
| Highway and streets | - | - | - | - | 2,010,215 | 2,226,215 | 1,964,923 | 261,292 |
| Building | 256,700 | 256,700 | 215,607 | 41,093 | - | - | - | - |
| Health and environmental control | 874,061 | 874,061 | 853,323 | 20,738 | - | - | - | - |
| Drainage and storm sewers | - | - | - | - | 43,500 | 43,500 | 5,487 | 38,013 |
| Forestry maintenance | - | - | - | - | 28,620 | 28,620 | 19,543 | 9,077 |
| Insurance | 3,395,000 | 3,395,000 | 3,140,249 | 254,751 | - | - | - | - |
| Miscellaneous | 51,001 | 51,001 | 47,692 | 3,309 | - | - | - | - |
| Debt service: Principal retirement | 58,000 | 58,000 | 205,023 | (147,023) | - | - | 18,441 | (18,441) |
| Interest and fiscal charges | - | - | 11,859 | (11,859) | - | - | 963 | (963) |
| Total expenditures | 16,201,834 | 16,599,834 | 16,295,066 | 304,768 | 2,082,335 | 2,298,335 | 2,009,357 | 288,978 |
| Excess (deficiency) of revenues over expenditures | \$ 1,362,166 | \$ 964,166 | \$ (1,374,570) | \$ (2,338,736) | \$ 588,665 | \$ 372,665 | \$ (34,336) | \$ (407,001) |

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2008

| | <u>Business-type Activities - Enterprise Funds</u> | | |
|--|--|---------------------------------------|--------------------------------|
| | <u>Waterworks and Sewerage</u> | <u>Senior Citizen Complex</u> | <u>Totals Current Year</u> |
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 100 | \$ - | \$ 100 |
| Temporary cash investments | 1,386,593 | 507,040 | 1,893,633 |
| Receivables (net of allowance for uncollectibles) | 869,221 | - | 869,221 |
| Prepaid insurance/expense | - | 13,543 | 13,543 |
| Due from other funds | - | 184,290 | 184,290 |
| | <u>2,255,914</u> | <u>704,873</u> | <u>2,960,787</u> |
| Total current assets | | | |
| Noncurrent assets: | | | |
| Restricted temporary cash investments | 6,206,083 | 1,667,431 | 7,873,514 |
| Bond issuance costs | 80,082 | 39,997 | 120,079 |
| Deposits | - | 162,696 | 162,696 |
| | <u>-</u> | <u>162,696</u> | <u>162,696</u> |
| Capital assets: | | | |
| Land | - | 1,886,953 | 1,886,953 |
| Buildings | 3,823,869 | 14,698,198 | 18,522,067 |
| Building improvements | 36,138 | 4,996,900 | 5,033,038 |
| Improvements other than building | - | 693,587 | 693,587 |
| System infrastructure | 20,420,317 | - | 20,420,317 |
| Machinery and equipment | 1,606,536 | 789,132 | 2,395,668 |
| Vehicles | 90,096 | - | 90,096 |
| Construction in progress | 19,208 | - | 19,208 |
| Less accumulated depreciation | <u>(9,895,904)</u> | <u>(8,211,036)</u> | <u>(18,106,940)</u> |
| | <u>16,100,260</u> | <u>14,853,734</u> | <u>30,953,994</u> |
| Total capital assets (net of accumulated depreciation) | | | |
| | <u>16,100,260</u> | <u>14,853,734</u> | <u>30,953,994</u> |
| Total noncurrent assets | <u>22,386,425</u> | <u>16,723,858</u> | <u>39,110,283</u> |
| Total assets | <u>\$ 24,642,339</u> | <u>\$ 17,428,731</u> | <u>\$ 42,071,070</u> |

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2008

| | Business-type Activities - Enterprise Funds | | |
|--|--|---------------------------------------|--------------------------------|
| | Waterworks and Sewerage | Senior Citizen Complex | Totals Current Year |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and other current liabilities | \$ 2,081,754 | \$ 191,472 | \$ 2,273,226 |
| Accrued interest payable | 99,312 | 65,346 | 164,658 |
| Security deposits | - | 325,665 | 325,665 |
| Due to other funds | 185,013 | 1,099,835 | 1,284,848 |
| Current portion of note payable | 89,718 | - | 89,718 |
| Current portion of general obligation bonds | <u>170,000</u> | <u>1,093,095</u> | <u>1,263,095</u> |
| Total current liabilities | <u>2,625,797</u> | <u>2,775,413</u> | <u>5,401,210</u> |
| Current liabilities payable from restricted assets: | | | |
| Deposits | <u>28,314</u> | <u>-</u> | <u>28,314</u> |
| Noncurrent liabilities: | | | |
| Compensated absences payable | 11,799 | - | 11,799 |
| Post employment benefit obligation | 28,137 | - | 28,137 |
| Long-term portion of note payable | 45,440 | - | 45,440 |
| Long-term portion of general obligation bonds (net of unamortized discount and loss from extinguishment of debt) | <u>6,877,111</u> | <u>5,499,093</u> | <u>12,376,204</u> |
| Total noncurrent liabilities | <u>6,962,487</u> | <u>5,499,093</u> | <u>12,461,580</u> |
| Total liabilities | <u>9,616,598</u> | <u>8,274,506</u> | <u>17,891,104</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 8,918,116 | 8,261,542 | 17,179,658 |
| Unrestricted | <u>6,107,625</u> | <u>892,683</u> | <u>7,000,308</u> |
| TOTAL NET ASSETS | <u>\$ 15,025,741</u> | <u>\$ 9,154,225</u> | <u>\$ 24,179,966</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, 2008

| | <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 | \$ 7,459,750 | \$ - | \$ 7,459,750 |
| Rental sales | - | 3,732,416 | 3,732,416 |
| Other sales and services | 91,098 | 54,990 | 146,088 |
| | <u>7,550,848</u> | <u>3,787,406</u> | <u>11,338,254</u> |
| Total operating revenues | | | |
| OPERATING EXPENSES | | | |
| Cost of sales and services | 5,730,900 | 2,084,943 | 7,815,843 |
| Depreciation | 728,655 | 611,258 | 1,339,913 |
| | <u>6,459,555</u> | <u>2,696,201</u> | <u>9,155,756</u> |
| Total operating expenses | | | |
| Operating income | <u>1,091,293</u> | <u>1,091,205</u> | <u>2,182,498</u> |
| NON-OPERATING REVENUES | | | |
| (EXPENSES) | | | |
| Amortization of bond issuance costs | (2,397) | (10,908) | (13,305) |
| Amortization of underwriter's discount | (1,636) | (1,344) | (2,980) |
| Amortization of bond premium | 2,071 | - | 2,071 |
| Note and bond interest and fiscal charges | (237,102) | (397,287) | (634,389) |
| Investment earnings | 196,376 | 60,836 | 257,212 |
| | <u>(42,688)</u> | <u>(348,703)</u> | <u>(391,391)</u> |
| Total non-operating revenues (expenses) | | | |
| Income before transfers | 1,048,605 | 742,502 | 1,791,107 |
| TRANSFERS OUT | <u>(287,756)</u> | <u>(116,145)</u> | <u>(403,901)</u> |
| Change in net assets | 760,849 | 626,357 | 1,387,206 |
| NET ASSETS - BEGINNING | 14,278,876 | 8,527,868 | 22,806,744 |
| Change in accounting principle | <u>(13,984)</u> | <u>-</u> | <u>(13,984)</u> |
| NET ASSETS - ENDING | <u>\$ 15,025,741</u> | <u>\$ 9,154,225</u> | <u>\$ 24,179,966</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, 2008

| | <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 | \$ 7,323,370 | \$ 3,779,884 | \$ 11,103,254 |
| Payments to suppliers | (4,598,038) | (1,593,804) | (6,191,842) |
| Payments to employees | <u>(473,199)</u> | <u>(545,008)</u> | <u>(1,018,207)</u> |
| Net cash provided by operating activities | <u>2,252,133</u> | <u>1,641,072</u> | <u>3,893,205</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | |
| Operating transfers out | <u>(287,756)</u> | <u>(116,145)</u> | <u>(403,901)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Purchase of property and building and building improvements | (1,391,762) | (153,481) | (1,545,243) |
| Principal payments on note payable | (84,782) | - | (84,782) |
| Proceeds from issuance of bonds payable | 6,757,467 | - | 6,757,467 |
| Principal payments on bonds payable | (129,750) | (887,965) | (1,017,715) |
| Interest paid on notes and bonds | <u>(146,350)</u> | <u>(345,801)</u> | <u>(492,151)</u> |
| Net cash provided by (used in) capital and related financing activities | <u>5,004,823</u> | <u>(1,387,247)</u> | <u>3,617,576</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Earnings on investments | <u>196,376</u> | <u>60,836</u> | <u>257,212</u> |
| NET INCREASE IN CASH AND TEMPORARY CASH INVESTMENTS | 7,165,576 | 198,516 | 7,364,092 |
| CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR | <u>427,200</u> | <u>1,975,955</u> | <u>2,403,155</u> |
| CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR | <u>\$ 7,592,776</u> | <u>\$ 2,174,471</u> | <u>\$ 9,767,247</u> |

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2008

| | <u>Business-type Activities - Enterprise Funds</u> | | |
|--|--|---------------------------------------|-------------------------|
| | <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 | \$ 1,091,293 | \$ 1,091,205 | \$ 2,182,498 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation | 728,655 | 611,258 | 1,339,913 |
| Effects of changes in operating assets and liabilities: | | | |
| Receivables - account customers | (47,003) | - | (47,003) |
| Receivables - unbilled charges | (177,315) | - | (177,315) |
| Due from other funds | 202,460 | - | 202,460 |
| Prepaid insurance/expense | 2,292 | (6,855) | (4,563) |
| Utility overpayment | (614) | - | (614) |
| Deposits | - | (7,522) | (7,522) |
| Accounts payable | 98,419 | 128,539 | 226,958 |
| Due to other funds | 185,013 | (179,028) | 5,985 |
| Other accrued expenses | 157,102 | - | 157,102 |
| Security deposits | - | 3,475 | 3,475 |
| Post employment benefit obligation | 14,153 | - | 14,153 |
| Restricted liabilities | (2,546) | - | (2,546) |
| Compensated absences | 224 | - | 224 |
| | <u>224</u> | <u>-</u> | <u>224</u> |
| Net cash provided by operating activities | <u>\$ 2,252,133</u> | <u>\$ 1,641,072</u> | <u>\$ 3,893,205</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, 2008

| | <u>Pension Trust</u> | | |
|---------------------------------|----------------------|----------------------|----------------------|
| | <u>Police</u> | <u>Firemen's</u> | |
| | <u>Pension</u> | <u>Pension</u> | <u>Totals</u> |
| ASSETS | | | |
| Cash and cash equivalents | \$ 526,259 | \$ 2,129,981 | \$ 2,656,240 |
| Receivables: | | | |
| Contributions | 786,066 | 470,422 | 1,256,488 |
| Accrued interest | 83,378 | 69,675 | 153,053 |
| Due from other funds | 196,540 | - | 196,540 |
| Investments, at fair value: | | | |
| U.S. Government securities | 7,119,186 | 6,897,568 | 14,016,754 |
| Mutual funds | 4,398,073 | 4,441,630 | 8,839,703 |
| Stocks | 2,058,121 | 1,699,092 | 3,757,213 |
| Insurance contracts | - | 942,566 | 942,566 |
| | <u>15,167,623</u> | <u>16,650,934</u> | <u>31,818,557</u> |
| Total assets | | | |
| LIABILITIES | | | |
| Accrued liabilities | 5,129 | - | 5,129 |
| Deferred contributions | 719,866 | 470,422 | 1,190,288 |
| Due to other funds | - | 81,087 | 81,087 |
| | <u>724,995</u> | <u>551,509</u> | <u>1,276,504</u> |
| Total liabilities | | | |
| NET ASSETS HELD IN TRUST | | | |
| FOR PENSION BENEFITS | | | |
| | <u>\$ 14,442,628</u> | <u>\$ 16,099,425</u> | <u>\$ 30,542,053</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, 2008

| | <u>Pension Trust</u> | | <u>Totals</u> |
|--|------------------------------------|---------------------------------------|----------------------|
| | <u>Police Pension Fund</u> | <u>Firemen's Pension Fund</u> | |
| ADDITIONS | | | |
| Contributions: | | | |
| Employer | \$ 863,954 | \$ 735,091 | \$ 1,599,045 |
| Employee | <u>268,855</u> | <u>252,290</u> | <u>521,145</u> |
| Total contributions | <u>1,132,809</u> | <u>987,381</u> | <u>2,120,190</u> |
| Investment earnings: | | | |
| Net appreciation (depreciation) in fair value of investments | (149,454) | 322,936 | 173,482 |
| Dividends | 210,259 | 98,213 | 308,472 |
| Interest | 322,809 | 377,363 | 700,172 |
| Miscellaneous income | <u>1,777</u> | <u>3,853</u> | <u>5,630</u> |
| | 385,391 | 802,365 | 1,187,756 |
| Less investment expense | <u>71,637</u> | <u>89,423</u> | <u>161,060</u> |
| Net investment earnings | <u>313,754</u> | <u>712,942</u> | <u>1,026,696</u> |
| Total additions | <u>1,446,563</u> | <u>1,700,323</u> | <u>3,146,886</u> |
| DEDUCTIONS | | | |
| Retirement benefits | 1,697,222 | 214,409 | 1,911,631 |
| Duty disability benefits | 27,444 | 495,222 | 522,666 |
| Surviving spouse benefits | 59,228 | 144,401 | 203,629 |
| Miscellaneous | <u>10,447</u> | <u>-</u> | <u>10,447</u> |
| Total deductions | <u>1,794,341</u> | <u>854,032</u> | <u>2,648,373</u> |
| NET INCREASE (DECREASE) | (347,778) | 846,291 | 498,513 |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING | <u>14,790,406</u> | <u>15,253,134</u> | <u>30,043,540</u> |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING | <u>\$ 14,442,628</u> | <u>\$ 16,099,425</u> | <u>\$ 30,542,053</u> |

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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. 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.

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 nonfiduciary 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 are 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*.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 road and bridges, drainage and storm sewers and forests.

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.

