

**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>
<b>Total assets</b>	<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>
<b>Total liabilities</b>	<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>
<b>Total net assets (deficit)</b>	<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**

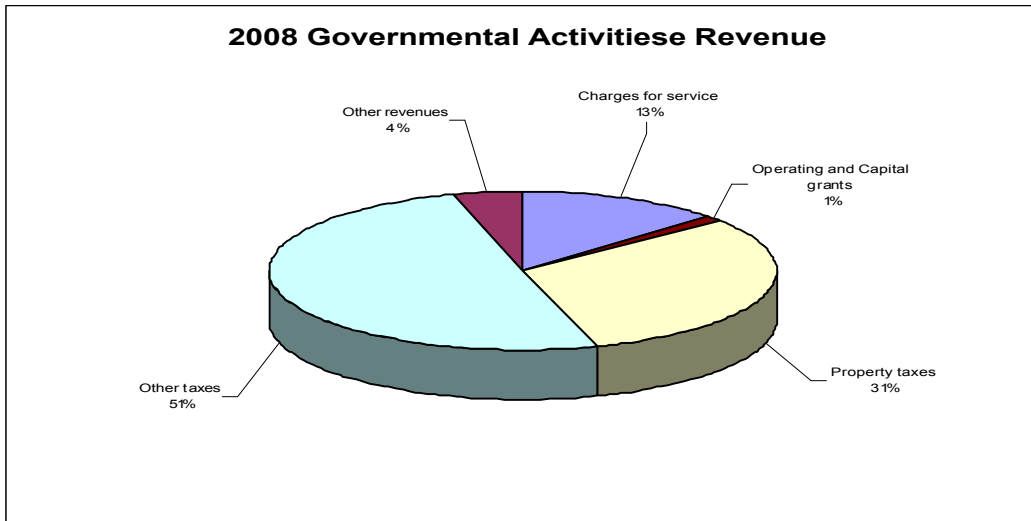
The fiscal year 2008 activities of the Village of Alsip caused the net assets to increase by \$0.9 million (governmental activities, \$.5 million decrease and business type activities, \$1.4 million increase). Key elements are as follows:

**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>
<b>Revenue</b>						
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>
<b>Expenses</b>						
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>
<b>Change in net assets</b>	<u>\$ (0.5)</u>	<u>\$ .7</u>	<u>\$ 1.4</u>	<u>\$ .6</u>	<u>\$ .9</u>	<u>\$ 1.3</u>

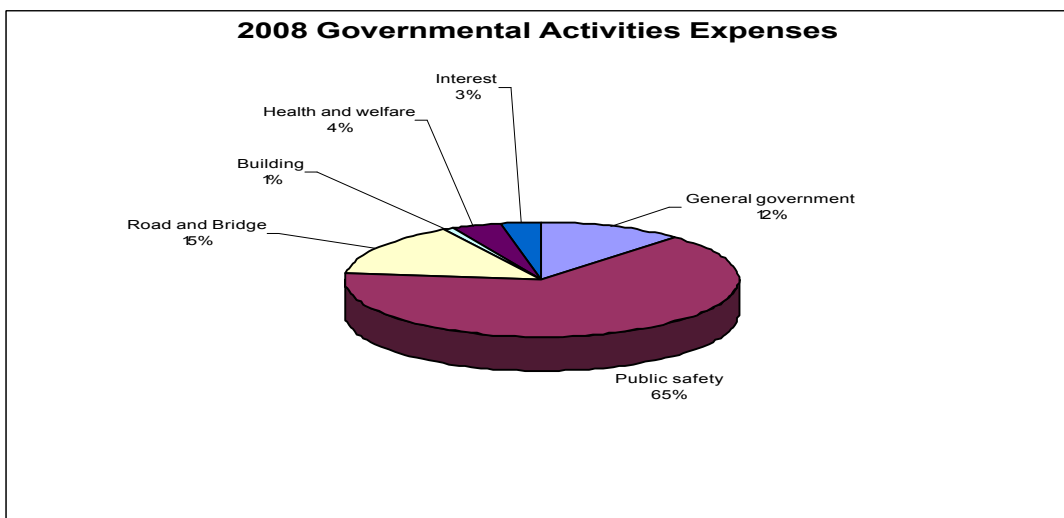
**VILLAGE OF ALSIP, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2008**

**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>
<b>Net changes in fund balance</b>	<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  
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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)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<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>
<b>Total</b>	<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)**

	<b>Governmental Activities</b>		<b>Business Activities</b>		<b>Total Primary Government</b>	
	<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 123<sup>rd</sup> Street TIF and the remainder of Cicero Avenue to 119<sup>th</sup> 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 115<sup>th</sup> Street to 123<sup>rd</sup> 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. 123<sup>rd</sup> Street, Alsip, Illinois 60803.

