

VILLAGE OF ALSIP, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2010

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO THE STATE OF ILLINOIS
PUBLIC ACT 85-1142, SUBSECTION (Q) OF SECTION 11-74.4-3 107**

Independent Auditor's Report

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Alsip, Illinois (the "Village") as of and for the year ended April 30, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgeting comparison for the General and Road and Bridge Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 3 through 12 and the pension information on pages 54 through 57 are not required parts of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the Village's basic financial statements for the year ended April 30, 2009, which are not presented with the accompanying financial statements. In our report dated

October 23, 2009, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2009 combining and individual fund statements and supporting schedules are fairly presented in all material respects in relation to the basic financial statements for the year ended April 30, 2009, taken as a whole.

Clifton Gunderson LLP

Oak Brook, Illinois
November 1, 2010

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010

The Village of Alsip (the "Village") offers readers of the Village's financial statements this narrative overview and analysis of the financial activity of the Village for the fiscal year ended April 30, 2010. Readers are encouraged to consider the information presented here in conjunction with the Village's financial statements which begin on page 13 of this report.

Financial Highlights

The Village's net assets total \$30,492,009. Net assets for governmental activities account for \$4,159,878 or 16% of the total and business-type activities account for \$26,332,131 or 84%.

The government's total net assets decreased by \$1,430,776 during fiscal year 2010, due to the current economic climate. As a result of reduced revenues, the Village made no new capital expenditures in governmental activities during fiscal year 2010.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$14,618,804.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$5,173,158 or 32.1% of total General Fund expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010

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

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

Fund Financial Statements

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

Governmental Funds

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

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

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

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

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

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010**

Proprietary Funds

The Village 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, Storm Water Management and Senior Housing Funds.

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

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

Fiduciary Funds

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 52 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 53 through 56 of this report. Combining and individual fund statements and schedules can be found on pages 58 through 102 of this report.

Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$30,492,009 at the close of the most recent fiscal year.

By far, the largest portion of the Village's net assets (59.1%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010**

**Condensed Statement of Net Assets
As of April 30, 2010 and 2009
(In Millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current and other assets	\$ 21.0	\$ 16.7	\$ 12.8	\$ 10.0	\$ 33.8	\$ 26.7
Capital assets	<u>16.5</u>	<u>18.3</u>	<u>31.4</u>	<u>30.3</u>	<u>47.9</u>	<u>48.6</u>
Total assets	<u>\$ 37.5</u>	<u>\$ 35.0</u>	<u>\$ 44.2</u>	<u>\$ 40.3</u>	<u>\$ 81.7</u>	<u>\$ 75.3</u>
Long-term liabilities	\$ 29.7	\$ 25.2	\$ 13.6	\$ 11.1	\$ 43.3	\$ 36.3
Other liabilities	<u>3.6</u>	<u>3.2</u>	<u>4.3</u>	<u>4.0</u>	<u>7.9</u>	<u>7.2</u>
Total liabilities	<u>\$ 33.3</u>	<u>\$ 28.4</u>	<u>\$ 17.9</u>	<u>\$ 15.1</u>	<u>\$ 51.2</u>	<u>\$ 43.5</u>
Net assets:						
Invested in capital assets, net of debt	\$ 1.6	\$ 5.6	\$ 16.4	\$ 17.8	\$ 18.0	\$ 23.4
Restricted	9.7	6.3	-	-	9.7	6.3
Unrestricted (deficit)	<u>(7.2)</u>	<u>(5.2)</u>	<u>9.9</u>	<u>7.4</u>	<u>2.7</u>	<u>2.2</u>
Total net assets (deficit)	<u>\$ 4.1</u>	<u>\$ 6.7</u>	<u>\$ 26.3</u>	<u>\$ 25.2</u>	<u>\$ 30.4</u>	<u>\$ 31.9</u>

A portion of the Village's net assets (\$9.7 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 \$7.2 million. This is mostly due to a negative fund balance in the road and bridge fund, and the issuance of new bond debt in fiscal year 2010.