The *capital project fund* accounts for the resources accumulated and payments made for the acquisition or construction of general fixed assets of governmental funds.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 accumulates 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 *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water 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 nonoperating revenues and expenses.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Reclassifications

Certain reclassifications have been made to the 2007 financial statements in order to conform to the 2008 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%.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

| <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.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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 \$26,517,114 difference are as follows:

| | |
|---|----------------------------|
| Bonds and notes payable | \$ 14,647,184 |
| Less: deferred charge on refunding (to be amortized over life of debt) | (107,776) |
| Less: deferred charge for issuance costs (to be amortized over life of debt) | (114,019) |
| Less: net issuance (discount) premium (to be amortized over life of debt) | (22,087) |
| Accrued interest payable | 201,693 |
| Other payable | 244,410 |
| Compensated absences | 263,901 |
| Net pension obligation | 10,888,663 |
| Post-retirement benefit obligation | <u>515,145</u> |
| | |
| Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i> | <u>\$26,517,114</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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

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 \$(255,174) difference is as follows:

| | |
|---|----------------------------|
| Capital outlay | \$ 2,096,010 |
| Depreciation expense | <u>(2,351,184)</u> |
| | |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i> | <u>\$ (255,174)</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 \$1,866,407 difference is as follows:

| | |
|---|----------------------------|
| Issuance of notes payable | \$ (195,000) |
| Principal repayments: | |
| Note payable debt | 127,362 |
| General obligation debt | <u>1,934,045</u> |
| | |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i> | <u>\$ 1,866,407</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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)

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 \$1,921,948 difference are as follows:

| | |
|--|--------------------------------|
| Compensated absences | \$ (1,112) |
| Net pension obligation | (1,656,230) |
| Post-retirement benefit obligation | (259,108) |
| Accrued interest | 22,819 |
| 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 <i>net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities</i> | <u>\$ 1,921,948</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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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

Budgetary information (continued)

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, 2008, an expenditure budget was not prepared for the Special Tax Allocation and Insurance Special Revenue Funds or for the 1996 Bond, 2000 Bond, Tax Incremental Financing District, and Road Bond of the Debt Service Fund.

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>Modified Accrual Basis</u> | <u>Difference</u> |
|------------------|-------------------|---------------------------------------|-------------------|
| General: | | | |
| Revenues | \$ 14,920,496 | \$ 15,091,733 | \$ (171,237) |
| Expenditures | 16,295,066 | 16,227,671 | 67,395 |
| Road and Bridge: | | | |
| Revenues | 1,975,021 | 1,940,023 | 34,998 |
| Expenditures | 2,009,357 | 1,915,724 | 93,633 |

Excess of expenditures over appropriations

For the year ended April 30, 2008, expenditures exceeded appropriations in the public safety and debt service departments of the general fund by \$371,138 and \$158,882, respectively. Expenditures exceed appropriations in the debt service department of the road and bridge fund by \$19,404. 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 \$2,125,230 as of April 30, 2008.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial Audit Risk. Custodial audit 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 audit risk. As of April 30, 2008, none of the Village's bank balance of \$19,091,795 was exposed to custodial audit risk.

Investments

As of April 30, 2008, 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 | \$ 14,016,754 |
| Domestic and international equities | 3,757,213 |
| Mutual funds | 8,839,703 |
| Insurance contracts | <u>942,566</u> |
| | <u>\$ 27,556,236</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 7.4%, 13.4% and 10.7%, respectively, of the fire pension fund's total investments. The Police pension fund did not have any individual investments which exceeded more than 5% of the Police pension fund's total investments.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and Investments (continued):

Declines in Investment Values. During 2008, financial markets as a whole have incurred significant declines in values. As of October 8, 2008, the pension funds' investment portfolios have also incurred a significant decline in the values reported in the accompanying financial statements. However, because of the values of individual investments fluctuate with market conditions, the amount of investment losses that the pension funds will recognize in its future financial statements, if any, cannot be determined.

B. Receivables

Receivables as of year end for the Village's individual major funds and nonmajor 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>Nonmajor and Fiduciary Funds</u> | <u>Total</u> |
|------------------------------------|---------------------|--------------------------------|-------------------------|--|---|---------------------|
| Receivables: | | | | | | |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ 219,253 | \$ 219,253 |
| Taxes | 4,990,498 | 192,133 | 1,005,861 | - | 495,118 | 6,683,610 |
| Accounts | <u>1,220,859</u> | <u>-</u> | <u>-</u> | <u>869,221</u> | <u>1,190,288</u> | <u>3,280,368</u> |
| Gross receivables | 6,211,357 | 192,133 | 1,005,861 | 869,221 | 1,904,659 | 10,183,231 |
| Less: allowance for uncollectibles | <u>(1,026,574)</u> | <u>(8,755)</u> | <u>(72,981)</u> | <u>-</u> | <u>(25,060)</u> | <u>(1,133,370)</u> |
| Net total receivables | <u>\$ 5,184,783</u> | <u>\$ 183,378</u> | <u>\$ 932,880</u> | <u>\$ 869,221</u> | <u>\$ 1,879,599</u> | <u>\$ 9,049,861</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) | \$ 2,591,490 | \$ - |
| Delinquent property taxes receivable (special revenue funds) | 609,279 | - |
| Delinquent property taxes receivable (debt service fund) | 932,878 | - |
| Grant drawdowns prior to meeting all eligibility requirements | <u>-</u> | <u>38,382</u> |
| Total deferred/unearned revenue for governmental funds | <u>\$ 4,133,647</u> | <u>\$ 38,382</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets

Capital asset activity for the year ended April 30, 2008 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|--------------------|---------------------|---------------------------|
| Government activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Construction in progress | \$ 249,299 | \$ 135,000 | \$ (249,299) | \$ 135,000 |
| Capital assets being depreciated: | | | | |
| Buildings | 8,345,449 | - | - | 8,345,449 |
| Improvements other than building | 1,164,123 | 191,347 | - | 1,355,470 |
| System infrastructure | 34,163,223 | 1,397,563 | - | 35,560,786 |
| Machinery and equipment | 2,297,477 | 413,461 | - | 2,710,938 |
| Furniture and fixtures | 352,459 | - | - | 352,459 |
| Vehicles | <u>3,972,265</u> | <u>226,297</u> | <u>(340,596)</u> | <u>3,857,966</u> |
| Total capital assets being depreciated | <u>50,294,996</u> | <u>2,228,668</u> | <u>(340,596)</u> | <u>52,183,068</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (3,216,007) | (220,809) | - | (3,436,816) |
| Improvements other than building | (793,555) | (31,093) | - | (824,648) |
| System infrastructure | (23,574,389) | (1,619,606) | - | (25,193,995) |
| Machinery and equipment | (1,436,620) | (154,857) | - | (1,591,477) |
| Furniture and fixtures | (250,183) | (21,193) | - | (271,376) |
| Vehicles | <u>(2,272,143)</u> | <u>(303,626)</u> | <u>293,731</u> | <u>(2,282,038)</u> |
| Total accumulated depreciation | <u>(31,542,897)</u> | <u>(2,351,184)</u> | <u>293,731</u> | <u>(33,600,350)</u> |
| Total capital assets being depreciated, net | <u>18,752,099</u> | <u>(122,516)</u> | <u>(46,865)</u> | <u>18,582,718</u> |
| Governmental activities capital assets, net | <u>\$ 19,001,398</u> | <u>\$ 12,484</u> | <u>\$ (296,164)</u> | <u>\$ 18,717,718</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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>1,540,500</u> | <u>19,208</u> | <u>(1,540,500)</u> | <u>19,208</u> |
| Total capital assets, not being depreciated | <u>3,427,453</u> | <u>19,208</u> | <u>(1,540,500)</u> | <u>1,906,161</u> |
| Capital assets being depreciated: | | | | |
| Buildings | 18,522,067 | - | - | 18,522,067 |
| Improvements | 5,417,144 | 309,481 | - | 5,726,625 |
| System infrastructure | 17,743,611 | 2,676,706 | - | 20,420,317 |
| Machinery and equipment | 2,315,318 | 80,350 | - | 2,395,668 |
| Vehicles | <u>90,096</u> | <u>-</u> | <u>-</u> | <u>90,096</u> |
| Total capital assets being depreciated | <u>44,088,236</u> | <u>3,066,537</u> | <u>-</u> | <u>47,154,773</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (7,391,914) | (522,740) | - | (7,914,654) |
| Improvements | (1,822,443) | (204,367) | - | (2,026,810) |
| System infrastructure | (5,939,323) | (517,365) | - | (6,456,688) |
| Machinery and equipment | (1,550,060) | (93,068) | - | (1,643,128) |
| Vehicles | <u>(63,287)</u> | <u>(2,373)</u> | <u>-</u> | <u>(65,660)</u> |
| Total accumulated depreciation | <u>(16,767,027)</u> | <u>(1,339,913)</u> | <u>-</u> | <u>(18,106,940)</u> |
| Total capital assets being depreciated, net | <u>27,321,209</u> | <u>1,726,624</u> | <u>-</u> | <u>29,047,833</u> |
| Business-type activities capital assets, net | <u>\$ 30,748,662</u> | <u>\$ 1,745,832</u> | <u>\$ (1,540,500)</u> | <u>\$ 30,953,994</u> |

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

Government activities:

| | |
|--------------------------|---------------------|
| General government | \$ 71,075 |
| Public safety | 509,435 |
| Highways and streets | 1,738,675 |
| Building | 31,071 |
| Health and environmental | <u>928</u> |
| | <u>\$ 2,351,184</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of April 30, 2008, is as follows:

| | <u>Receivables</u> | <u>Payables</u> |
|-------------------------------------|--------------------|------------------|
| General Fund: | | |
| Road and Bridge Fund | \$ 2,103,112 | \$ - |
| 9-1-1 Emergency Telephone Fund | - | 90,944 |
| Special Tax Allocation Fund | - | 251,041 |
| Motor Fuel Tax Fund | - | 265,343 |
| Insurance Fund | - | 177,694 |
| Debt Service Fund | - | 1,969,496 |
| Senior Citizen Complex Fund | 315,740 | - |
| Water and Sewer Fund | 185,013 | - |
| Police Pension Fund | - | 196,540 |
| Firemen's Pension Fund | <u>81,087</u> | <u>-</u> |
| | <u>2,684,952</u> | <u>2,951,058</u> |
| Road and Bridge Fund: | | |
| General Fund | <u>-</u> | <u>2,103,112</u> |
| 9-1-1 Emergency Telephone Fund: | | |
| General Fund | <u>90,944</u> | <u>-</u> |
| Special Tax Allocation Fund: | | |
| General Fund | 251,041 | - |
| Debt Service Fund | <u>-</u> | <u>211,159</u> |
| | <u>251,041</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 | 1,969,496 | - |
| Special Tax Allocation Fund | 211,159 | - |
| Senior Citizen Complex Fund | <u>599,805</u> | <u>-</u> |
| | <u>2,780,460</u> | <u>-</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

| | <u>Receivables</u> | <u>Payables</u> |
|------------------------------|----------------------------|----------------------------|
| Senior Citizen Complex Fund: | | |
| General Fund | 184,290 | 500,030 |
| Debt Service Fund | <u>-</u> | <u>599,805</u> |
| | <u>184,290</u> | <u>1,099,835</u> |
| Water and Sewer Fund: | | |
| General Fund | <u>-</u> | <u>185,013</u> |
| Police Pension Fund: | | |
| General Fund | <u>196,540</u> | <u>-</u> |
| Firemen's Pension Fund: | | |
| General Fund | <u>-</u> | <u>81,087</u> |
| Total all funds | <u><u>\$ 6,631,264</u></u> | <u><u>\$ 6,631,264</u></u> |

The composition of interfund transfers as of April 30, 2008, 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 | \$ - | \$ 144,788 | \$ 144,788 |
| 9-1-1 Emergency Telephone Fund | - | 47,100 | 47,100 |
| Special Allocation Tax Fund | - | 664,117 | 664,117 |
| Debt Service Fund | 127,499 | - | 127,499 |
| Waterworks and Sewerage Fund | - | 287,756 | 287,756 |
| Senior Citizen Complex Fund | <u>40,000</u> | <u>76,145</u> | <u>116,145</u> |
| Total | <u><u>\$ 167,499</u></u> | <u><u>\$ 1,219,906</u></u> | <u><u>\$ 1,387,405</u></u> |

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 \$49,912,000. The Village issued one general obligation bond during the year ended April 30, 2008 in the amount of \$6,825,000.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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% | \$ 6,568,122 |
| Governmental activities - refunding | 2.06 - 4.50% | 7,865,000 |
| Business-type activities | 1.50 - 5.20% | <u>13,860,147</u> |
| | | <u>\$ 28,293,269</u> |

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

| <u>Year Ending April 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|----------------------|---------------------|----------------------|
| 2009 | \$ 3,055,747 | \$ 1,246,970 | \$ 4,302,717 |
| 2010 | 3,155,324 | 1,118,197 | 4,273,521 |
| 2011 | 3,204,400 | 1,012,251 | 4,216,651 |
| 2012 | 3,255,370 | 871,400 | 4,126,770 |
| 2013 | 2,146,389 | 684,001 | 2,830,390 |
| 2014-2016 | 4,261,039 | 1,599,857 | 5,860,896 |
| 2017-2021 | 4,430,000 | 1,624,437 | 6,054,437 |
| 2022-2026 | 2,365,000 | 854,538 | 3,219,538 |
| 2027-2031 | 1,970,000 | 367,933 | 2,337,933 |
| 2032 | <u>450,000</u> | <u>19,800</u> | <u>469,800</u> |
| | <u>\$ 28,293,269</u> | <u>\$ 9,399,384</u> | <u>\$ 37,692,653</u> |

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 currently outstanding are as follows:

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|--------------------------|-----------------------|-------------------|
| Governmental activities | 3.66 - 9.20% | \$ 214,062 |
| Business-type activities | 5.60% | <u>135,158</u> |
| | | <u>\$ 349,220</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

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

| <u>Year Ending April 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|-------------------|------------------|-------------------|
| 2009 | \$ 171,428 | \$ 21,097 | \$ 192,525 |
| 2010 | 82,895 | 11,701 | 94,596 |
| 2011 | 40,973 | 6,972 | 47,945 |
| 2012 | 43,494 | 3,054 | 46,548 |
| 2013 | <u>10,430</u> | <u>241</u> | <u>10,671</u> |
| | <u>\$ 349,220</u> | <u>\$ 43,065</u> | <u>\$ 392,285</u> |

Advance refunding

In November 2005, the Village issued \$3,060,000 and \$2,425,000 of general obligation refunding bonds to advance refund four 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, 2008, \$2,130,000 of the defeased debt is still outstanding.