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF NET ASSETS**  
**April 30, 2008**

	<b>Governmental</b>	<b>Business-type</b>	<b>Total</b>
	<b><u>Activities</u></b>	<b><u>Activities</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>			
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			
<b>LIABILITIES</b>			
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			
<b>NET ASSETS</b>			
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>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 7,485,505</u></b>	<b><u>\$ 24,179,966</u></b>	<b><u>\$ 31,665,471</u></b>

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>
<b>Primary government:</b>						
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>
<b>General revenues:</b>						
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
<b>Transfers</b>				403,901	(403,901)	-
Total general revenues and transfers				<u>18,137,871</u>	<u>(126,456)</u>	<u>18,011,415</u>
<b>CHANGE IN NET ASSETS</b>				(522,357)	1,387,206	864,849
<b>NET ASSETS - BEGINNING</b>				8,263,899	22,806,744	31,070,643
Change in accounting principle				(256,037)	(13,984)	(270,021)
<b>NET ASSETS - ENDING</b>				<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>
<b>ASSETS</b>						
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
<b>TOTAL ASSETS</b>	<b><u>\$ 10,530,765</u></b>	<b><u>\$ 211,791</u></b>	<b><u>\$ 930,629</u></b>	<b><u>\$ 7,382,197</u></b>	<b><u>\$ 2,390,390</u></b>	<b><u>\$ 21,445,772</u></b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>						
<b>Liabilities:</b>						
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>
<b>Fund balances (deficit):</b>						
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>
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b><u>\$ 10,530,765</u></b>	<b><u>\$ 211,791</u></b>	<b><u>\$ 930,629</u></b>	<b><u>\$ 7,382,197</u></b>	<b><u>\$ 2,390,390</u></b>	
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.						<u>(26,517,114)</u>
						<b><u>\$ 7,485,505</u></b>

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>
<b>REVENUES</b>						
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						
<b>EXPENDITURES</b>						
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>
<b>OTHER FINANCING SOURCES (USES)</b>						
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)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	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)	-
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<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>
<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14)</b>	<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>
<b>REVENUES</b>								
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	<u>17,564,000</u>	<u>17,564,000</u>	<u>14,920,496</u>	<u>(2,643,504)</u>	<u>2,671,000</u>	<u>2,671,000</u>	<u>1,975,021</u>	<u>(695,979)</u>
<b>EXPENDITURES</b>								
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	<u>16,201,834</u>	<u>16,599,834</u>	<u>16,295,066</u>	<u>304,768</u>	<u>2,082,335</u>	<u>2,298,335</u>	<u>2,009,357</u>	<u>288,978</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,362,166</u>	<u>\$ 964,166</u>	<u>\$ (1,374,570)</u>	<u>\$ (2,338,736)</u>	<u>\$ 588,665</u>	<u>\$ 372,665</u>	<u>\$ (34,336)</u>	<u>\$ (407,001)</u>

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

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

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals Current Year</b>
<b>ASSETS</b>			
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**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals Current Year</u>
<b>LIABILITIES</b>			
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>
<b>NET ASSETS</b>			
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>
<b>TOTAL NET ASSETS</b>	<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**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>OPERATING REVENUES</b>			
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
Total operating revenues	7,550,848	3,787,406	11,338,254
<b>OPERATING EXPENSES</b>			
Cost of sales and services	5,730,900	2,084,943	7,815,843
Depreciation	728,655	611,258	1,339,913
Total operating expenses	6,459,555	2,696,201	9,155,756
Operating income	1,091,293	1,091,205	2,182,498
<b>NON-OPERATING REVENUES</b>			
<b>(EXPENSES)</b>			
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
Total non-operating revenues (expenses)	(42,688)	(348,703)	(391,391)
Income before transfers	1,048,605	742,502	1,791,107
<b>TRANSFERS OUT</b>			
Change in net assets	760,849	626,357	1,387,206
<b>NET ASSETS - BEGINNING</b>			
Change in accounting principle	(13,984)	-	(13,984)
<b>NET ASSETS - ENDING</b>			
	\$ 15,025,741	\$ 9,154,225	\$ 24,179,966