At the end of the current fiscal year, the Village 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 decreased in fiscal year ended 2010 from \$31.9 million to \$30.4 million and increased in fiscal year ended 2009 from \$31.7 million to \$31.9 million.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010

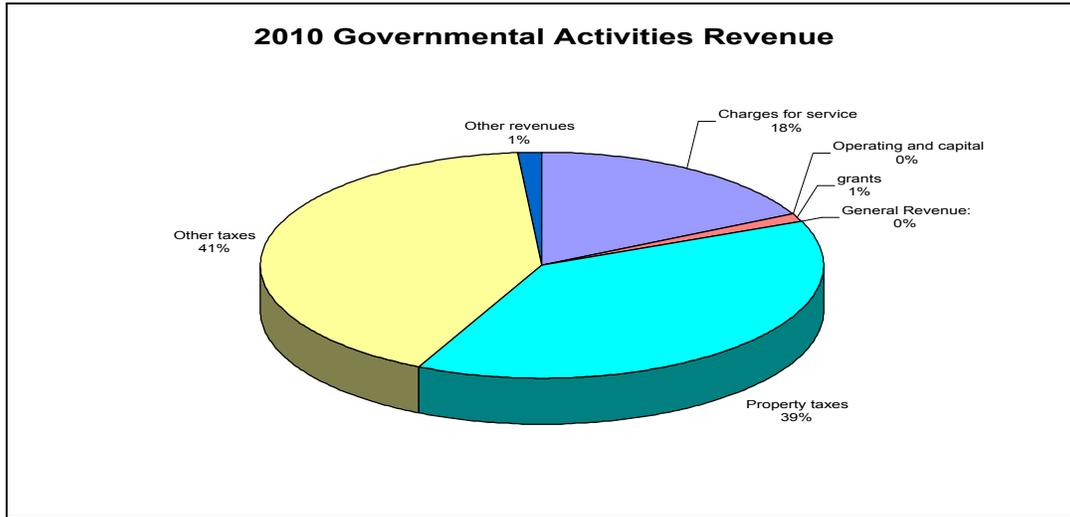
Change in Net Assets

The fiscal year 2010 activities of the Village caused the net assets to decrease by \$1.4 million (governmental activities, \$2.0 million decrease and business-type activities, \$.6 million increase). Key elements are as follows:

Changes in Net Assets	For the Fiscal Years Ended April 30, 2010 and 2009 (In Millions)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenue						
Program revenues:						
Charges for service	\$ 3.7	\$ 2.9	\$ 12.1	\$ 11.4	\$ 15.8	\$ 14.3
Operating and capital grants	0.2	0.2	-	-	0.2	0.2
General revenue:						
Property taxes	8.2	8.1	-	-	8.2	8.1
Other taxes	8.7	9.7	-	-	8.7	9.7
Other revenues	<u>0.3</u>	<u>0.7</u>	<u>0.1</u>	<u>0.1</u>	<u>0.4</u>	<u>0.7</u>
Total revenue	<u>21.1</u>	<u>21.6</u>	<u>12.2</u>	<u>11.5</u>	<u>33.3</u>	<u>33.0</u>
Expenses						
Governmental activities:						
General government	2.1	2.2	-	-	2.1	2.2
Public safety	15.9	15.3	-	-	15.9	15.3
Road and bridge	3.3	3.3	-	-	3.3	3.3
Building	0.4	0.3	-	-	0.4	0.3
Health and welfare	1.1	1.0	-	-	1.1	1.0
Drainage and forestry	-	-	-	-	-	-
Interest	0.6	0.6	-	-	0.7	0.6
Business-type:						
Water	-	-	8.0	6.7	8.0	6.7
Sewer	-	-	0.2	0.2	0.2	0.2
Senior Citizen Complex	<u>-</u>	<u>-</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>
Total expenses	<u>23.4</u>	<u>22.7</u>	<u>11.3</u>	<u>10.0</u>	<u>34.8</u>	<u>32.7</u>
Revenues over expenses	(2.3)	(1.1)	0.9	1.5	(1.5)	0.3
Transfers	<u>0.3</u>	<u>0.4</u>	<u>(0.3)</u>	<u>(0.4)</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>\$ (2.0)</u>	<u>\$ (0.7)</u>	<u>\$ 0.6</u>	<u>\$ 1.1</u>	<u>\$ (1.5)</u>	<u>\$ 0.3</u>