Line of credit

The Village obtained a \$2,500,000 working capital line of credit with First Midwest Bank in October 2007 bearing interest at a rate of 4.2% annually. No amounts were drawn against the line during fiscal year 2008. The line matured in April 2008 and was secured by the Village's deposit accounts at First Midwest Bank. This line of credit was renewed on September 15, 2008 for \$1,000,000 bearing interest at a rate of 3.12% annually. The new line matures on April 30, 2009.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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, 2008, 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 | \$ 16,367,167 | \$ - | \$ (1,934,045) | \$ 14,433,122 | \$ 1,792,652 |
| Less deferred amounts: | | | | | |
| For issuance costs and discounts | <u>(272,199)</u> | <u>-</u> | <u>28,317</u> | <u>(243,882)</u> | <u>-</u> |
| Total bonds payable | 16,094,968 | - | (1,905,728) | 14,189,240 | 1,792,652 |
| Notes payable | 146,424 | 195,000 | (127,362) | 214,062 | 81,710 |
| Compensated absences | 262,789 | 1,112 | - | 263,901 | - |
| Other long-term liabilities | 226,049 | 18,361 | - | 244,410 | - |
| Net pension obligation | 9,232,433 | 1,656,230 | - | 10,888,663 | - |
| Post-retirement benefit obligation | <u>-</u> | <u>515,145</u> | <u>-</u> | <u>515,145</u> | <u>-</u> |
| Governmental activities long-term liabilities | <u>\$ 25,962,663</u> | <u>\$ 2,385,848</u> | <u>\$ (2,033,090)</u> | <u>\$ 26,315,421</u> | <u>\$ 1,874,362</u> |
| Business-type activities: | | | | | |
| Bonds payable: | | | | | |
| General obligation bonds | \$ 8,052,862 | \$ 6,825,000 | \$ (1,017,715) | \$ 13,860,147 | \$ 1,263,095 |
| Less deferred amounts: | | | | | |
| For loss on extinguishment of debt | (293,262) | - | 62,830 | (230,432) | - |
| For premiums and discounts | <u>(6,271)</u> | <u>14,946</u> | <u>909</u> | <u>9,584</u> | <u>-</u> |
| Total bonds payable | 7,753,329 | 6,839,946 | (953,976) | 13,639,299 | 1,263,095 |
| Notes payable | 219,940 | - | (84,782) | 135,158 | 89,718 |
| Compensated absences | 11,575 | 224 | - | 11,799 | - |
| Post employment benefit obligation | <u>-</u> | <u>28,137</u> | <u>-</u> | <u>28,137</u> | <u>-</u> |
| Business-type activities long-term liabilities | <u>\$ 7,984,844</u> | <u>\$ 6,868,307</u> | <u>\$ (1,038,758)</u> | <u>\$ 13,814,393</u> | <u>\$ 1,352,813</u> |

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

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, 2008 is presented below:

| | Waterworks and <u>Sewerage</u> | Senior Citizen <u>Complex</u> | <u>Total</u> |
|---|---|--|---------------------|
| Operating revenues | \$ 7,550,848 | \$ 3,787,406 | \$ 11,338,254 |
| Depreciation expense | 728,655 | 611,258 | 1,339,913 |
| Operating income | 1,091,293 | 1,091,205 | 2,182,498 |
| Net income | 760,849 | 626,357 | 1,387,206 |
| Current capital contributions | - | - | - |
| Property, plant and equipment additions | 1,391,264 | 153,481 | 1,544,745 |
| Net working capital | 5,807,886 | (2,070,540) | 3,737,346 |
| Total assets | 24,642,339 | 17,428,731 | 42,071,070 |
| Bonds payable and other long-term debt | 7,227,040 | 6,592,188 | 13,819,228 |
| Net assets | 15,020,906 | 9,154,225 | 24,175,131 |
| Operating transfers out | 287,756 | 116,145 | 403,901 |

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, 2008, the Village owes \$105,488 for medical claims; this liability is accrued in the Insurance Fund.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 5 - OTHER INFORMATION (continued)

B. Subsequent events

In May and June 2008, the Village approved contracts totaling \$511,742 for miscellaneous street patching and reconstruction projects.

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 supplementary 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 2007 are based on the 2005 - 2007 Experience Study.

The principal changes were:

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 5 - OTHER INFORMATION (continued)

D. Employee 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 supplementary 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 | 23 |
| Active plan members | 40 | 38 |
| Total | 71 | 61 |

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, 2008

NOTE 5 - OTHER INFORMATION (continued)

E. 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. Previously, the Village accounted for the costs of this benefit when paid. As discussed in Note 6, the Village changed its method of accounting for these costs, so that 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 OPEB costs.

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

| | |
|--|------------|
| Retirees and beneficiaries currently receiving benefits | 61 |
| Terminated plan members entitled to but not yet receiving benefits | - |
| Active vested plan members | 134 |
| Active nonvested plan members | - |
| | <hr/> |
| Total | 195 |

Actuarial Valuations:

Valuations of reported information about the annual required contribution, annual OPEB cost and the funded status and funding progress of OPEB plans is 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 multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2008

NOTE 6 - CHANGE IN ACCOUNTING PRINCIPLES

In July 2004, the Governmental Accounting Standards Board issued Statement No. 45, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.*" This statement establishes standards for the measurement, recognition and display of other postemployment benefits expense/expenditures and related liabilities, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. The Village adopted this new standard, which provides for retroactive implementation, beginning with its 2008 fiscal year. The change had the effect of increasing the obligation for postretirement benefits and decreasing net assets of the governmental activities by \$256,037 and business-type activities by \$13,984. Current period expense for postemployment benefits was \$259,108 and \$14,153, respectively.

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

REQUIRED SUPPLEMENTARY INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2008**

I. SCHEDULE OF FUNDING PROGRESS

Illinois Municipal Retirement Fund

| Actuarial Valuation Date | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) - Entry Age | (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% |

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% |

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2008**

I. SCHEDULE OF FUNDING PROGRESS (continued)

Firemen's 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 | \$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% |

Health Insurance Plan for Retired Employees

| 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) |
|---|--|--|---|---|------------------------------------|--|
| 4/30/07 | \$ - | \$ 7,345,789 | \$7,345,789 | 0.00% | N/A | N/A |

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2008**

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% | - |
| 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 |
| 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 | |
| Retired Employees' Health Insurance | 4/30/07 | 612,210 | 56% | 270,021 |

III. SCHEDULE OF ANNUAL OPEB COST AND NET OPEB OBLIGATION

| | <u>4/30/08</u> | <u>4/30/07</u> |
|--|--------------------------|--------------------------|
| Annual required contribution | \$ 642,821 | \$ 612,210 |
| Interest on net OPEB obligation | - | - |
| Adjustment to annual required contribution | - | - |
| Annual OPEB cost | 642,821 | 612,210 |
| Contributions made | <u>(369,560)</u> | <u>(342,189)</u> |
| Increase in net OPEB obligation | 273,261 | 270,021 |
| Net OPEB obligation, beginning of year | <u>270,021</u> | - |
| Net OPEB obligation, end of year | <u>\$ 543,282</u> | <u>\$ 270,021</u> |

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2008**

IV. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

| | 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 cost | \$328,429 | \$2,431,862 | \$1,358,684 | \$612,210 |
| Contributions made | \$328,429 | \$1,146,935 | \$987,381 | \$342,187 |
| Actuarial valuation date | December 31, 2007 | April 30, 2007 | April 30, 2007 | April 30, 2007 |
| 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 | 26.1699 years | 26.1699 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 10.0% compounded annually | 5.5% compounded annually | 5.5% compounded annually | 5.0% compounded annually |
| *Includes inflation at | 4.0% | 4.0% | 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 |

SUPPLEMENTAL INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|--|--------------------------|--------------------------|
| ASSETS | | |
| Cash | \$ 156,217 | \$ 900,229 |
| Temporary cash investment | 2,171,675 | 2,756,750 |
| Restricted assets: | | |
| Temporary cash investment | 266,321 | 203,683 |
| Receivables (net of allowance for uncollectibles): | | |
| Taxes | 4,875,568 | 4,465,729 |
| Accounts | 309,215 | 283,956 |
| Due from other funds | 2,684,952 | 2,424,161 |
| Deposits | - | 41,804 |
| Prepaid insurance | <u>66,817</u> | <u>85,514</u> |
| TOTAL ASSETS | <u>\$ 10,530,765</u> | <u>\$ 11,161,826</u> |

LIABILITIES AND FUND BALANCES

| | | |
|--|--------------------------|--------------------------|
| LIABILITIES | | |
| Accounts payable | \$ 353,154 | \$ 437,694 |
| Other accrued expenses | 194,710 | 65,963 |
| Due to other funds | 2,951,058 | 3,002,289 |
| Deferred revenue: | | |
| Property taxes | 2,591,490 | 2,358,229 |
| Other | <u>38,382</u> | <u>7,782</u> |
| Total liabilities | <u>6,128,794</u> | <u>5,871,957</u> |
| FUND BALANCES | | |
| Reserved for prepaid expenses | 66,817 | 85,514 |
| Unreserved - undesignated | <u>4,335,154</u> | <u>5,204,355</u> |
| Total fund balances | <u>4,401,971</u> | <u>5,289,869</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 10,530,765</u> | <u>\$ 11,161,826</u> |

VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|---|--------------|--------------|
| REVENUES | | |
| Taxes: | | |
| Property tax | \$ 3,699,627 | \$ 4,178,952 |
| Sales tax | 5,795,120 | 5,851,120 |
| State income tax | 1,633,332 | 1,963,010 |
| Mini-warehouse tax | 99,488 | 97,861 |
| Hotel/motel tax | 254,637 | 256,060 |
| Replacement tax | 403,366 | 336,093 |
| Transfer tax | 312,028 | 650,148 |
| | <hr/> | <hr/> |
| Total taxes | 12,197,598 | 13,333,244 |
| Miscellaneous revenue: | | |
| Flea market fees | 65,819 | 61,027 |
| Miscellaneous income | 655,899 | 305,060 |
| Police seizure income | 25,725 | 6,926 |
| Damage to Village property - insurance reimbursements | 25,618 | 36,006 |
| Miscellaneous fees | 635,975 | 753,227 |
| Cable TV franchise fees | 203,954 | 192,425 |
| Boat launch fee | 26,162 | 25,691 |
| | <hr/> | <hr/> |
| Total miscellaneous revenue | 1,639,152 | 1,380,362 |
| Police and court fines | 326,859 | 278,204 |
| Licenses and permits | 544,644 | 530,744 |
| Grants | 206,589 | 121,984 |
| Charges for services | 75,902 | 72,996 |
| Interest | 100,989 | 121,571 |
| | <hr/> | <hr/> |
| | 1,254,983 | 1,125,499 |
| | <hr/> | <hr/> |
| Total revenues | 15,091,733 | 15,839,105 |
| EXPENDITURES | | |
| General government: | | |
| Administrative | 583,582 | 529,696 |
| Planning commission | 4,161 | 2,401 |
| Police and fire commission | 29,297 | 34,373 |
| Social Security and IMRF | 435,310 | 330,310 |
| Finance department | 470,966 | 412,874 |
| Village clerk department | 329,314 | 283,586 |
| Village hall department | 388,968 | 209,443 |
| | <hr/> | <hr/> |
| Total general government | 2,241,598 | 1,802,683 |

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|---------------------|---------------------|
| EXPENDITURES (continued) | | |
| Public safety: | | |
| Civil defense | 10,663 | 9,354 |
| Fire department | 2,888,867 | 3,092,622 |
| Fire department ambulance service | 1,515,628 | 1,354,667 |
| Police department | <u>5,115,377</u> | <u>4,929,706</u> |
| Total public safety | <u>9,530,535</u> | <u>9,386,349</u> |
| Building department | 215,747 | 196,115 |
| Health and environmental control | 855,404 | 829,839 |
| Insurance | 3,119,796 | 2,780,120 |
| Boat launch | 47,709 | 28,161 |
| Debt service | <u>216,882</u> | <u>192,690</u> |
| | <u>4,455,538</u> | <u>4,026,925</u> |
| Total expenditures | <u>16,227,671</u> | <u>15,215,957</u> |
| Excess (deficiency) of revenues over expenditures | (1,135,938) | 623,148 |
| OTHER FINANCING SOURCES | | |
| Operating transfers in | 167,499 | 127,886 |
| Sale of Village property | <u>80,541</u> | <u>22,829</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | (887,898) | 773,863 |
| FUND BALANCE, BEGINNING OF YEAR | <u>5,289,869</u> | <u>4,516,006</u> |
| FUND BALANCE, END OF YEAR | <u>\$ 4,401,971</u> | <u>\$ 5,289,869</u> |

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|------------------------------------|----------------|----------------|
| GENERAL GOVERNMENT | | |
| Administrative Department: | | |
| Salary - mayor | \$ 89,625 | \$ 85,340 |
| Salary - secretary | 43,675 | 41,155 |
| Compensation - trustees | 71,456 | 68,026 |
| Hotel/motel tax | 77,477 | 81,093 |
| Economic development | 5,330 | 463 |
| Membership and dues | 6,833 | 5,802 |
| Legal retainer | 11,000 | 13,000 |
| Legal fees - other | 168,832 | 156,230 |
| Contingent expenses | 32,692 | 31,043 |
| Newsletter expense | 3,942 | 6,475 |
| Employee travel | 4,630 | 362 |
| Office expense | 520 | 1,557 |
| Beautification | 33,938 | 15,316 |
| Other expense | <u>33,632</u> | <u>23,834</u> |
| Total administrative department | <u>583,582</u> | <u>529,696</u> |
| Planning Commission: | | |
| Staff expense | 1,963 | 974 |
| Secretarial services | 1,710 | 1,125 |
| Contingent expense | <u>488</u> | <u>302</u> |
| Total planning commission | <u>4,161</u> | <u>2,401</u> |
| Police and Fire Commission: | | |
| Secretarial services | 500 | 550 |
| Legal fees | 430 | 233 |
| Examinations | 25,142 | 29,449 |
| Staff expense | 3,022 | 2,050 |
| Office supplies | 102 | 324 |
| Printing and publications | <u>101</u> | <u>1,767</u> |
| Total police and fire commission | <u>29,297</u> | <u>34,373</u> |