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>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
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>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Operating transfers out	<u>(287,756)</u>	<u>(116,145)</u>	<u>(403,901)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
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>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Earnings on investments	<u>196,376</u>	<u>60,836</u>	<u>257,212</u>
<b>NET INCREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>			
	7,165,576	198,516	7,364,092
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>			
	<u>427,200</u>	<u>1,975,955</u>	<u>2,403,155</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>			
	<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>
<b>RECONCILIATION OF OPERATING INCOME</b>			
<b>TO NET CASH PROVIDED BY OPERATING</b>			
<b>ACTIVITIES:</b>			
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>
<b>ASSETS</b>			
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			
<b>LIABILITIES</b>			
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			
<b>NET ASSETS HELD IN TRUST</b>			
<b>FOR PENSION BENEFITS</b>			
	<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>	
<b>ADDITIONS</b>			
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>
<b>DEDUCTIONS</b>			
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>
<b>NET INCREASE (DECREASE)</b>	(347,778)	846,291	498,513
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING</b>	<u>14,790,406</u>	<u>15,253,134</u>	<u>30,043,540</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING</b>	<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>
<b>Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i></b>	<b><u>\$ 26,517,114</u></b>

**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>
<b>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></b>	<b><u>\$ (255,174)</u></b>

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>
<b>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></b>	<b><u>\$ 1,866,407</u></b>

**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>
<b>Net adjustment to increase <i>net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities</i></b>	 <b><u>\$ 1,921,948</u></b>

**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>
<b>Net total receivables</b>	<b><u>\$ 5,184,783</u></b>	<b><u>\$ 183,378</u></b>	<b><u>\$ 932,880</u></b>	<b><u>\$ 869,221</u></b>	<b><u>\$ 1,879,599</u></b>	<b><u>\$ 9,049,861</u></b>

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>
<b>Total deferred/unearned revenue for governmental funds</b>	<b><u>\$ 4,133,647</u></b>	<b><u>\$ 38,382</u></b>

**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>
<b>Government activities:</b>				
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>
<b>Governmental activities capital assets, net</b>	<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>
<b>Business-type activities:</b>				
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>
<b>Business-type activities capital assets, net</b>	<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>
<b>Total all funds</b>	<b><u>\$ 6,631,264</u></b>	<b><u>\$ 6,631,264</u></b>

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>
<b>Total</b>	<b><u>\$ 167,499</u></b>	<b><u>\$ 1,219,906</u></b>	<b><u>\$ 1,387,405</u></b>

**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>
<b>Government activities:</b>					
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>
<b>Governmental activities long-term liabilities</b>	<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>
<b>Business-type activities:</b>					
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>
<b>Business-type activities long-term liabilities</b>	<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:

	<b>Waterworks and <u>Sewerage</u></b>	<b>Senior Citizen <u>Complex</u></b>	<b><u>Total</u></b>
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
<b>Total</b>	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/>
<b>Total</b>	<b>195</b>

*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**

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liabilities (AAL)</b>	<b>(3) Unfunded AAL (2) - (1)</b>	<b>(4) Funded Ratio (1) ÷ (2)</b>	<b>(5) Covered Payroll</b>	<b>(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
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**

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liabilities (AAL)</b>	<b>(3) Unfunded AAL (2) - (1)</b>	<b>(4) Funded Ratio (1) ÷ (2)</b>	<b>(5) Covered Payroll</b>	<b>(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
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>	-
<b>Net OPEB obligation, end of year</b>	<b><u>\$ 543,282</u></b>	<b><u>\$ 270,021</u></b>