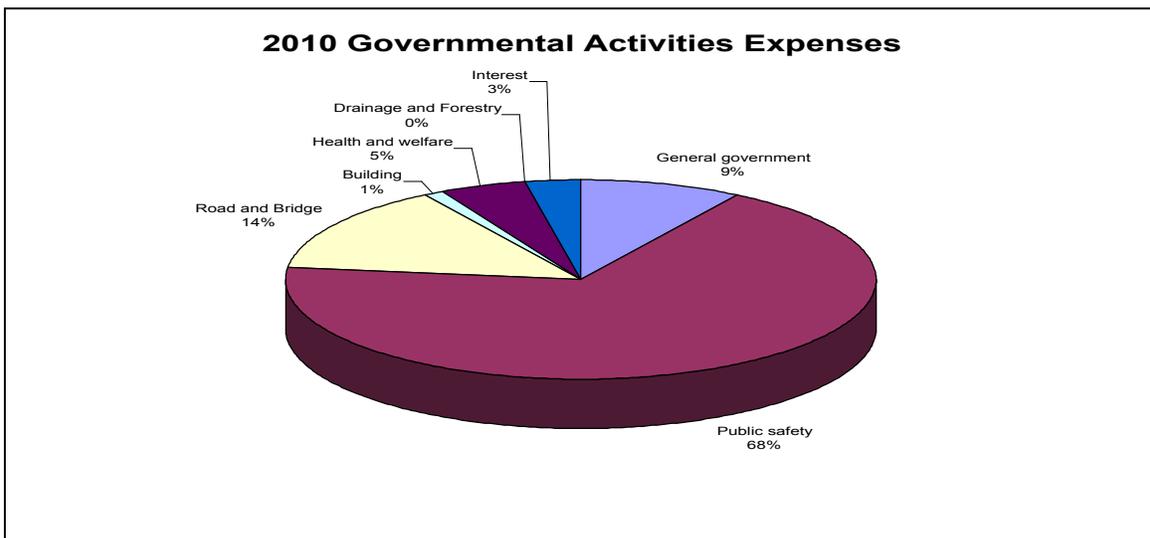
**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010**

Revenues:



For the fiscal year ended April 30, 2010, revenues from governmental activities totaled \$21.1 million, signifying a decrease in revenues of approximately \$.5 million over the previous fiscal year. Property taxes totaled \$8.2 million representing 38.9% of the total governmental activity revenue. Other taxes, at \$8.7 million, are primarily attributable to the Village's sales, state income, fuel and real estate transfer taxes, realized a decrease of approximately \$1.0 million over the 2009 fiscal year. This change was mainly due to reduced sales tax income related to the current economic climate.

Expenses:



For the fiscal year ended April 30, 2010, expenses for governmental activities totaled \$23.4 million, a \$.7 million increase over the previous fiscal year.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010**

Business-type Activities

This fiscal year saw an increase in total charges for services of approximately \$1.3 million. Business-type activities increased the Village's net assets by \$591,841. Key elements of this increase were continued capital projects.

Financial Analysis of the Government's Funds

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

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

At April 30, 2010, the governmental funds reported a combined fund balance of \$14,618,804, an increase of \$3,952,270 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 \$3,515 from the previous fiscal year.

General Fund Budgetary Highlights

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 17,328,000	\$ 17,328,000	\$ 16,036,989
Expenditures	<u>16,510,730</u>	<u>16,429,632</u>	<u>16,095,323</u>
Excess of revenues over expenditures	817,270	898,368	(58,334)
Other financial sources	<u>-</u>	<u>-</u>	<u>54,819</u>
Net changes in fund balance	<u>\$ 817,270</u>	<u>\$ 898,368</u>	<u>\$ (3,515)</u>

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

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Water sales during fiscal year ended 2010 were \$508,553 higher than the previous fiscal year. This was the result of an ordinance approved by the Board that increases water and sewer rates each year for the next three years. Fiscal year 2009 was the first full year of that increase.

Capital Asset and Debt Administration

Capital Assets - The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2010 amounts to \$47,892,398 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, highways, and bridges.

Changes in Net Assets

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	Land	\$ 0.4	\$ -	\$ 1.9	\$ 1.9	\$ 2.3
Improvements	0.5	0.5	4.0	3.7	4.5	4.2
Construction in progress	0.1	0.2	1.6	-	1.7	0.2
Buildings	4.6	4.9	9.6	10.6	14.2	15.5
Machinery and equipment	1.1	1.2	0.6	0.8	1.7	2.0
Infrastructure	8.5	10.4	13.6	14.0	22.1	24.4
Vehicles	1.3	1.6	0.1	-	1.4	1.6
Total	<u>\$ 16.5</u>	<u>\$ 18.8</u>	<u>\$ 31.4</u>	<u>\$ 31.0</u>	<u>\$ 47.9</u>	<u>\$ 49.8</u>

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

Long-term Debt - At the end of the fiscal year 2010, the Village had total bonded debt outstanding of \$29,872,198. Of this amount, 100% comprises debt backed by the full faith and credit of the government.