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|-------------|-------------|
| Social Security and IMRF: | | |
| Social Security and IMRF | 417,745 | 316,209 |
| Unemployment insurance | 17,565 | 14,101 |
| Total Social Security and IMRF | 435,310 | 330,310 |
| Finance Department: | | |
| Salary - finance director, treasurer and accountant | 201,185 | 175,777 |
| Salary - computer operator | 77,109 | 74,241 |
| Payroll service and administrator | 47,590 | 36,116 |
| Purchase computer equipment | 3,666 | 5,428 |
| Computer forms and supplies | 9,564 | 5,992 |
| Computer maintenance | 52,773 | 48,079 |
| Office supplies | 1,561 | 1,664 |
| Accounting service | 66,262 | 60,615 |
| Contingent expense | 6,254 | 4,336 |
| Office equipment | 5,002 | 626 |
| Total finance department | 470,966 | 412,874 |
| Village Clerk Department: | | |
| Salary - village clerk | 14,875 | 14,625 |
| Salary - recording secretary | 5,548 | 2,800 |
| Salaries - clerical | 145,480 | 143,113 |
| Telephone expense | 117,944 | 80,768 |
| Postage expense | 18,175 | 12,320 |
| Contingent expense | 4,948 | 4,591 |
| Legal advertising | 3,735 | 5,818 |
| Codification | 4,630 | 5,385 |
| Decals and tags | 789 | 759 |
| Repair - office equipment | 55 | - |
| Equipment purchases | 10 | 1,785 |
| Equipment rental | 6,579 | 6,437 |
| Office supplies | 3,663 | 4,202 |
| Printing | 2,883 | 983 |
| Total village clerk department | 329,314 | 283,586 |

VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|--------------------------------------|-------------|-------------|
| Village Hall Department: | | |
| Salary - wages | 39,443 | 43,300 |
| Salary - custodian | 73,849 | 68,217 |
| Maintain village hall | 49,027 | 71,853 |
| Contract repair and utilities | 217,090 | 13,467 |
| Cleaning supplies | 8,812 | 12,286 |
| Contingent expense | 747 | 320 |
| | 388,968 | 209,443 |
| Total village hall department | 388,968 | 209,443 |
| Total General Government | 2,241,598 | 1,802,683 |
| PUBLIC SAFETY | | |
| Civil Defense: | | |
| Salary - director | 7,933 | 8,067 |
| Director's expense | - | 237 |
| Repair - warning systems | 1,050 | 1,050 |
| Purchase new equipment | 1,680 | - |
| | 10,663 | 9,354 |
| Total civil defense | 10,663 | 9,354 |
| Fire Department: | | |
| Salaries - all firemen | 1,414,422 | 1,400,339 |
| Volunteers, paid calls, and overtime | 245,688 | 220,170 |
| Holiday pay | 26,092 | 16,049 |
| Salaries - incentive pay | 24,921 | 23,754 |
| Retirement buyout | 23,372 | - |
| Publications and membership | 7,282 | 5,111 |
| Repair - fire trucks | 37,206 | 48,681 |
| Repair - radio equipment | 2,006 | 2,357 |
| Maintenance - fire stations | 26,153 | 28,828 |
| Utilities - fire stations | 3,608 | 3,325 |
| Fire prevention expense | 2,878 | 3,246 |
| Contingent expense | 3,402 | 1,358 |
| Purchase fire equipment | 28,024 | 30,319 |
| Purchase vehicles | 6,627 | 432,613 |
| Purchase radio equipment | 5,219 | 4,942 |
| Education reimbursement | 9,436 | 9,340 |
| Gasoline and oil | 11,654 | 17,618 |
| Clothing allowance | 18,170 | 13,146 |
| Training materials | 1,423 | 624 |
| Physical examinations | 15,345 | 15,748 |
| Copy machine rental | 2,650 | 662 |

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|------------------|------------------|
| Fire Department: (continued) | | |
| Photo supplies | 273 | 385 |
| Office supplies | 9,881 | 10,159 |
| State grant expenditures | 228,043 | 8,154 |
| Firemen's pension contribution | 735,092 | 795,694 |
| | <u>2,888,867</u> | <u>3,092,622</u> |
| Total fire department | | |
| Fire Department Ambulance Service: | | |
| Salaries - ambulance personnel | 1,269,286 | 1,187,762 |
| Holiday pay | 28,871 | 17,363 |
| Retirement buyout | 18,250 | - |
| Repairs - ambulance | 32,152 | 23,374 |
| Maintenance - stations | 51,583 | 23,276 |
| Contingent expense | 1,702 | 608 |
| Ambulance supplies | 8,238 | 16,858 |
| Gasoline and oil | 19,710 | 10,315 |
| Clothing allowance | 49,161 | 36,951 |
| Office supplies | 2,497 | 2,234 |
| Collection fees | 34,178 | 35,926 |
| | <u>1,515,628</u> | <u>1,354,667</u> |
| Total fire department ambulance service | | |
| Police Department: | | |
| Salaries - policemen | 2,743,837 | 2,622,500 |
| Salaries - clerical | 126,205 | 125,344 |
| Salaries - communications | 485,825 | 368,774 |
| Salaries - overtime | 151,442 | 143,560 |
| Salaries - crossing guards | 23,045 | 22,620 |
| Salaries - municipal court | 35,245 | 10,200 |
| Purchase equipment | 408 | 94 |
| Holiday pay | 67,717 | 53,091 |
| Impoundments | 1,843 | 1,438 |
| Clothing allowance | 39,347 | 63,301 |
| Recording equipment lease | - | 2,418 |
| Purchase vehicles | 139,748 | 118,810 |
| Miscellaneous vehicle equipment | 31,344 | 26,048 |
| Equipment poundmasters and traffic safety | 3,340 | 10,179 |
| Computer purchase | 26,149 | 165 |
| Purchase office furniture | 3,374 | 3,449 |
| Photo supplies and rental | 9,029 | 6,817 |
| Gasoline and oil | 118,210 | 100,682 |
| Firearms and ammunition | 12,361 | 9,157 |
| Investigative aids | 9,309 | 13,129 |
| Training | 17,857 | 16,789 |
| Crime prevention | 38,827 | 6,619 |

VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|---|------------------|------------------|
| Police Department: (continued) | | |
| Vehicle maintenance | 49,657 | 75,938 |
| Radio equipment repair and maintenance contract | 82,404 | 174,681 |
| Repair - office equipment | 506 | 1,325 |
| Contingent expense | 16,140 | 14,651 |
| Publications, membership and dues | 2,583 | 7,054 |
| Prisoner food/care | 2,187 | 2,167 |
| Physical examination fee | 3,530 | 5,873 |
| Office supplies | 9,954 | 11,474 |
| Police pension contribution | <u>863,954</u> | <u>911,359</u> |
| Total police department | <u>5,115,377</u> | <u>4,929,706</u> |
| Total Public Safety | <u>9,530,535</u> | <u>9,386,349</u> |
| Building Department: | | |
| Salary - commissioner | 83,229 | 72,079 |
| Salaries - clerical | 81,925 | 78,289 |
| Salaries - building inspectors | 15,773 | 8,496 |
| Salaries - electrical inspectors | 3,453 | 2,283 |
| Salaries - plumbing inspectors | 7,900 | 4,605 |
| Outside inspection fee | 3,120 | 2,835 |
| Repair and maintenance | 46 | 1,052 |
| Contingent expense | 1,469 | 1,224 |
| Research, testing, and plan review | 16,002 | 22,376 |
| Office equipment and supplies | <u>2,830</u> | <u>2,876</u> |
| Total building department | <u>215,747</u> | <u>196,115</u> |
| Health and Environmental Control Department: | | |
| Salary - commissioner | 17,635 | 18,240 |
| Part-time inspector/office assistant | 30,577 | 28,825 |
| Dues and memberships | 190 | 255 |
| Refuse contract | 801,961 | 777,749 |
| Rodent control contract | 2,560 | 2,640 |
| Equipment maintenance | 581 | 858 |
| Contingent expense | 1,743 | 1,237 |
| Supplies | <u>157</u> | <u>35</u> |
| Total health and environmental control department | <u>855,404</u> | <u>829,839</u> |

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|--------------------------|--------------------------|
| Insurance Department: | | |
| General liability | 15,937 | 17,006 |
| Liability - public official and police | 72,944 | 81,664 |
| Comprehensive general, automobile, umbrella and workmen's compensation | 614,808 | 634,819 |
| Group health and life | 2,930,382 | 2,493,455 |
| Contingent expense | - | 252 |
| Reimbursements from other funds | <u>(514,275)</u> | <u>(447,076)</u> |
| Total insurance department | <u>3,119,796</u> | <u>2,780,120</u> |
| Physicals | | |
| Boat Launch: | | |
| Salary - wages | 27,682 | 24,262 |
| Utilities | 1,759 | 1,834 |
| Supplies | 405 | 273 |
| Grounds and maintenance | 17,579 | 1,034 |
| Telephone expense | 284 | 449 |
| Contingent expense | - | 99 |
| Physicals | <u>-</u> | <u>210</u> |
| Total boat launch | <u>47,709</u> | <u>28,161</u> |
| Debt Service | <u>216,882</u> | <u>192,690</u> |
| TOTAL GENERAL FUND EXPENDITURES | <u>\$ 16,227,671</u> | <u>\$ 15,215,957</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
April 30, 2008
With Comparative Totals at April 30, 2007**

| | <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>2008</u> | <u>2007</u> |
| ASSETS | | | | | | | | |
| Temporary cash investments | \$ 28,413 | \$ 250,336 | \$ 458,772 | \$ 553,276 | \$ - | \$ 50,621 | \$ 1,341,418 | \$ 1,252,709 |
| Restricted temporary cash investments | - | - | - | - | 752,935 | - | 752,935 | 749,731 |
| Receivables (net of allowance for uncollectibles): | | | | | | | | |
| Taxes | 183,378 | - | 425,901 | - | - | - | 609,279 | 585,294 |
| Other | - | - | - | 44,156 | - | - | 44,156 | 81,869 |
| Due from other funds | - | 90,944 | 251,041 | 265,343 | 177,694 | - | 785,022 | 716,985 |
| TOTAL ASSETS | <u>\$ 211,791</u> | <u>\$ 341,280</u> | <u>\$ 1,135,714</u> | <u>\$ 862,775</u> | <u>\$ 930,629</u> | <u>\$ 50,621</u> | <u>\$ 3,532,810</u> | <u>\$ 3,386,588</u> |
| LIABILITIES AND FUND BALANCES (DEFICIT) | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable | \$ 29,613 | \$ - | \$ - | \$ 11,381 | \$ - | \$ - | \$ 40,994 | \$ 124,019 |
| Other accrued expenses | 20,918 | - | - | - | 105,488 | - | 126,406 | 293,663 |
| Deferred property tax revenue | 183,378 | - | 425,901 | - | - | - | 609,279 | 585,295 |
| Due to other funds | 2,103,112 | - | 211,159 | - | - | - | 2,314,271 | 2,420,539 |
| Total liabilities | <u>2,337,021</u> | <u>-</u> | <u>637,060</u> | <u>11,381</u> | <u>105,488</u> | <u>-</u> | <u>3,090,950</u> | <u>3,423,516</u> |
| Fund balances (deficit): | | | | | | | | |
| Reserved for insurance | - | - | - | - | 752,935 | - | 752,935 | 744,862 |
| Unreserved - undesignated | (2,125,230) | 341,280 | 498,654 | 851,394 | 72,206 | 50,621 | (311,075) | (781,790) |
| Total fund balances (deficit) | <u>(2,125,230)</u> | <u>341,280</u> | <u>498,654</u> | <u>851,394</u> | <u>825,141</u> | <u>50,621</u> | <u>441,860</u> | <u>(36,928)</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 211,791</u> | <u>\$ 341,280</u> | <u>\$ 1,135,714</u> | <u>\$ 862,775</u> | <u>\$ 930,629</u> | <u>\$ 50,621</u> | <u>\$ 3,532,810</u> | <u>\$ 3,386,588</u> |

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

| | Road and Bridge | 9-1-1 Emergency Telephone | Special Tax Allocation | Motor Fuel Tax | Insurance | Foreign Fire Insurance Tax | Totals | |
|--|-----------------------|---------------------------------|------------------------------|----------------------|-------------------|-------------------------------------|-------------------|--------------------|
| | | | | | | | 2008 | 2007 |
| REVENUES | | | | | | | | |
| Taxes | \$ 1,481,858 | \$ - | \$ 832,963 | \$ 550,678 | \$ - | \$ 44,575 | \$ 2,910,074 | \$ 2,098,260 |
| Licenses and permits | 377,417 | 259,590 | - | - | - | - | 637,007 | 505,449 |
| Investment income: | | | | | | | | |
| Interest | 2,247 | 6,711 | 15,690 | 25,211 | 28,152 | 136 | 78,147 | 78,020 |
| Miscellaneous | 78,501 | 20,002 | - | 41,094 | 2,966,161 | - | 3,105,758 | 2,746,207 |
| Total revenues | <u>1,940,023</u> | <u>286,303</u> | <u>848,653</u> | <u>616,983</u> | <u>2,994,313</u> | <u>44,711</u> | <u>6,730,986</u> | <u>5,427,936</u> |
| EXPENDITURES | | | | | | | | |
| Public safety | - | 337,598 | - | - | - | 14,046 | 351,644 | 193,865 |
| Self insurance | - | - | - | - | 2,827,838 | - | 2,827,838 | 2,297,792 |
| Highways and streets | 1,871,573 | - | - | 591,244 | - | - | 2,462,817 | 1,699,069 |
| Drainage and storm sewers | 5,487 | - | - | - | - | - | 5,487 | 28,295 |
| Forestry maintenance | 19,260 | - | - | - | - | - | 19,260 | 55,607 |
| Miscellaneous | - | - | 871 | - | - | - | 871 | 921 |
| Debt service | 19,404 | 38,531 | - | - | - | - | 57,935 | 19,405 |
| Total expenditures | <u>1,915,724</u> | <u>376,129</u> | <u>871</u> | <u>591,244</u> | <u>2,827,838</u> | <u>14,046</u> | <u>5,725,852</u> | <u>4,294,954</u> |
| Excess (deficiency) of revenues over expenditures | <u>24,299</u> | <u>(89,826)</u> | <u>847,782</u> | <u>25,739</u> | <u>166,475</u> | <u>30,665</u> | <u>1,005,134</u> | <u>1,132,982</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Operating transfers in | - | - | - | - | - | - | - | 39,778 |
| Operating transfers out | - | (47,100) | (664,117) | (144,788) | - | - | (856,005) | (968,199) |
| Loan proceeds | - | 195,000 | - | - | - | - | 195,000 | - |
| Total other financing sources (uses) | <u>-</u> | <u>147,900</u> | <u>(664,117)</u> | <u>(144,788)</u> | <u>-</u> | <u>-</u> | <u>(661,005)</u> | <u>(928,421)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>24,299</u> | <u>58,074</u> | <u>183,665</u> | <u>(119,049)</u> | <u>166,475</u> | <u>30,665</u> | <u>344,129</u> | <u>204,561</u> |
| FUND BALANCES (DEFICIT), BEGINNING OF YEAR | <u>(2,284,188)</u> | <u>283,206</u> | <u>314,989</u> | <u>970,443</u> | <u>658,666</u> | <u>19,956</u> | <u>(36,928)</u> | <u>(347,199)</u> |
| Residual equity transfer in | <u>134,659</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>134,659</u> | <u>105,710</u> |
| FUND BALANCES (DEFICIT), END OF YEAR | <u>\$ (2,125,230)</u> | <u>\$ 341,280</u> | <u>\$ 498,654</u> | <u>\$ 851,394</u> | <u>\$ 825,141</u> | <u>\$ 50,621</u> | <u>\$ 441,860</u> | <u>\$ (36,928)</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|---|-------------------|-------------------|
| ASSETS | | |
| Temporary cash investment | \$ 28,413 | \$ 15,329 |
| Receivable (net of allowance for uncollectibles): | | |
| Taxes | 183,378 | 119,720 |
| Other | <u>-</u> | <u>35,000</u> |
| TOTAL ASSETS | <u>\$ 211,791</u> | <u>\$ 170,049</u> |