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

**IV. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

	<b>Illinois Municipal Retirement Fund</b>	<b>Police Pension Fund</b>	<b>Firemen's Pension Fund</b>	<b>Health Insurance Plan for Retired Employees</b>
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>
<b>ASSETS</b>		
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>
 <b>TOTAL ASSETS</b>	 <u>\$ 10,530,765</u>	 <u>\$ 11,161,826</u>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>		
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>
 <b>FUND BALANCES</b>		
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>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <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>
<b>REVENUES</b>		
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
	<u>12,197,598</u>	<u>13,333,244</u>
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
	<u>1,639,152</u>	<u>1,380,362</u>
	<u>15,836,750</u>	<u>14,713,606</u>
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
	<u>1,254,983</u>	<u>1,125,499</u>
	<u>17,091,733</u>	<u>15,839,105</u>
<b>EXPENDITURES</b>		
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
	<u>2,241,598</u>	<u>1,802,683</u>
	<u>19,333,331</u>	<u>17,641,788</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>
<b>EXPENDITURES</b> (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
 <b>OTHER FINANCING SOURCES</b>		
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
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>5,289,869</u>	<u>4,516,006</u>
 <b>FUND BALANCE, END OF YEAR</b>	<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>
<b>GENERAL GOVERNMENT</b>		
<b>Administrative Department:</b>		
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>
<b>Planning Commission:</b>		
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>
<b>Police and Fire Commission:</b>		
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>
<b>Social Security and IMRF:</b>		
Social Security and IMRF	417,745	316,209
Unemployment insurance	17,565	14,101
Total Social Security and IMRF	435,310	330,310
<b>Finance Department:</b>		
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
<b>Village Clerk Department:</b>		
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>
<b>Village Hall Department:</b>		
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
 <b>PUBLIC SAFETY</b>		
<b>Civil Defense:</b>		
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
 <b>Fire Department:</b>		
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>
<b>Fire Department: (continued)</b>		
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		
<b>Fire Department Ambulance Service:</b>		
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		
<b>Police Department:</b>		
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>
<b>Police Department: (continued)</b>		
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	863,954	911,359
	<u>5,115,377</u>	<u>4,929,706</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>
 <b>Building Department:</b>		
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	2,830	2,876
	<u>215,747</u>	<u>196,115</u>
Total building department		
	<u>215,747</u>	<u>196,115</u>
 <b>Health and Environmental Control Department:</b>		
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	157	35
	<u>855,404</u>	<u>829,839</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>
<b>Insurance Department:</b>		
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		
<b>Boat Launch:</b>		
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>
<b>Debt Service</b>	<u>216,882</u>	<u>192,690</u>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<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>
<b>ASSETS</b>								
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
<b>TOTAL ASSETS</b>	<b>\$ 211,791</b>	<b>\$ 341,280</b>	<b>\$ 1,135,714</b>	<b>\$ 862,775</b>	<b>\$ 930,629</b>	<b>\$ 50,621</b>	<b>\$ 3,532,810</b>	<b>\$ 3,386,588</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>								
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	2,337,021	-	637,060	11,381	105,488	-	3,090,950	3,423,516
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)	(2,125,230)	341,280	498,654	851,394	825,141	50,621	441,860	(36,928)
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 211,791</b>	<b>\$ 341,280</b>	<b>\$ 1,135,714</b>	<b>\$ 862,775</b>	<b>\$ 930,629</b>	<b>\$ 50,621</b>	<b>\$ 3,532,810</b>	<b>\$ 3,386,588</b>

**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
<b>REVENUES</b>								
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>
<b>EXPENDITURES</b>								
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>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<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>
<b>ASSETS</b>		
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>
<b>TOTAL ASSETS</b>	<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>
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<b>TOTAL LIABILITIES AND FUND DEFICIT</b>	<u>\$ 211,791</u>	<u>\$ 170,049</u>
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**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>
<b>REVENUES</b>		
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>
<b>EXPENDITURES</b>		
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>
<b>EXPENDITURES</b> (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)
<b>OTHER FINANCING USES</b>		
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)
<b>FUND DEFICIT, BEGINNING OF YEAR</b>	(2,284,188)	(1,805,984)
Residual equity transfer in	<u>134,659</u>	<u>-</u>
<b>FUND DEFICIT, END OF YEAR</b>	<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><b>2008</b></u>	<u><b>2007</b></u>
<b>ASSETS</b>		
Temporary cash investment	\$ 250,336	\$ 192,262
Due from other funds	<u>90,944</u>	<u>90,944</u>
 <b>TOTAL ASSETS</b>	 <u><b>\$ 341,280</b></u>	 <u><b>\$ 283,206</b></u>