Outstanding General Obligation Debt (in Millions)

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	General obligation bonds	<u>\$ 14.8</u>	<u>\$ 12.6</u>	<u>\$ 15.1</u>	<u>\$ 12.6</u>	<u>\$ 29.9</u>

The Village made principal payments on outstanding general obligation bonds in the current year of \$3,150,475, in accordance with the terms of the various bond issues.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010

In fiscal year ended 2008, the Village was assigned an A1 rating from Moody's and an AA rating from Standard & Poor's. The Village refinanced a portion of debt in August 2010 and both ratings were affirmed by the respective ratings agencies. The Village as a home rule authority is not limited to the amount of general obligation debt it may issue, except that any debt issue may not exceed a 40-year payment period. The 2010 total per capita general obligation debt for the community is \$1,512.

Additional information on the Village's long-term debt can be found in Note 4E on pages 42 through 46 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 2011, the Village will continue negotiations dealing with the redevelopment of the 123rd Street TIF and the remainder of Cicero Avenue to 119th Street. This redevelopment is anticipated to bring retail growth, providing additional sales and property tax to the Village. It is anticipated that construction within the TIF area will begin in the spring of 2011.
- The Village is continuing the program begun in fiscal year 2009 to upgrade the water system. These improvements include major renovations and replacement of water and sewer infrastructure. One of these projects is a new connection for service to Crestwood and Palos that in addition to providing better service to those communities, will allow us to use existing infrastructure to better serve the neighborhoods on the far west border of the Village. Construction of this new water line is expected to be completed in October 2010. Other on-going projects, including replacement of various water mains, upgrading of the Village's storage capacity and improvements to multiple lift stations in the community were begun in fiscal year 2010 and are anticipated to be completed in fiscal year 2011.
- In August 2009, the Village issued bonds, under the federal "Build America Bonds" program. The proceeds from these bonds are being used for a program of major roadway improvements. This will include both replacement and reconstruction of selected streets, both residential and commercial, in accordance with the Village's approved roadway program. At the end of fiscal year 2010, the first of three phases of this program had been completed. Additionally, some of the funds derived from the sale of these bonds will be used to make capital improvements to Village owned senior housing.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2010**

- In response to the current economic downturn, the Village has taken a number of steps to address declining revenues related to housing and employment. Those measures include, on the expense side, not filling some vacant positions, restricting capital purchases and working with the unions that represent our employees to minimize further staff reductions. Additionally, the Village imposed increased fees for vendors that sell at the Tri-State flea market along with an increase in the fees collected from storage facilities. These increases will be recognized beginning in fiscal year 2011.
- In 2006, the Board began a multi-phase program to create a plan for an identifiable "Main Street" for the Village located along Pulaski Avenue from 115th Street to 123rd Street. In fiscal year 2010, the Village Board began the process of designating this area a Tax Incremental Financing District. It is expected that this designation will be formalized in October 2010.

These factors will be prominent in the preparation of the Village's budget for the 2011 fiscal year.