LIABILITIES AND FUND DEFICIT

LIABILITIES

| | | |
|-------------------------------|------------------|------------------|
| Accounts payable | \$ 29,613 | \$ 123,246 |
| Other accrued expenses | 20,918 | 1,891 |
| Deferred property tax revenue | 183,378 | 119,720 |
| Due to other funds | <u>2,103,112</u> | <u>2,209,380</u> |
| Total liabilities | 2,337,021 | 2,454,237 |

FUND DEFICIT

| | | |
|---------------------------|--------------------|--------------------|
| Unreserved - undesignated | <u>(2,125,230)</u> | <u>(2,284,188)</u> |
|---------------------------|--------------------|--------------------|

| | | |
|---|-------------------|-------------------|
| TOTAL LIABILITIES AND FUND DEFICIT | <u>\$ 211,791</u> | <u>\$ 170,049</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|-------------------------------------|------------------|------------------|
| REVENUES | | |
| Property taxes | \$ 175,053 | \$ 116,752 |
| Replacement tax | 21,442 | 14,241 |
| Fuel use tax | 541,784 | 544,554 |
| Sales tax | 243,579 | - |
| Income tax | 500,000 | - |
| Vehicle license | 377,417 | 360,522 |
| Garage fees | 42,000 | 42,000 |
| Waste transfer fee | 13,521 | 14,459 |
| Property rental | 12,000 | 42,850 |
| Sale of Village property | - | 4,085 |
| Miscellaneous income | 10,980 | 49,658 |
| Interest income | <u>2,247</u> | <u>1,208</u> |
| Total revenues | <u>1,940,023</u> | <u>1,190,329</u> |
| EXPENDITURES | | |
| Street department: | | |
| Salary - superintendent | 84,003 | 77,136 |
| Wages | 492,202 | 371,284 |
| Engineering fees | 37,217 | 12,107 |
| Professional fees | - | 3,000 |
| Garage security system | 83 | 1,522 |
| Purchase new equipment and vehicles | 81,132 | 29,366 |
| Postage | 1,715 | - |
| Uniforms | 4,051 | 3,444 |
| Purchase street signs | 7,114 | 13,967 |
| Resurface and repair streets | 703,552 | 559,942 |
| Sidewalk repair and maintenance | 56,317 | 49,878 |
| Purchase salt | 79,015 | 49,209 |
| Village vehicle stickers | 5,596 | 774 |
| Gasoline and oil | 31,806 | 30,697 |
| Equipment and repair | 16,475 | 18,751 |
| Equipment maintenance | 13,554 | 14,897 |
| Purchase radio communication | 3,622 | 8,547 |
| Garage maintenance and supplies | 20,314 | 96,982 |
| Utilities | 13,734 | 10,779 |
| Energy charge - street lights | 41,163 | 35,040 |
| Social Security and IMRF | 123,358 | 89,554 |
| Unemployment insurance | 7,186 | 7,051 |
| Contingent expense | 2,469 | 1,651 |
| Dumping charges | 15,731 | 14,690 |
| Office supplies | 1,328 | 2,809 |
| Training | 950 | 1,166 |
| Refunds | 459 | 469 |
| Equipment rental - pagers | 1,555 | 2,012 |
| Cleaning supplies | 17,853 | 13,909 |
| Physicals | 1,315 | 872 |
| JULIE charges | 1,829 | 1,352 |
| Chemicals | <u>4,875</u> | <u>2,591</u> |
| Total street department | <u>1,871,573</u> | <u>1,525,448</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|-----------------------|-----------------------|
| EXPENDITURES (continued) | | |
| Drainage and storm sewers: | | |
| Wages | - | 25,307 |
| Supplies | 1,161 | 1,434 |
| Maintenance - storm sewers | 628 | 549 |
| Contingent expense | 1,000 | 1,005 |
| Drainage project | <u>2,698</u> | <u>-</u> |
| Total drainage and storm sewers | <u>5,487</u> | <u>28,295</u> |
| Forestry maintenance: | | |
| Wages | - | 43,914 |
| Equipment purchase | 3,907 | 2,014 |
| Equipment maintenance | 802 | 1,056 |
| Forestry maintenance | 13,675 | 8,088 |
| Training | - | 300 |
| Equipment repairs | <u>876</u> | <u>235</u> |
| Total forestry maintenance | <u>19,260</u> | <u>55,607</u> |
| Debt service | <u>19,404</u> | <u>19,405</u> |
| Total expenditures | <u>1,915,724</u> | <u>1,628,755</u> |
| Excess (deficiency) of revenues over expenditures | 24,299 | (438,426) |
| OTHER FINANCING USES | | |
| Operating transfers out | <u>-</u> | <u>(39,778)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 24,299 | (478,204) |
| FUND DEFICIT, BEGINNING OF YEAR | (2,284,188) | (1,805,984) |
| Residual equity transfer in | <u>134,659</u> | <u>-</u> |
| FUND DEFICIT, END OF YEAR | <u>\$ (2,125,230)</u> | <u>\$ (2,284,188)</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|---------------------------|------------------------------|------------------------------|
| ASSETS | | |
| Temporary cash investment | \$ 250,336 | \$ 192,262 |
| Due from other funds | <u>90,944</u> | <u>90,944</u> |
| TOTAL ASSETS | <u>\$ 341,280</u> | <u>\$ 283,206</u> |

LIABILITIES AND FUND BALANCE

| | | |
|---|------------------------------|------------------------------|
| FUND BALANCE | | |
| Unreserved - undesignated | <u>\$ 341,280</u> | <u>\$ 283,206</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 341,280</u> | <u>\$ 283,206</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|-----------------------|-----------------------|
| REVENUES | | |
| Surcharge fees | \$ 259,590 | \$ 144,927 |
| Interest income | 6,711 | 7,939 |
| Miscellaneous income | <u>20,002</u> | <u>-</u> |
| Total revenues | <u>286,303</u> | <u>152,866</u> |
| EXPENDITURES | | |
| Telephone charges | 12,478 | 9,510 |
| Equipment purchases | 310,085 | 125,160 |
| Maintenance | 13,282 | 22,588 |
| Travel | 1,753 | - |
| Debt service | <u>38,531</u> | <u>-</u> |
| Total expenditures | <u>376,129</u> | <u>157,258</u> |
| Deficiency of revenues over expenditures | (89,826) | (4,392) |
| OTHER FINANCING SOURCES (USES) | | |
| Operating transfers out | (47,100) | (47,100) |
| Loan proceeds | <u>195,000</u> | <u>-</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 58,074 | (51,492) |
| FUND BALANCE, BEGINNING OF YEAR | <u>283,206</u> | <u>334,698</u> |
| FUND BALANCE, END OF YEAR | <u>\$ 341,280</u> | <u>\$ 283,206</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|---|-------------------------|-----------------------|
| ASSETS | | |
| Temporary cash investment | \$ 458,772 | \$ 343,145 |
| Receivable (net of allowance for uncollectibles): | | |
| Taxes | 425,901 | 465,574 |
| Due from other funds | <u>251,041</u> | <u>183,004</u> |
| TOTAL ASSETS | <u>\$ 1,135,714</u> | <u>\$ 991,723</u> |

LIABILITIES AND FUND BALANCE

LIABILITIES

| | | |
|-------------------------------|----------------|----------------|
| Deferred property tax revenue | \$ 425,901 | \$ 465,575 |
| Due to other funds | <u>211,159</u> | <u>211,159</u> |
| Total liabilities | 637,060 | 676,734 |

FUND BALANCE

| | | |
|---|-------------------------|-----------------------|
| Unreserved - undesignated | <u>498,654</u> | <u>314,989</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 1,135,714</u> | <u>\$ 991,723</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|----------------|----------------|
| REVENUES | | |
| Property taxes | \$ 832,963 | \$ 801,779 |
| Investment income: | | |
| Interest income | 15,690 | 19,098 |
| Total revenues | 848,653 | 820,877 |
| EXPENDITURES | | |
| Bank fees | 871 | 921 |
| Excess of revenues over expenditures | 847,782 | 819,956 |
| OTHER FINANCING USES | | |
| Operating transfers out | (664,117) | (736,094) |
| Excess of revenues over expenditures and other financing uses | 183,665 | 83,862 |
| FUND BALANCE, BEGINNING OF YEAR | 314,989 | 231,127 |
| FUND BALANCE, END OF YEAR | \$ 498,654 | \$ 314,989 |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|-----------------------------------|-----------------------|-----------------------|
| ASSETS | | |
| Temporary cash investment | \$ 553,276 | \$ 659,004 |
| Receivables: | | |
| Allotments from State of Illinois | 44,156 | 46,869 |
| Due from other funds | 265,343 | 265,343 |
| TOTAL ASSETS | \$ 862,775 | \$ 971,216 |

LIABILITIES AND FUND BALANCE

LIABILITIES

| | | |
|------------------|-----------|--------|
| Accounts payable | \$ 11,381 | \$ 773 |
|------------------|-----------|--------|

FUND BALANCE

| | | |
|---------------------------|---------|---------|
| Unreserved - undesignated | 851,394 | 970,443 |
|---------------------------|---------|---------|

| | | |
|---|-------------------|-------------------|
| TOTAL LIABILITIES AND FUND BALANCE | \$ 862,775 | \$ 971,216 |
|---|-------------------|-------------------|

**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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|-------------------|-------------------|
| REVENUES | | |
| State allotments | \$ 550,678 | \$ 585,362 |
| Interest income | 25,211 | 24,031 |
| Miscellaneous income | 41,094 | 41,335 |
| | <hr/> | <hr/> |
| Total revenues | 616,983 | 650,728 |
| | <hr/> | <hr/> |
| EXPENDITURES | | |
| General maintenance | 73,092 | 53,724 |
| Road maintenance | 518,152 | 119,897 |
| | <hr/> | <hr/> |
| Total expenditures | 591,244 | 173,621 |
| | <hr/> | <hr/> |
| Excess of revenues over expenditures | 25,739 | 477,107 |
| | | |
| OTHER FINANCING SOURCES (USES) | | |
| Operating transfers in | - | 39,778 |
| Operating transfers out | (144,788) | (145,227) |
| | <hr/> | <hr/> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (119,049) | 371,658 |
| | | |
| FUND BALANCE, BEGINNING OF YEAR | 970,443 | 493,075 |
| | | |
| Residual equity transfer in | - | 105,710 |
| | <hr/> | <hr/> |
| FUND BALANCE, END OF YEAR | <u>\$ 851,394</u> | <u>\$ 970,443</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
INSURANCE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|--------------------------------------|-------------------|-------------------|
| ASSETS | | |
| Temporary cash investments | \$ - | \$ 23,013 |
| Restricted temporary cash investment | 752,935 | 749,731 |
| Due from other funds | <u>177,694</u> | <u>177,694</u> |
| | | |
| TOTAL ASSETS | <u>\$ 930,629</u> | <u>\$ 950,438</u> |

LIABILITIES AND FUND BALANCES

LIABILITIES

| | | |
|------------------------|-------------------|-------------------|
| Accrued medical claims | <u>\$ 105,488</u> | <u>\$ 291,772</u> |
|------------------------|-------------------|-------------------|

FUND BALANCES

| | | |
|-------------------------------------|----------------|-----------------|
| Reserved for insurance | 752,935 | 744,862 |
| Unreserved - undesignated (deficit) | <u>72,206</u> | <u>(86,196)</u> |
| | | |
| Total fund balances | <u>825,141</u> | <u>658,666</u> |

| | | |
|--|-------------------|-------------------|
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 930,629</u> | <u>\$ 950,438</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|-------------------|-------------------|
| REVENUES | | |
| Premium income | \$ 2,966,161 | \$ 2,551,820 |
| Interest income | <u>28,152</u> | <u>25,578</u> |
| Total revenues | 2,994,313 | 2,577,398 |
| EXPENDITURES | | |
| Claims paid, administrative and insurance costs | <u>2,827,838</u> | <u>2,297,792</u> |
| Excess of revenues over expenditures | 166,475 | 279,606 |
| FUND BALANCE, BEGINNING OF YEAR | <u>658,666</u> | <u>379,060</u> |
| FUND BALANCE, END OF YEAR | <u>\$ 825,141</u> | <u>\$ 658,666</u> |

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|---------------------------|------------------|------------------|
| ASSETS | | |
| Temporary cash investment | \$ 50,621 | \$ 19,956 |
| TOTAL ASSETS | <u>\$ 50,621</u> | <u>\$ 19,956</u> |

LIABILITIES AND FUND BALANCE

| | | |
|---|------------------|------------------|
| FUND BALANCE | | |
| Unreserved - undesignated | \$ 50,621 | \$ 19,956 |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 50,621</u> | <u>\$ 19,956</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|------------------|------------------|
| REVENUES | | |
| Foreign fire insurance tax | \$ 44,575 | \$ 35,572 |
| Interest income | 136 | 166 |
| | <u>44,711</u> | <u>35,738</u> |
| Total revenues | <u>44,711</u> | <u>35,738</u> |
| EXPENDITURES | | |
| Clothing allowance | 168 | 2,656 |
| Ambulance supplies | 2,074 | 7,578 |
| Furniture and fixtures | - | 5,599 |
| Equipment and supplies | 8,531 | 19,312 |
| Public education materials | 500 | 193 |
| Contingent expense | 2,773 | 1,269 |
| | <u>14,046</u> | <u>36,607</u> |
| Total expenditures | <u>14,046</u> | <u>36,607</u> |
| Excess (deficiency) of revenues over expenditures | 30,665 | (869) |
| FUND BALANCE, BEGINNING OF YEAR | <u>19,956</u> | <u>20,825</u> |
| FUND BALANCE, END OF YEAR | <u>\$ 50,621</u> | <u>\$ 19,956</u> |