**LIABILITIES AND FUND BALANCE**

<b>FUND BALANCE</b>		
Unreserved - undesignated	<u>\$ 341,280</u>	<u>\$ 283,206</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u><b>\$ 341,280</b></u>	 <u><b>\$ 283,206</b></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>
<b>REVENUES</b>		
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>
<b>EXPENDITURES</b>		
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)
<b>OTHER FINANCING SOURCES (USES)</b>		
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)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>283,206</u>	<u>334,698</u>
<b>FUND BALANCE, END OF YEAR</b>	<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>
<b>ASSETS</b>		
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>
 <b>TOTAL ASSETS</b>	 <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>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <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>
<b>REVENUES</b>		
Property taxes	\$ 832,963	\$ 801,779
Investment income:		
Interest income	<u>15,690</u>	<u>19,098</u>
Total revenues	848,653	820,877
 <b>EXPENDITURES</b>		
Bank fees	<u>871</u>	<u>921</u>
Excess of revenues over expenditures	847,782	819,956
 <b>OTHER FINANCING USES</b>		
Operating transfers out	<u>(664,117)</u>	<u>(736,094)</u>
Excess of revenues over expenditures and other financing uses	183,665	83,862
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	 <u>314,989</u>	 <u>231,127</u>
 <b>FUND BALANCE, END OF YEAR</b>	 <u><u>\$ 498,654</u></u>	 <u><u>\$ 314,989</u></u>

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

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 11,381	\$ 773
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**FUND BALANCE**

Unreserved - undesignated	<u>851,394</u>	<u>970,443</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 862,775</u>	<u>\$ 971,216</u>
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**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>
<b>REVENUES</b>		
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/>
<b>EXPENDITURES</b>		
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
<b>OTHER FINANCING SOURCES (USES)</b>		
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
<b>FUND BALANCE, BEGINNING OF YEAR</b>	970,443	493,075
Residual equity transfer in	-	105,710
	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	<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>
<b>ASSETS</b>		
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>
<b>TOTAL ASSETS</b>	<u>\$ 930,629</u>	<u>\$ 950,438</u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

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

<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 930,629</u>	<u>\$ 950,438</u>
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**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>
<b>REVENUES</b>		
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
<b>EXPENDITURES</b>		
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
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>658,666</u>	<u>379,060</u>
<b>FUND BALANCE, END OF YEAR</b>	<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>
<b>ASSETS</b>		
Temporary cash investment	\$ 50,621	\$ 19,956
<b>TOTAL ASSETS</b>	<u>\$ 50,621</u>	<u>\$ 19,956</u>

**LIABILITIES AND FUND BALANCE**

**FUND BALANCE**

Unreserved - undesignated	\$ 50,621	\$ 19,956
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<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>
<b>REVENUES</b>		
Foreign fire insurance tax	\$ 44,575	\$ 35,572
Interest income	136	166
	<hr/>	<hr/>
Total revenues	44,711	35,738
	<hr/>	<hr/>
<b>EXPENDITURES</b>		
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
	<hr/>	<hr/>
Total expenditures	14,046	36,607
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	30,665	(869)
 <b>FUND BALANCE, BEGINNING OF YEAR</b>		
	<hr/>	<hr/>
	19,956	20,825
 <b>FUND BALANCE, END OF YEAR</b>		
	<hr/>	<hr/>
	\$ 50,621	\$ 19,956
	<hr/>	<hr/>

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

**ASSETS**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
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>
 <b>TOTAL ASSETS</b>	 <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>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 7,382,197</u>	<u>\$ 7,260,450</u>
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**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>
<b>REVENUES</b>		
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		
<b>EXPENDITURES</b>		
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)
<b>OTHER FINANCING SOURCES (USES)</b>		
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
<b>FUND BALANCE, BEGINNING OF YEAR</b>	6,361,550	4,282,199
Residual equity transfers in	<u>-</u>	<u>2,007,010</u>
<b>FUND BALANCE, END OF YEAR</b>	<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>
<b>ASSETS</b>		
Temporary cash investments	\$ -	\$ 108,176
Due from other funds	-	26,483
	-	134,659
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 134,659</b>