Requests for Information

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
April 30, 2010

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 786,792	\$ 100	\$ 786,892
Temporary cash investments	12,394,910	2,553,115	14,948,025
Receivables (net of allowance for uncollectibles)	7,122,878	964,902	8,087,780
Internal balances	(245,901)	245,901	-
Bond issuance costs	-	249,001	249,001
Deposits	-	168,315	168,315
Prepaid expenses	9,044	3,755	12,799
Restricted assets:			
Temporary cash investments	948,259	8,599,511	9,547,770
Capital assets (net of accumulated depreciation):			
Land	350,000	1,886,953	2,236,953
Buildings	4,605,440	9,561,778	14,167,218
Improvements	537,164	3,981,470	4,518,634
System infrastructure	8,465,721	13,565,572	22,031,293
Machinery and equipment	1,157,764	645,658	1,803,422
Furniture and fixtures	53,976	-	53,976
Vehicles	1,275,883	141,628	1,417,511
Construction in progress	31,310	1,632,081	1,663,391
	<u>37,493,240</u>	<u>44,199,740</u>	<u>81,692,980</u>
Total assets			
LIABILITIES			
Accounts payable and other current liabilities	1,383,494	2,251,203	3,634,697
Accrued interest payable	157,180	165,432	322,612
Intergovernmental liability	72,579	-	72,579
Due to fiduciary funds	103,662	-	103,662
Deposits	-	328,720	328,720
Deferred other revenue	4,782	-	4,782
Payable from restricted accounts:			
Customer deposits	-	28,039	28,039
Noncurrent liabilities:			
Due within one year	1,901,107	1,449,848	3,350,955
Due in more than one year	29,710,558	13,644,367	43,354,925
	<u>33,333,362</u>	<u>17,867,609</u>	<u>51,200,971</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	1,640,407	16,379,523	18,019,930
Restricted for:			
Debt service	8,893,389	-	8,893,389
Other	803,503	-	803,503
Unrestricted	<u>(7,177,421)</u>	<u>9,952,608</u>	<u>2,775,187</u>
TOTAL NET ASSETS	<u>\$ 4,159,878</u>	<u>\$ 26,332,131</u>	<u>\$ 30,492,009</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:						
Governmental activities:						
General government	\$ 2,143,958	\$ 711,211	\$ 31,818	\$ (1,400,929)	\$ -	\$ (1,400,929)
Public safety	15,886,565	1,879,829	147,992	(13,858,744)	-	(13,858,744)
Highway and streets	3,293,642	569,652	-	(2,723,990)	-	(2,723,990)
Building	346,210	73,801	-	(272,409)	-	(272,409)
Health and environmental control	1,096,076	507,118	-	(588,958)	-	(588,958)
Drainage and storm sewers	6,021	-	-	(6,021)	-	(6,021)
Forestry maintenance	19,551	-	-	(19,551)	-	(19,551)
Capital projects	31,310	-	-	(31,310)	-	(31,310)
Interest on long-term debt	595,045	-	-	(595,045)	-	(595,045)
Total governmental activities	<u>23,418,378</u>	<u>3,741,611</u>	<u>179,810</u>	<u>(19,496,957)</u>	<u>-</u>	<u>(19,496,957)</u>
Business-type activities:						
Water	7,980,210	7,539,133	-	-	(441,077)	(441,077)
Sewer	221,278	719,858	-	-	498,580	498,580
Senior Citizen Complex	3,097,468	3,807,656	-	-	710,188	710,188
Total business-type activities	<u>11,298,956</u>	<u>12,066,647</u>	<u>-</u>	<u>-</u>	<u>767,691</u>	<u>767,691</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 34,717,334</u>	<u>\$ 15,808,258</u>	<u>\$ 179,810</u>	<u>\$ (19,496,957)</u>	<u>\$ 767,691</u>	<u>\$ (18,729,266)</u>
General revenues:						
Property taxes				\$ 8,192,968	\$ -	\$ 8,192,968
Sales taxes				4,878,102	-	4,878,102
State income taxes				1,729,425	-	1,729,425
Fuel use taxes				525,994	-	525,994
Motor fuel taxes				497,800	-	497,800
Replacement taxes				335,224	-	335,224
Real estate transfer taxes				173,112	-	173,112
Other taxes				558,623	-	558,623
Sale of capital assets				87,782	-	87,782
Unrestricted interest/investment earnings				42,966	57,556	100,522
Other				186,887	32,051	218,938
Transfers				<u>265,457</u>	<u>(265,457)</u>	<u>-</u>
Total general revenues and transfers				<u>17,474,340</u>	<u>(175,850)</u>	<u>17,298,490</u>
CHANGE IN NET ASSETS				<u>(2,022,617)</u>	<u>591,841</u>	<u>(1,430,776)</u>
NET ASSETS - BEGINNING AS PREVIOUSLY REPORTED				6,694,834	25,227,951	31,922,785
Prior period adjustment - see Note 6				<u>(512,339)</u>	<u>512,339</u>	<u>-</u>
NET ASSETS - BEGINNING AS RESTATED				<u>6,182,495</u>	<u>25,740,290</u>	<u>31,922,785</u>
NET ASSETS - ENDING				<u>\$ 4,159,878</u>	<u>\$ 26,332,131</u>	<u>\$ 30,492,009</u>