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|---|-------------------------|-------------------------|
| ASSETS | | |
| Temporary cash investment | \$ 3,668,857 | \$ 3,466,341 |
| Receivable (net of allowance for uncollectibles): | | |
| Taxes | 932,880 | 757,004 |
| Due from other funds | <u>2,780,460</u> | <u>3,037,105</u> |
| TOTAL ASSETS | <u>\$ 7,382,197</u> | <u>\$ 7,260,450</u> |

LIABILITIES AND FUND BALANCE

LIABILITIES

| | | |
|--------------------------------|----------------|----------------|
| Deferred property tax revenues | \$ 932,878 | \$ 757,004 |
| Intergovernmental liability | <u>141,896</u> | <u>141,896</u> |
| Total liabilities | 1,074,774 | 898,900 |

FUND BALANCE

| | | |
|---------------------------|------------------|------------------|
| Reserved for debt service | <u>6,307,423</u> | <u>6,361,550</u> |
|---------------------------|------------------|------------------|

| | | |
|---|---------------------|---------------------|
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 7,382,197</u> | <u>\$ 7,260,450</u> |
|---|---------------------|---------------------|

VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|--|---------------------|---------------------|
| REVENUES | | |
| Taxes | \$ 1,259,614 | \$ 1,429,863 |
| Investment income: | | |
| Interest | 41,107 | 45,197 |
| Dividends | 50,865 | 50,830 |
| | <u>1,351,586</u> | <u>1,525,890</u> |
| Total revenues | | |
| EXPENDITURES | | |
| Debt service: | | |
| Principal retirement | 1,818,405 | 1,719,281 |
| Interest and fiscal charges | 671,777 | 753,169 |
| Contingencies | 5,200 | 4,600 |
| Miscellaneous | 2,738 | 5,392 |
| | <u>2,498,120</u> | <u>2,482,442</u> |
| Total expenditures | | |
| Deficiency of revenues over expenditures | (1,146,534) | (956,552) |
| OTHER FINANCING SOURCES (USES) | | |
| Operating transfers in | 1,219,906 | 1,156,779 |
| Operating transfers out | (127,499) | (127,886) |
| | <u>1,092,407</u> | <u>1,028,893</u> |
| Total other financing sources (uses) | | |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (54,127) | 72,341 |
| FUND BALANCE, BEGINNING OF YEAR | 6,361,550 | 4,282,199 |
| Residual equity transfers in | <u>-</u> | <u>2,007,010</u> |
| FUND BALANCE, END OF YEAR | <u>\$ 6,307,423</u> | <u>\$ 6,361,550</u> |

**VILLAGE OF ALSIP, ILLINOIS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|----------------------------|-------------|-------------------|
| ASSETS | | |
| Temporary cash investments | \$ - | \$ 108,176 |
| Due from other funds | - | 26,483 |
| | - | 134,659 |
| TOTAL ASSETS | \$ - | \$ 134,659 |

LIABILITIES AND FUND BALANCE

| | | |
|---|-------------|-------------------|
| FUND BALANCE | | |
| Reserved for project costs | \$ - | \$ 134,659 |
| | - | 134,659 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ - | \$ 134,659 |

**VILLAGE OF ALSIP, ILLINOIS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|------------------|--------------------|
| REVENUES | | |
| Interest income | \$ - | \$ 2,002 |
| FUND BALANCE, BEGINNING OF YEAR | 134,659 | 2,245,377 |
| Residual equity transfer out | <u>(134,659)</u> | <u>(2,112,720)</u> |
| FUND BALANCE, END OF YEAR | <u>\$ -</u> | <u>\$ 134,659</u> |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
April 30, 2008
With Comparative Totals at April 30, 2007**

| ASSETS | | | | |
|--|--|---------------------------------------|--------------------------|--------------------------|
| | Waterworks and Sewerage | Senior Citizen Complex | Totals | |
| | | | <u>2008</u> | <u>2007</u> |
| CURRENT ASSETS | | | | |
| Cash | \$ 100 | \$ - | \$ 100 | \$ 100 |
| Temporary cash investments | 1,386,593 | 507,040 | 1,893,633 | 909,716 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Account customers | 260,549 | - | 260,549 | 213,546 |
| Estimated unbilled water and sewer charges | 608,672 | - | 608,672 | 431,357 |
| Prepaid expense/insurance | - | 13,543 | 13,543 | 8,982 |
| Due from other funds | - | 184,290 | 184,290 | 386,750 |
| | <u>2,255,914</u> | <u>704,873</u> | <u>2,960,787</u> | <u>1,950,451</u> |
| Total current assets | | | | |
| RESTRICTED ASSETS | | | | |
| Temporary cash investments | <u>6,206,083</u> | <u>1,667,431</u> | <u>7,873,514</u> | <u>1,493,339</u> |
| FIXED ASSETS | | | | |
| Property, building and equipment - net | <u>16,100,260</u> | <u>14,853,734</u> | <u>30,953,994</u> | <u>30,748,662</u> |
| OTHER ASSETS | | | | |
| Bond issuance costs | 80,082 | 39,997 | 120,079 | 50,905 |
| Deposits | - | 162,696 | 162,696 | 155,174 |
| | <u>80,082</u> | <u>202,693</u> | <u>282,775</u> | <u>206,079</u> |
| Total other assets | | | | |
| TOTAL ASSETS | <u>\$ 24,642,339</u> | <u>\$ 17,428,731</u> | <u>\$ 42,071,070</u> | <u>\$ 34,398,531</u> |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
April 30, 2008
With Comparative Totals at April 30, 2007

LIABILITIES AND FUND EQUITIES

| | Waterworks and Sewerage | Senior Citizen Complex | Totals | |
|---|--|---------------------------------------|----------------------|----------------------|
| | | | 2008 | 2007 |
| CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS) | | | | |
| Accounts payable | \$ 538,016 | \$ 191,472 | \$ 729,488 | \$ 502,530 |
| Other accrued expenses | 1,543,738 | - | 1,543,738 | 1,386,636 |
| Current portion of note payable | 89,718 | - | 89,718 | 84,843 |
| Current portion of general obligation bonds | 170,000 | 1,093,095 | 1,263,095 | 922,840 |
| Due to other funds | 185,013 | 1,099,835 | 1,284,848 | 1,278,863 |
| Security deposits | - | 325,665 | 325,665 | 322,190 |
| Utility overpayments | - | - | - | 614 |
| Accrued interest payable | 99,312 | 65,346 | 164,658 | 85,250 |
| Total current liabilities (payable from current assets) | 2,625,797 | 2,775,413 | 5,401,210 | 4,583,766 |
| CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS) | | | | |
| Deposits | 28,314 | - | 28,314 | 30,860 |
| LONG-TERM LIABILITIES | | | | |
| Compensated absences payable | 11,799 | - | 11,799 | 11,575 |
| Post employment benefit obligation | 28,137 | - | 28,137 | - |
| Long-term portion of note payable | 45,440 | - | 45,440 | 135,097 |
| General obligation bonds (net of unamortized discount and loss from extinguishment of debt) | 6,877,111 | 5,499,093 | 12,376,204 | 6,830,489 |
| Total long-term liabilities | 6,962,487 | 5,499,093 | 12,461,580 | 6,977,161 |
| Total liabilities | 9,616,598 | 8,274,506 | 17,891,104 | 11,591,787 |
| FUND EQUITIES | | | | |
| Retained earnings: Unreserved | 15,025,741 | 9,154,225 | 24,179,966 | 22,806,744 |
| TOTAL LIABILITIES AND FUND EQUITIES | \$ 24,642,339 | \$ 17,428,731 | \$ 42,071,070 | \$ 34,398,531 |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND EQUITIES
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007**

| | <u>Waterworks and Sewerage</u> | <u>Senior Citizen Complex</u> | <u>Totals</u> | |
|--|--|---------------------------------------|----------------------|----------------------|
| | | | <u>2008</u> | <u>2007</u> |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 7,459,750 | \$ - | \$ 7,459,750 | \$ 5,824,502 |
| Rental income | - | 3,732,416 | 3,732,416 | 3,724,000 |
| Other income | 91,098 | 54,990 | 146,088 | 98,175 |
| | <u>7,550,848</u> | <u>3,787,406</u> | <u>11,338,254</u> | <u>9,646,677</u> |
| OPERATING EXPENSES | | | | |
| Water department | 5,568,192 | - | 5,568,192 | 5,066,392 |
| Sewer department | 162,708 | - | 162,708 | 115,648 |
| Senior citizen complex | - | 2,084,943 | 2,084,943 | 1,905,497 |
| | <u>5,730,900</u> | <u>2,084,943</u> | <u>7,815,843</u> | <u>7,087,537</u> |
| Total operating revenues | | | <u>11,338,254</u> | <u>9,646,677</u> |
| Operating income before depreciation | 1,819,948 | 1,702,463 | 3,522,411 | 2,559,140 |
| DEPRECIATION | | | | |
| | <u>728,655</u> | <u>611,258</u> | <u>1,339,913</u> | <u>1,278,397</u> |
| Operating income | <u>1,091,293</u> | <u>1,091,205</u> | <u>2,182,498</u> | <u>1,280,743</u> |
| NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS | | | | |
| Amortization of bond premium | 2,071 | - | 2,071 | - |
| Amortization of bond issue costs | (2,397) | (10,908) | (13,305) | (10,908) |
| Amortization of underwriter's discount | (1,636) | (1,344) | (2,980) | (1,344) |
| Note and bond interest and fiscal charges | (237,102) | (397,287) | (634,389) | (463,693) |
| Operating transfers out | (287,756) | (116,145) | (403,901) | (228,358) |
| Interest income | 196,376 | 60,836 | 257,212 | 55,416 |
| | <u>(330,444)</u> | <u>(464,848)</u> | <u>(795,292)</u> | <u>(648,887)</u> |
| Total non-operating revenues (expenses) and transfers | | | <u>(795,292)</u> | <u>(648,887)</u> |
| NET INCOME | 760,849 | 626,357 | 1,387,206 | 631,856 |
| FUND EQUITIES, BEGINNING OF YEAR | | | | |
| | 14,278,876 | 8,527,868 | 22,806,744 | 12,865,502 |
| Change in accounting principle | <u>(13,984)</u> | <u>-</u> | <u>(13,984)</u> | <u>9,309,386</u> |
| FUND EQUITIES, END OF YEAR | <u>\$ 15,025,741</u> | <u>\$ 9,154,225</u> | <u>\$ 24,179,966</u> | <u>\$ 22,806,744</u> |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

| | Waterworks and Sewerage | Senior Citizen Complex | Totals | |
|--|--|---------------------------------------|------------------|--------------------|
| | | | <u>2008</u> | <u>2007</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating income | \$ 1,091,293 | \$ 1,091,205 | \$ 2,182,498 | \$ 1,280,743 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation | 728,655 | 611,258 | 1,339,913 | 1,278,397 |
| Effects of changes in operating assets and liabilities: | | | | |
| Receivables - account customers | (47,003) | - | (47,003) | (5,295) |
| Receivables - unbilled charges | (177,315) | - | (177,315) | 20,533 |
| Due from other funds | 202,460 | - | 202,460 | (234,094) |
| Prepaid insurance/expense | 2,292 | (6,855) | (4,563) | (5,146) |
| Utility overpayment | (614) | - | (614) | 614 |
| Deposits | - | (7,522) | (7,522) | (6,162) |
| Accounts payable | 98,419 | 128,539 | 226,958 | 53,316 |
| Due to other funds | 185,013 | (179,028) | 5,985 | (447,110) |
| Other accrued expenses | 157,102 | - | 157,102 | (6,715) |
| Security deposits | - | 3,475 | 3,475 | (1,025) |
| Post employment benefit obligation | 14,153 | - | 14,153 | - |
| Restricted liabilities | (2,546) | - | (2,546) | (1,084) |
| Compensated absences | 224 | - | 224 | 587 |
| | <u>2,252,133</u> | <u>1,641,072</u> | <u>3,893,205</u> | <u>1,927,559</u> |
| Net cash provided by operating activities | | | | |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | | |
| Operating transfers out | <u>(287,756)</u> | <u>(116,145)</u> | <u>(403,901)</u> | <u>(228,358)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Purchase of property, building and equipment | (1,391,762) | (153,481) | (1,545,243) | (581,235) |
| Principal payments on note payable | (84,782) | - | (84,782) | (80,186) |
| Proceeds from issuance of bonds payable | 6,757,467 | - | 6,757,467 | - |
| Principal payments on bonds payable | (129,750) | (887,965) | (1,017,715) | (913,170) |
| Interest paid on notes and bonds | (146,350) | (345,801) | (492,151) | (411,355) |
| | <u>5,004,823</u> | <u>(1,387,247)</u> | <u>3,617,576</u> | <u>(1,985,946)</u> |
| Net cash provided by (used in) capital and related financing activities | | | | |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

| | Waterworks and Sewerage | Senior Citizen Complex | Totals | |
|---|--|---------------------------------------|--------------------------------|--------------------------------|
| | | | <u>2008</u> | <u>2007</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Earnings on investments | <u>196,376</u> | <u>60,836</u> | <u>257,212</u> | <u>55,416</u> |
| NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS | 7,165,576 | 198,516 | 7,364,092 | (231,329) |
| CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR | <u>427,200</u> | <u>1,975,955</u> | <u>2,403,155</u> | <u>2,634,484</u> |
| CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR | <u><u>\$ 7,592,776</u></u> | <u><u>\$ 2,174,471</u></u> | <u><u>\$ 9,767,247</u></u> | <u><u>\$ 2,403,155</u></u> |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

ASSETS

| | <u>2008</u> | <u>2007</u> |
|--|---------------|---------------|
| CURRENT ASSETS | | |
| Cash | \$ 100 | \$ 100 |
| Temporary cash investments | 1,386,593 | 396,240 |
| Receivables (net of allowance for uncollectibles): | | |
| Account customers | 260,549 | 213,546 |
| Estimated unbilled water and sewer charges | 608,672 | 431,357 |
| Prepaid expense | - | 2,292 |
| Due from other funds | - | 202,460 |
| | 2,255,914 | 1,245,995 |
| RESTRICTED ASSETS | | |
| Temporary cash investments | 6,206,083 | 30,860 |
| PROPERTY, BUILDING AND EQUIPMENT - NET | | |
| | 16,100,260 | 15,437,153 |
| OTHER ASSETS | | |
| Bond issue costs | 80,082 | - |
| | 80,082 | - |
| TOTAL ASSETS | | |
| | \$ 24,642,339 | \$ 16,714,008 |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2008 and 2007**