**LIABILITIES AND FUND BALANCE**

**FUND BALANCE**

Reserved for project costs	\$ -	\$ 134,659
	-	134,659
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 134,659</b>

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

<b>ASSETS</b>				
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b><u>2008</u></b>	<b><u>2007</u></b>
<b>CURRENT ASSETS</b>				
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				
<b>RESTRICTED ASSETS</b>				
Temporary cash investments	<u>6,206,083</u>	<u>1,667,431</u>	<u>7,873,514</u>	<u>1,493,339</u>
<b>FIXED ASSETS</b>				
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>
<b>OTHER ASSETS</b>				
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				
 <b>TOTAL ASSETS</b>	 <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**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2008</b>	<b>2007</b>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>				
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
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>				
Deposits	28,314	-	28,314	30,860
<b>LONG-TERM LIABILITIES</b>				
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
<b>FUND EQUITIES</b>				
Retained earnings: Unreserved	15,025,741	9,154,225	24,179,966	22,806,744
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<b>\$ 24,642,339</b>	<b>\$ 17,428,731</b>	<b>\$ 42,071,070</b>	<b>\$ 34,398,531</b>

**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**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b><u>2008</u></b>	<b><u>2007</u></b>
<b>OPERATING REVENUES</b>				
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	<u>91,098</u>	<u>54,990</u>	<u>146,088</u>	<u>98,175</u>
Total operating revenues	<u>7,550,848</u>	<u>3,787,406</u>	<u>11,338,254</u>	<u>9,646,677</u>
<b>OPERATING EXPENSES</b>				
Water department	5,568,192	-	5,568,192	5,066,392
Sewer department	162,708	-	162,708	115,648
Senior citizen complex	<u>-</u>	<u>2,084,943</u>	<u>2,084,943</u>	<u>1,905,497</u>
Total operating expenses	<u>5,730,900</u>	<u>2,084,943</u>	<u>7,815,843</u>	<u>7,087,537</u>
Operating income before depreciation	1,819,948	1,702,463	3,522,411	2,559,140
<b>DEPRECIATION</b>	<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>
<b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>				
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	<u>196,376</u>	<u>60,836</u>	<u>257,212</u>	<u>55,416</u>
Total non-operating revenues (expenses) and transfers	<u>(330,444)</u>	<u>(464,848)</u>	<u>(795,292)</u>	<u>(648,887)</u>
<b>NET INCOME</b>	760,849	626,357	1,387,206	631,856
<b>FUND EQUITIES, BEGINNING OF YEAR</b>				
Change in accounting principle	<u>(13,984)</u>	<u>-</u>	<u>(13,984)</u>	<u>9,309,386</u>
<b>FUND EQUITIES, END OF YEAR</b>	<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**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<u><b>2008</b></u>	<u><b>2007</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
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				
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfers out	<u>(287,756)</u>	<u>(116,145)</u>	<u>(403,901)</u>	<u>(228,358)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
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**

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

**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>
<b>CURRENT ASSETS</b>		
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
 <b>RESTRICTED ASSETS</b>		
Temporary cash investments	6,206,083	30,860
 <b>PROPERTY, BUILDING AND EQUIPMENT - NET</b>		
	16,100,260	15,437,153
 <b>OTHER ASSETS</b>		
Bond issue costs	80,082	-
	80,082	-
 <b>TOTAL ASSETS</b>		
	<b>\$ 24,642,339</b>	<b>\$ 16,714,008</b>