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

VILLAGE OF ALSIP, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2010

	<u>General</u>	<u>Road and Bridge</u>	<u>Insurance</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash	\$ 786,792	\$ -	\$ -	\$ -	\$ -	\$ 786,792
Temporary cash investments	1,859,382	66,703	-	8,446,404	2,022,421	12,394,910
Receivables (net of allowance for uncollectibles)	5,932,872	93,139	-	656,438	440,429	7,122,878
Due from other funds	2,596,516	-	177,694	554,312	392,822	3,721,344
Prepaid expenses	1,200	2,844	-	-	5,000	9,044
Restricted assets:						
Temporary cash investments	<u>285,072</u>	<u>-</u>	<u>663,187</u>	<u>-</u>	<u>-</u>	<u>948,259</u>
TOTAL ASSETS	<u>\$ 11,461,834</u>	<u>\$ 162,686</u>	<u>\$ 840,881</u>	<u>\$ 9,657,154</u>	<u>\$ 2,860,672</u>	<u>\$ 24,983,227</u>
LIABILITIES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable and other current liabilities	\$ 716,653	\$ 107,643	\$ 345,375	\$ 9,428	\$ 204,395	\$ 1,383,494
Intergovernmental liability	-	-	-	72,579	-	72,579
Deferred property and other tax revenue	3,685,443	93,139	-	656,438	397,641	4,832,661
Deferred other revenue	4,782	-	-	-	-	4,782
Due to other funds	<u>1,741,482</u>	<u>2,092,946</u>	<u>-</u>	<u>25,320</u>	<u>211,159</u>	<u>4,070,907</u>
Total liabilities	<u>6,148,360</u>	<u>2,293,728</u>	<u>345,375</u>	<u>763,765</u>	<u>813,195</u>	<u>10,364,423</u>
FUND BALANCES (DEFICIT)						
Reserved for:						
Reserved for prepaid expenses	1,200	-	-	-	-	1,200
Reserved for police department use in excess of budget	139,116	-	-	-	-	139,116
Reserved for insurance	-	-	663,187	-	-	663,187
Reserved for debt service	-	-	-	8,893,389	-	8,893,389
Unreserved, reported in:						
General fund	5,173,158	-	-	-	-	5,173,158
Special revenue funds	<u>-</u>	<u>(2,131,042)</u>	<u>(167,681)</u>	<u>-</u>	<u>2,047,477</u>	<u>(251,246)</u>
Total fund balances (deficit)	<u>5,313,474</u>	<u>(2,131,042)</u>	<u>495,506</u>	<u>8,893,389</u>	<u>2,047,477</u>	<u>14,618,804</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 11,461,834</u>	<u>\$ 162,686</u>	<u>\$ 840,881</u>	<u>\$ 9,657,154</u>	<u>\$ 2,860,672</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	16,477,258.00
Receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	4,832,661
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(31,768,845)</u>