LIABILITIES AND FUND EQUITY

| | <u>2008</u> | <u>2007</u> |
|---|----------------------|----------------------|
| CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS) | | |
| Accounts payable | \$ 538,016 | \$ 439,597 |
| Accrued interest payable | 99,312 | 8,560 |
| Other accrued expenses | 1,543,738 | 1,386,636 |
| Utility overpayments | - | 614 |
| Due to other fund | 185,013 | - |
| Current portion of general obligation bonds | 170,000 | 64,875 |
| Current portion of note payable | <u>89,718</u> | <u>84,843</u> |
| Total current liabilities (payable from current assets) | <u>2,625,797</u> | <u>1,985,125</u> |
| CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS) | | |
| Deposits | <u>28,314</u> | <u>30,860</u> |
| LONG-TERM LIABILITIES | | |
| Compensated absences payable | 11,799 | 11,575 |
| Post employment benefit obligation | 28,137 | - |
| Notes payable | 45,440 | 135,097 |
| General obligation bonds (net of unamortized discount) | <u>6,877,111</u> | <u>272,475</u> |
| Total long-term liabilities | <u>6,962,487</u> | <u>419,147</u> |
| Total liabilities | <u>9,616,598</u> | <u>2,435,132</u> |
| FUND EQUITY | | |
| Contributed capital | 480,831 | 480,831 |
| Retained earnings: | | |
| Unreserved | <u>14,544,910</u> | <u>13,798,045</u> |
| Total fund equity | <u>15,025,741</u> | <u>14,278,876</u> |
| TOTAL LIABILITIES AND FUND EQUITY | <u>\$ 24,642,339</u> | <u>\$ 16,714,008</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, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|--|----------------------|----------------------|
| OPERATING REVENUES | | |
| Charges for services: | | |
| Water | \$ 6,533,867 | \$ 5,221,694 |
| Sewer | 725,985 | 333,300 |
| Tapping fees | 117,550 | 217,731 |
| Fines and penalties | 82,348 | 51,777 |
| Other income | <u>91,098</u> | <u>43,809</u> |
| Total operating revenues | <u>7,550,848</u> | <u>5,868,311</u> |
| OPERATING EXPENSES | | |
| Water department | 5,568,192 | 5,066,392 |
| Sewer department | <u>162,708</u> | <u>115,648</u> |
| Total operating expenses | <u>5,730,900</u> | <u>5,182,040</u> |
| Operating income before depreciation | 1,819,948 | 686,271 |
| DEPRECIATION | <u>728,655</u> | <u>698,592</u> |
| Operating income (loss) | <u>1,091,293</u> | <u>(12,321)</u> |
| NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS | | |
| Amortization of bond premium | 2,071 | - |
| Amortization of underwriter's discount | (1,636) | - |
| Amortization of bond issue costs | (2,397) | - |
| Note and bond interest and fiscal charges | (237,102) | (33,045) |
| Operating transfers out | (287,756) | (228,358) |
| Interest income | <u>196,376</u> | <u>8,812</u> |
| Total non-operating revenues (expenses) and transfers | <u>(330,444)</u> | <u>(252,591)</u> |
| NET INCOME (LOSS) | 760,849 | (264,912) |
| FUND EQUITY, BEGINNING OF YEAR | 14,278,876 | 5,234,402 |
| Change in accounting principle | <u>(13,984)</u> | <u>9,309,386</u> |
| FUND EQUITY, END OF YEAR | <u>\$ 15,025,741</u> | <u>\$ 14,278,876</u> |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Operating income (loss) | \$ 1,091,293 | \$ (12,321) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | |
| Depreciation | 728,655 | 698,592 |
| Effects of changes in operating assets and liabilities: | | |
| Receivables - account customers | (47,003) | (5,295) |
| Receivables - unbilled charges | (177,315) | 20,533 |
| Due from other funds | 202,460 | (164,400) |
| Accounts payable | 98,419 | 24,189 |
| Prepaid expense | 2,292 | (2,292) |
| Utility overpayment | (614) | 614 |
| Other accrued expenses | 157,102 | (6,715) |
| Due to other funds | 185,013 | (21,000) |
| Post employment benefit obligation | 14,153 | - |
| Compensated absences payable | 224 | 587 |
| Restricted liabilities | <u>(2,546)</u> | <u>(1,084)</u> |
| Net cash provided by operating activities | <u>2,252,133</u> | <u>531,408</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | |
| Operating transfers out | <u>(287,756)</u> | <u>(228,358)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchase of capital assets | (1,391,762) | (175,670) |
| Principal payments on note payable | (84,782) | (80,186) |
| Proceeds from issuance of bonds payable | 6,757,467 | - |
| Principal payments on bonds payable | (129,750) | (60,550) |
| Interest paid on notes and bonds | <u>(146,350)</u> | <u>(33,045)</u> |
| Net cash provided by (used in) capital and related financing activities | <u>5,004,823</u> | <u>(349,451)</u> |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|-------------------------|-----------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Earnings on investments | <u>196,376</u> | <u>8,812</u> |
| NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS | 7,165,576 | (37,589) |
| CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR | <u>427,200</u> | <u>464,789</u> |
| CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR | <u>\$ 7,592,776</u> | <u>\$ 427,200</u> |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF OPERATING EXPENSES
For the Years Ended April 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|--------------------------------------|---------------------|---------------------|
| WATER DEPARTMENT | | |
| Salary - commissioner | \$ 82,400 | \$ 75,068 |
| Salary - clerical | 37,090 | 34,312 |
| Wages - meter readers | 14,556 | 14,637 |
| Wages - general labor | 213,327 | 204,284 |
| Engineering fees | 11,110 | 8,246 |
| Audit fees | - | 10,000 |
| Tools and equipment | 2,561 | 1,964 |
| Purchase - office equipment | 5,795 | 415 |
| Purchase - new equipment | 8,811 | 39,264 |
| Purchase - meters | 50,362 | 10,656 |
| Purchase - computer | 713 | 1,784 |
| Repairs - equipment | 11,698 | 9,521 |
| Restoration (main breaks) | 128,710 | 90,901 |
| Maintenance water system | 459,500 | 344,850 |
| Utilities | 198,138 | 188,524 |
| Water tap-ons | 150,550 | 63,279 |
| Construction new meter mains | - | 4,950 |
| Purchase - water | 3,666,964 | 3,544,173 |
| Social Security and IMRF | 90,309 | 72,399 |
| Insurance and administrative expense | 320,275 | 254,161 |
| Contingent expense | 16,464 | 10,462 |
| Water system expense | 8,048 | 14,726 |
| Building and grounds maintenance | 42,986 | 34,906 |
| Pager service | 1,669 | 3,536 |
| Office supplies | 5,542 | 1,535 |
| Water sampling fees | 3,425 | 2,902 |
| Purchase chlorine | 2,064 | 2,083 |
| Gasoline and oil | 8,000 | 5,593 |
| Water billing charges | 16,741 | 15,634 |
| Dues and memberships | - | 1,627 |
| Post employment benefit obligation | 10,384 | - |
| | <u>5,568,192</u> | <u>5,066,392</u> |
| Total water department | | |
| | <u>5,568,192</u> | <u>5,066,392</u> |
| SEWER DEPARTMENT | | |
| Salary - clerical | 52,815 | 43,495 |
| Wages - general labor | 73,235 | 42,613 |
| Purchase - new equipment | 4,189 | 1,091 |
| Material and supplies | 1,030 | 3,852 |
| Repair - equipment | 9 | 3,000 |
| Maintenance - sanitary sewers | 13,529 | 7,762 |
| Uniforms | 2,132 | 1,835 |
| Garage rentals | 12,000 | 12,000 |
| Post employment benefit obligation | 3,769 | - |
| | <u>162,708</u> | <u>115,648</u> |
| Total sewer department | | |
| | <u>162,708</u> | <u>115,648</u> |
| TOTAL OPERATING EXPENSES | <u>\$ 5,730,900</u> | <u>\$ 5,182,040</u> |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING BALANCE SHEET
April 30, 2008 and 2007**

| | | ASSETS | | Totals | |
|---|----|---------------------|----------------------|----------------------|----------------------|
| | | <u>Heritage I</u> | <u>Heritage II</u> | <u>2008</u> | <u>2007</u> |
| CURRENT ASSETS | | | | | |
| Temporary cash investments | \$ | - | \$ 507,040 | \$ 507,040 | \$ 513,476 |
| Due from other funds | | - | 184,290 | 184,290 | 184,290 |
| Prepaid insurance | | <u>1,092</u> | <u>12,451</u> | <u>13,543</u> | <u>6,690</u> |
| Total current assets | | <u>1,092</u> | <u>703,781</u> | <u>704,873</u> | <u>704,456</u> |
| RESTRICTED ASSETS | | | | | |
| Temporary cash investments | | <u>-</u> | <u>1,667,431</u> | <u>1,667,431</u> | <u>1,462,479</u> |
| PROPERTY, BUILDING AND EQUIPMENT - NET | | | | | |
| | | <u>6,089,124</u> | <u>8,764,610</u> | <u>14,853,734</u> | <u>15,311,509</u> |
| OTHER ASSETS | | | | | |
| Bond issuance costs | | - | 39,997 | 39,997 | 50,905 |
| Deposit | | <u>161,696</u> | <u>1,000</u> | <u>162,696</u> | <u>155,174</u> |
| Total other assets | | <u>161,696</u> | <u>40,997</u> | <u>202,693</u> | <u>206,079</u> |
| TOTAL ASSETS | | <u>\$ 6,251,912</u> | <u>\$ 11,176,819</u> | <u>\$ 17,428,731</u> | <u>\$ 17,684,523</u> |
| LIABILITIES AND FUND EQUITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accrued interest payable | \$ | 30,052 | \$ 35,294 | \$ 65,346 | \$ 76,690 |
| Accounts payable | | - | 191,472 | 191,472 | 62,933 |
| Current portion of general obligation bonds | | 99,750 | 993,345 | 1,093,095 | 857,965 |
| Due to other funds | | 1,099,835 | - | 1,099,835 | 1,278,863 |
| Security deposits | | <u>109,290</u> | <u>216,375</u> | <u>325,665</u> | <u>322,190</u> |
| Total current liabilities | | 1,338,927 | 1,436,486 | 2,775,413 | 2,598,641 |
| LONG-TERM LIABILITIES | | | | | |
| General obligation bonds (net of unamortized discount and loss from extinguishment of debt) | | <u>2,078,170</u> | <u>3,420,923</u> | <u>5,499,093</u> | <u>6,558,014</u> |
| Total liabilities | | 3,417,097 | 4,857,409 | 8,274,506 | 9,156,655 |
| FUND EQUITIES | | | | | |
| Retained earnings - unreserved | | <u>2,834,815</u> | <u>6,319,410</u> | <u>9,154,225</u> | <u>8,527,868</u> |
| TOTAL LIABILITIES AND FUND EQUITIES | | <u>\$ 6,251,912</u> | <u>\$ 11,176,819</u> | <u>\$ 17,428,731</u> | <u>\$ 17,684,523</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, 2008
With Comparative Totals for the Year Ended April 30, 2007**

| | <u>Heritage I</u> | <u>Heritage II</u> | <u>Totals</u> | |
|--|---------------------|---------------------|---------------------|---------------------|
| | | | <u>2008</u> | <u>2007</u> |
| OPERATING REVENUES | | | | |
| Rental income | \$ 1,218,787 | \$ 2,513,629 | \$ 3,732,416 | \$ 3,724,000 |
| Other income | <u>20,351</u> | <u>34,639</u> | <u>54,990</u> | <u>54,366</u> |
| Total operating revenues | 1,239,138 | 2,548,268 | 3,787,406 | 3,778,366 |
| OPERATING EXPENSES | <u>745,611</u> | <u>1,339,332</u> | <u>2,084,943</u> | <u>1,905,497</u> |
| Operating income before depreciation | 493,527 | 1,208,936 | 1,702,463 | 1,872,869 |
| DEPRECIATION | <u>212,147</u> | <u>399,111</u> | <u>611,258</u> | <u>579,805</u> |
| Operating income | <u>281,380</u> | <u>809,825</u> | <u>1,091,205</u> | <u>1,293,064</u> |
| NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS | | | | |
| Amortization of bond issuance costs | - | (10,908) | (10,908) | (10,908) |
| Amortization of underwriters' discount | - | (1,344) | (1,344) | (1,344) |
| Operating transfers out | (116,145) | - | (116,145) | - |
| Bond interest | (91,882) | (305,405) | (397,287) | (430,648) |
| Interest income | <u>-</u> | <u>60,836</u> | <u>60,836</u> | <u>46,604</u> |
| Total non-operating revenues (expenses) and transfers | <u>(208,027)</u> | <u>(256,821)</u> | <u>(464,848)</u> | <u>(396,296)</u> |
| NET INCOME | 73,353 | 553,004 | 626,357 | 896,768 |
| RETAINED EARNINGS, BEGINNING OF YEAR | <u>2,761,462</u> | <u>5,766,406</u> | <u>8,527,868</u> | <u>7,631,100</u> |
| RETAINED EARNINGS, END OF YEAR | <u>\$ 2,834,815</u> | <u>\$ 6,319,410</u> | <u>\$ 9,154,225</u> | <u>\$ 8,527,868</u> |