**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>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>		
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>
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>		
Deposits	<u>28,314</u>	<u>30,860</u>
<b>LONG-TERM LIABILITIES</b>		
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>
<b>FUND EQUITY</b>		
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>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<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>
<b>OPERATING REVENUES</b>		
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>
<b>OPERATING EXPENSES</b>		
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
<b>DEPRECIATION</b>	<u>728,655</u>	<u>698,592</u>
Operating income (loss)	<u>1,091,293</u>	<u>(12,321)</u>
<b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>		
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>
<b>NET INCOME (LOSS)</b>	760,849	(264,912)
<b>FUND EQUITY, BEGINNING OF YEAR</b>	14,278,876	5,234,402
Change in accounting principle	<u>(13,984)</u>	<u>9,309,386</u>
<b>FUND EQUITY, END OF YEAR</b>	<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>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
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>
 <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Operating transfers out	<u>(287,756)</u>	<u>(228,358)</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
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><b>2008</b></u>	<u><b>2007</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Earnings on investments	<u>196,376</u>	<u>8,812</u>
 <b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS</b>	 7,165,576	 (37,589)
 <b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	 <u>427,200</u>	 <u>464,789</u>
 <b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	 <u><u>\$ 7,592,776</u></u>	 <u><u>\$ 427,200</u></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>
<b>WATER DEPARTMENT</b>		
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>
<b>SEWER DEPARTMENT</b>		
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>
<b>TOTAL OPERATING EXPENSES</b>	<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**

<b>ASSETS</b>		<b>Totals</b>			
	<u>Heritage I</u>	<u>Heritage II</u>	<u>2008</u>	<u>2007</u>	
<b>CURRENT ASSETS</b>					
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>	
<b>RESTRICTED ASSETS</b>					
Temporary cash investments	<u>-</u>	<u>1,667,431</u>	<u>1,667,431</u>	<u>1,462,479</u>	
<b>PROPERTY, BUILDING AND EQUIPMENT - NET</b>					
	<u>6,089,124</u>	<u>8,764,610</u>	<u>14,853,734</u>	<u>15,311,509</u>	
<b>OTHER ASSETS</b>					
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>	
<b>TOTAL ASSETS</b>	<u>\$ 6,251,912</u>	<u>\$ 11,176,819</u>	<u>\$ 17,428,731</u>	<u>\$ 17,684,523</u>	
<b>LIABILITIES AND FUND EQUITIES</b>					
<b>CURRENT LIABILITIES</b>					
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	
<b>LONG-TERM LIABILITIES</b>					
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	
<b>FUND EQUITIES</b>					
Retained earnings - unreserved	<u>2,834,815</u>	<u>6,319,410</u>	<u>9,154,225</u>	<u>8,527,868</u>	
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<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>
<b>OPERATING REVENUES</b>				
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
<b>OPERATING EXPENSES</b>	<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
<b>DEPRECIATION</b>	<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>
<b>NON-OPERATING REVENUES (EXPENSES)</b> <b>AND TRANSFERS</b>				
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>
<b>NET INCOME</b>	73,353	553,004	626,357	896,768
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<u>2,761,462</u>	<u>5,766,406</u>	<u>8,527,868</u>	<u>7,631,100</u>
<b>RETAINED EARNINGS, END OF YEAR</b>	<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>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
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>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfer out	<u>(116,145)</u>	<u>-</u>	<u>(116,145)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
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>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	<u>-</u>	<u>60,836</u>	<u>60,836</u>	<u>46,604</u>
<b>NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS</b>				
	-	198,516	198,516	(193,740)
<b>TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>				
	<u>-</u>	<u>1,975,955</u>	<u>1,975,955</u>	<u>2,169,695</u>
<b>TEMPORARY CASH INVESTMENTS, END OF YEAR</b>				
	<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
<b>TOTAL OPERATING EXPENSES</b>	<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>
<b>ASSETS</b>				
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				
<b>LIABILITIES</b>				
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				
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
	<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**

	<b>Police Pension Fund</b>	<b>Firemen's Pension Fund</b>	<b>Total</b>	
			<b>2008</b>	<b>2007</b>
<b>ADDITIONS</b>				
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>
<b>DEDUCTIONS</b>				
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>
<b>NET INCREASE (DECREASE)</b>	(347,778)	846,291	498,513	2,150,187
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR</b>	<u>14,790,406</u>	<u>15,253,134</u>	<u>30,043,540</u>	<u>27,893,353</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR</b>	<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>
<b>Assessed valuation</b>	<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>
<b>Tax rates:</b>					
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>
<b>Tax levies:</b>					
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>
<b>Collections:</b>					
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**

		<b>Tax Year <u>2007</u></b>
<b>Assessed valuation</b>		<u>\$ 710,758,298</u>
Statutory debt limitation (8.625% of assessed valuation)		\$ 61,302,903
<b>Total debt:</b>		
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>
<b>Legal debt margin</b>		<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