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

| | <u>Heritage I</u> | <u>Heritage II</u> | <u>Totals</u> | |
|---|-------------------|---------------------|---------------------|---------------------|
| | | | <u>2008</u> | <u>2007</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating income | \$ 281,380 | \$ 809,825 | \$ 1,091,205 | \$ 1,293,064 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation | 212,147 | 399,111 | 611,258 | 579,805 |
| Effects of changes in operating assets and liabilities: | | | | |
| Due from other funds | - | - | - | (69,694) |
| Prepaid insurance | 87 | (6,942) | (6,855) | (2,854) |
| Deposits | (7,522) | - | (7,522) | (6,162) |
| Accounts payable | - | 128,539 | 128,539 | 29,127 |
| Security deposits | 1,425 | 2,050 | 3,475 | (1,025) |
| Due to other funds | (179,028) | - | (179,028) | (426,110) |
| Net cash provided by operating activities | <u>308,489</u> | <u>1,332,583</u> | <u>1,641,072</u> | <u>1,396,151</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | | |
| Operating transfer out | <u>(116,145)</u> | <u>-</u> | <u>(116,145)</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Purchase of property, building and equipment | - | (153,481) | (153,481) | (405,565) |
| Principal payments on bonds payable | (99,600) | (788,365) | (887,965) | (852,620) |
| Interest paid on bonds | (92,744) | (253,057) | (345,801) | (378,310) |
| Net cash used in capital and related financing activities | <u>(192,344)</u> | <u>(1,194,903)</u> | <u>(1,387,247)</u> | <u>(1,636,495)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Earnings on investments | <u>-</u> | <u>60,836</u> | <u>60,836</u> | <u>46,604</u> |
| NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS | | | | |
| | - | 198,516 | 198,516 | (193,740) |
| TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR | | | | |
| | <u>-</u> | <u>1,975,955</u> | <u>1,975,955</u> | <u>2,169,695</u> |
| TEMPORARY CASH INVESTMENTS, END OF YEAR | | | | |
| | <u>\$ -</u> | <u>\$ 2,174,471</u> | <u>\$ 2,174,471</u> | <u>\$ 1,975,955</u> |

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF OPERATING EXPENSES
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007**

| | <u>Heritage I</u> | <u>Heritage II</u> | <u>Totals</u> | |
|---------------------------------|-------------------|---------------------|---------------------|---------------------|
| | | | <u>2008</u> | <u>2007</u> |
| Salaries | \$ 141,266 | \$ 403,742 | \$ 545,008 | \$ 539,870 |
| Audit fee | - | - | - | 3,500 |
| Repairs and maintenance | 159,987 | 244,880 | 404,867 | 361,092 |
| Management fee | 73,127 | 150,805 | 223,932 | 197,365 |
| Decorating | 19,157 | 49,566 | 68,723 | 48,664 |
| Office supplies | 5,720 | - | 5,720 | 4,815 |
| Telephone | 7,758 | - | 7,758 | 1,289 |
| Utilities | 182,736 | 277,454 | 460,190 | 388,556 |
| Insurance | 89,458 | 69,535 | 158,993 | 145,467 |
| Scavenger | 12,611 | 41,390 | 54,001 | 45,238 |
| Pest control | 4,402 | 5,000 | 9,402 | 10,936 |
| Contingent expense | 7,184 | 4,419 | 11,603 | 30,072 |
| Payroll taxes | 11,539 | - | 11,539 | 11,496 |
| Legal fees | - | 480 | 480 | 450 |
| Union health/pension | 30,420 | 92,061 | 122,481 | 115,196 |
| Other employee benefits | 246 | - | 246 | 1,491 |
| TOTAL OPERATING EXPENSES | <u>\$ 745,611</u> | <u>\$ 1,339,332</u> | <u>\$ 2,084,943</u> | <u>\$ 1,905,497</u> |

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET ASSETS
April 30, 2008
With Comparative Totals at April 30, 2007**

| | <u>Pension Trust</u> | | <u>Totals</u> | |
|--|---------------------------|------------------------------|----------------------|----------------------|
| | <u>Police Pension</u> | <u>Firemen's Pension</u> | <u>2008</u> | <u>2007</u> |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 526,259 | \$ 2,129,981 | \$ 2,656,240 | \$ 1,932,269 |
| Receivables: | | | | |
| Contributions | 786,066 | 470,422 | 1,256,488 | 1,102,700 |
| Accrued interest | 83,378 | 69,675 | 153,053 | 147,414 |
| Due from other funds | 196,540 | - | 196,540 | 190,220 |
| Investments, at fair value: | | | | |
| U.S. Government securities | 7,119,186 | 6,897,568 | 14,016,754 | 14,116,900 |
| Mutual funds | 4,398,073 | 4,441,630 | 8,839,703 | 8,771,257 |
| Stocks | 2,058,121 | 1,699,092 | 3,757,213 | 3,875,585 |
| Insurance contracts | - | 942,566 | 942,566 | 1,000,520 |
| | <u>15,167,623</u> | <u>16,650,934</u> | <u>31,818,557</u> | <u>31,136,865</u> |
| Total assets | | | | |
| LIABILITIES | | | | |
| Accrued liabilities | 5,129 | - | 5,129 | 51,594 |
| Deferred contributions | 719,866 | 470,422 | 1,190,288 | 961,718 |
| Due to other funds | - | 81,087 | 81,087 | 80,013 |
| | <u>724,995</u> | <u>551,509</u> | <u>1,276,504</u> | <u>1,093,325</u> |
| Total liabilities | | | | |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS | <u>\$ 14,442,628</u> | <u>\$ 16,099,425</u> | <u>\$ 30,542,053</u> | <u>\$ 30,043,540</u> |

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
For the Year Ended April, 30, 2008
With Comparative Totals for the Year Ended April, 30, 2007**

| | Police Pension Fund | Firemen's Pension Fund | Total | |
|---|------------------------------------|---------------------------------------|----------------------|----------------------|
| | | | <u>2008</u> | <u>2007</u> |
| ADDITIONS | | | | |
| Contributions: | | | | |
| Employer | \$ 863,954 | \$ 735,091 | \$ 1,599,045 | \$ 1,707,053 |
| Employee | <u>268,855</u> | <u>252,290</u> | <u>521,145</u> | <u>551,882</u> |
| Total contributions | <u>1,132,809</u> | <u>987,381</u> | <u>2,120,190</u> | <u>2,258,935</u> |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | (149,454) | 322,936 | 173,482 | 1,437,311 |
| Dividends | 210,259 | 98,213 | 308,472 | 222,721 |
| Interest | 322,809 | 377,363 | 700,172 | 680,215 |
| Miscellaneous income | <u>1,777</u> | <u>3,853</u> | <u>5,630</u> | <u>64,117</u> |
| | 385,391 | 802,365 | 1,187,756 | 2,404,364 |
| Less investment expense | <u>71,637</u> | <u>89,423</u> | <u>161,060</u> | <u>136,195</u> |
| Net investment income | <u>313,754</u> | <u>712,942</u> | <u>1,026,696</u> | <u>2,268,169</u> |
| Total additions | <u>1,446,563</u> | <u>1,700,323</u> | <u>3,146,886</u> | <u>4,527,104</u> |
| DEDUCTIONS | | | | |
| Retirement benefits | 1,697,222 | 214,409 | 1,911,631 | 1,696,817 |
| Duty disability benefits | 27,444 | 495,222 | 522,666 | 462,837 |
| Surviving spouse benefits | 59,228 | 144,401 | 203,629 | 174,120 |
| Miscellaneous | <u>10,447</u> | <u>-</u> | <u>10,447</u> | <u>43,143</u> |
| Total deductions | <u>1,794,341</u> | <u>854,032</u> | <u>2,648,373</u> | <u>2,376,917</u> |
| NET INCREASE (DECREASE) | (347,778) | 846,291 | 498,513 | 2,150,187 |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR | <u>14,790,406</u> | <u>15,253,134</u> | <u>30,043,540</u> | <u>27,893,353</u> |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR | <u>\$ 14,442,628</u> | <u>\$ 16,099,425</u> | <u>\$ 30,542,053</u> | <u>\$ 30,043,540</u> |

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2008**

(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 | WA10001501 | 05/01/07-08 | Automobile liability | Liability, uninsured motorist physical damage - comprehensive and collision | \$1,000,000 |
| Scottsdale | PK10001117 | 05/01/07-08 | Professional liability insurance | Law enforcement officers and public officials | Multiple Coverages |
| Scottsdale | PES0004808 | 05/01/07-08 | Property and general liability | Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants | Multiple Coverages |
| Scottsdale and Arch Insurance | UMS0021179 MEUM07163100 | 05/01/07-08 | Excess liability - umbrella | Bodily injury and property damage, includes civil rights | \$10,000,000 |
| Arch Insurance | MEPK07351000 | 05/01/07-08 | Package Policy | | Multiple Coverages |
| Arch Insurance | MEIM07137800 | 05/01/07-08 | Portable Equipment | | Multiple Coverages |
| IPRF | AGC-1F58-IL | 12/15/07-08 | Workmen's Compensation | | \$2,500,000 |
| Travelers | 103199571 | 08/03/05-08 | Firefighters' Pension Fund Bond | Errors and omissions | \$500,000 |
| Travelers | 103062011 | 02/20/08-09 | Blanket Employee Crime Bond | | \$250,000 |
| Travelers | 8BZ103199575BCM | 08/03/05-08 | Police Pension Fund Bond | Errors and omissions | \$500,000 |
| AIG Life | 280-4618 | 05/01/07-08 | Specific/Aggregate Health | | Various |

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2008**

(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 | 05/09/07-08 | Public Official Bond - Mayor Patrick Kitching | Errors and omissions | \$150,000 |
| AutoOwners | 6760466307776 | 05/09/07-08 | Public Official Bond - Deborah Venhuizen | Errors and omissions | \$150,000 |
| AutoOwners | 6760466307570 | 05/09/07-08 | Public Official Bond - Gregory Palumbo | Errors and omissions | \$150,000 |
| Liberty Mutual | 285025029 | 01/30/08-09 | Public Official Bond - Elizabeth Gonzales | Errors and omissions | \$150,000 |
| Safeco | 6400805 | 12/20/07-08 | Public Official Bond - Sharon McDowell | Errors and omissions | \$150,000 |
| Safeco | 6233277 | 08/05/05-09 | IL Notary Public Bond - Deborah Venhuizen | Errors and omissions | \$5,000 |
| Safeco | 6233260 | 04/04/05-09 | 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 | 05/01/07-08 | Life insurance | | Various |
| Reliance Standard | VAR202787 | 05/01/07-08 | Accidental Death & Dismemberment | | Various |

VILLAGE OF ALSIP
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS
AND ASSESSED VALUATION
April 30, 2008

| | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed valuation | <u>\$ 572,026,913</u> | <u>\$ 599,532,642</u> | <u>\$ 687,386,575</u> | <u>\$ 680,364,001</u> | <u>\$ 710,758,298</u> |
| Tax rates: | | | | | |
| General | .4532 | .4051 | .3639 | .3758 | .4014 |
| Police pension | .1101 | .1457 | .1269 | .1470 | .1617 |
| Fire pension | .1256 | .1331 | .1212 | .1154 | .1176 |
| Road and bridge | .0000 | .0000 | .0000 | .0089 | .0294 |
| Debt service | .2759 | .2195 | .1922 | .1967 | .2004 |
| Total - All Funds | <u>.9648</u> | <u>.9034</u> | <u>.8042</u> | <u>.8438</u> | <u>.9105</u> |
| Tax levies: | | | | | |
| General | \$ 2,670,394 | \$ 2,501,474 | \$ 2,576,519 | \$ 2,633,799 | \$ 2,812,916 |
| Police pension | 648,541 | 899,533 | 898,675 | 1,030,000 | 1,133,000 |
| Fire pension | 739,989 | 821,671 | 863,964 | 808,606 | 824,000 |
| Road and bridge | - | - | - | 60,255 | 206,000 |
| Debt service | 1,578,136 | 1,315,938 | 1,318,305 | 1,338,228 | 1,363,753 |
| Total - All Funds | <u>\$ 5,637,060</u> | <u>\$ 5,538,616</u> | <u>\$ 5,657,463</u> | <u>\$ 5,870,888</u> | <u>\$ 6,339,669</u> |
| Collections: | | | | | |
| General | \$ 2,508,584 | \$ 2,434,615 | \$ 2,441,540 | \$ 2,405,040 | \$ 863,868 |
| Police pension | 618,915 | 856,573 | 851,379 | 945,224 | 375,627 |
| Fire pension | 709,149 | 781,430 | 818,591 | 740,202 | 353,578 |
| Road and bridge | - | - | - | 55,559 | 66,433 |
| Debt service | 1,490,547 | 1,269,484 | 1,249,066 | 1,242,316 | 442,302 |
| Total - All Funds | <u>\$ 5,327,195</u> | <u>\$ 5,342,102</u> | <u>\$ 5,360,576</u> | <u>\$ 5,388,341</u> | <u>\$ 2,101,808</u> |
| Percentage of levies collected | <u>94.5%</u> | <u>96.5%</u> | <u>94.8%</u> | <u>91.8%</u> | <u>33.2%</u> |
| Township levies | <u>\$ 111,545</u> | <u>\$ 116,909</u> | <u>\$ 134,040</u> | <u>\$ 134,040</u> | <u>\$ 91,849</u> |
| Collections | <u>\$ 70,469</u> | <u>\$ 89,204</u> | <u>\$ 86,635</u> | <u>\$ 82,577</u> | <u>\$ 39,284</u> |
| Percentage of collections | <u>63.2%</u> | <u>76.3%</u> | <u>64.6%</u> | <u>61.6%</u> | <u>42.8%</u> |
| Special service areas levies | <u>\$ 170,151</u> | <u>\$ 169,505</u> | <u>\$ 169,449</u> | <u>\$ 168,896</u> | <u>\$ 168,862</u> |
| Collections | <u>\$ 170,160</u> | <u>\$ 169,589</u> | <u>\$ 169,459</u> | <u>\$ 168,901</u> | <u>\$ 84,450</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>\$ 697,470</u> | <u>\$ 722,610</u> | <u>\$ 790,971</u> | <u>\$ 830,520</u> | <u>\$ 835,330</u> |
| Collections | <u>\$ 676,826</u> | <u>\$ 706,176</u> | <u>\$ 794,492</u> | <u>\$ 788,623</u> | <u>\$ 384,369</u> |
| Percentage of collections | <u>97.0%</u> | <u>97.7%</u> | <u>100.0%</u> | <u>95.0%</u> | <u>46.0%</u> |

**VILLAGE OF ALSIP, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2008**

| | | Tax Year <u>2007</u> |
|---|-------------------|---------------------------------|
| Assessed valuation | | <u>\$ 710,758,298</u> |
| Statutory debt limitation (8.625% of assessed valuation) | | \$ 61,302,903 |
| Total debt: | | |
| General obligation debt: | | |
| Notes payable | \$ 349,220 | |
| Bonds payable | <u>28,293,269</u> | |
| | <u>28,642,489</u> | |
| Deductions: | | |
| Amount available for repayment of general obligation bonds | <u>6,307,423</u> | |
| | <u>6,307,423</u> | <u>22,335,066</u> |
| Legal debt margin | | <u>\$ 38,967,837</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, as of and for the year ended April 30, 2008 and have issued our report thereon dated October 8, 2008. 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 of Alsip 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.

Oak Brook, Illinois
October 8, 2008