\$ 4,159,878

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

VILLAGES OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2010

	<u>General</u>	<u>Road and Bridge</u>	<u>Insurance</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
REVENUES						
Taxes	\$ 12,992,140	\$ 732,731	\$ -	\$ 1,234,399	\$ 1,529,882	\$ 16,489,152
Fines	442,297	-	-	-	-	442,297
Licenses and permits	382,732	357,807	-	-	566,251	1,306,790
Grants	179,810	-	-	-	-	179,810
Charges for services	507,118	-	-	-	-	507,118
Investment income	3,153	-	1,946	34,008	3,859	42,966
Miscellaneous	1,466,053	226,268	2,767,587	-	70,391	4,530,299
Total revenues	<u>15,973,303</u>	<u>1,316,806</u>	<u>2,769,533</u>	<u>1,268,407</u>	<u>2,170,383</u>	<u>23,498,432</u>
EXPENDITURES						
Current: General government	1,380,782	-	-	-	-	1,380,782
Public safety	10,269,933	-	-	-	365,462	10,635,395
Highways and streets	-	1,259,670	-	-	512,151	1,771,821
Building	214,956	-	-	-	-	214,956
Health and environmental control	1,076,960	-	-	-	-	1,076,960
Insurance	3,021,581	-	3,130,779	-	-	6,152,360
Drainage and storm sewers	-	6,021	-	-	-	6,021
Forestry maintenance	-	19,551	-	-	-	19,551
Miscellaneous	24,308	-	-	126,282	8,492	159,082
Debt service: Principal retirement	101,414	17,281	-	1,732,432	62,143	1,913,270
Interest and fiscal charges	5,389	1,819	-	525,833	19,870	552,911
Total expenditures	<u>16,095,323</u>	<u>1,304,342</u>	<u>3,130,779</u>	<u>2,384,547</u>	<u>968,118</u>	<u>23,883,109</u>
Excess (deficiency) of revenues over expenditures	<u>(122,020)</u>	<u>12,464</u>	<u>(361,246)</u>	<u>(1,116,140)</u>	<u>1,202,265</u>	<u>(384,677)</u>
OTHER FINANCING SOURCES (USES)						
Operating transfer in	63,686	-	-	1,141,353	31,310	1,236,349
Operating transfer out	-	(30,000)	-	(81,539)	(859,353)	(970,892)
Sale of Village property	54,819	-	-	-	-	54,819
Issuance of refunding bonds	-	-	-	3,944,671	-	3,944,671
Loan proceeds	-	72,000	-	-	-	72,000
Total other financing sources (uses)	<u>118,505</u>	<u>42,000</u>	<u>-</u>	<u>5,004,485</u>	<u>(828,043)</u>	<u>4,336,947</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(3,515)</u>	<u>54,464</u>	<u>(361,246)</u>	<u>3,888,345</u>	<u>374,222</u>	<u>3,952,270</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS PREVIOUSLY REPORTED	5,316,989	(2,185,506)	856,752	5,517,383	1,673,255	11,178,873
Prior period adjustment - see Note 6	-	-	-	(512,339)	-	(512,339)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS RESTATED	<u>5,316,989</u>	<u>(2,185,506)</u>	<u>856,752</u>	<u>5,005,044</u>	<u>1,673,255</u>	<u>10,666,534</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 5,313,474</u>	<u>\$ (2,131,042)</u>	<u>\$ 495,506</u>	<u>\$ 8,893,389</u>	<u>\$ 2,047,477</u>	<u>\$ 14,618,804</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, 2010

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)	\$ 3,952,270
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, \$2,109,761, exceeded capital outlays, \$305,398, in the current period.	(1,804,363)
The effect of miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to decrease net assets by the undepreciated balance of the capital assets.	(57,463)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	402,096
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.	(2,041,948)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(2,473,209)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14)	<u>\$ (2,022,617)</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, 2010

	General				Road and Bridge			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES								
Taxes	\$ 14,432,000	\$ 14,432,000	\$ 13,196,613	\$ (1,235,387)	\$ 1,582,000	\$ 1,542,000	\$ 732,731	\$ (809,269)
Fines	720,000	720,000	442,297	(277,703)	-	-	-	-
Licenses and permits	520,000	520,000	382,732	(137,268)	385,000	385,000	357,807	(27,193)
Grants	110,000	110,000	179,810	69,810	-	-	-	-
Charges for services	510,000	510,000	451,176	(58,824)	-	-	-	-
Investment income	-	-	3,153	3,153	-	-	-	-
Miscellaneous	1,036,000	1,036,000	1,488,534	452,534	134,000	134,000	226,268	92,268
Total revenues	<u>17,328,000</u>	<u>17,328,000</u>	<u>16,144,315</u>	<u>(1,183,685)</u>	<u>2,101,000</u>	<u>2,061,000</u>	<u>1,316,806</u>	<u>(744,194)</u>
EXPENDITURES								
Current: General government	1,584,200	1,540,270	1,359,130	181,140	-	-	-	-
Public safety	10,590,319	10,553,151	10,689,645	(136,494)	-	-	-	-
Highway and streets	-	-	-	-	1,433,258	1,403,258	1,289,003	114,255
Building	235,210	235,210	221,397	13,813	-	-	-	-
Health and environmental control	1,116,000	1,116,000	991,057	124,943	-	-	-	-
Drainage and storm sewers	-	-	-	-	32,500	32,500	6,021	26,479
Forestry maintenance	-	-	-	-	33,800	33,800	20,856	12,944
Insurance	2,909,000	2,909,000	3,094,520	(185,520)	-	-	-	-
Miscellaneous	52,001	52,001	24,131	27,870	-	-	-	-
Debt service: Principal retirement	24,000	24,000	101,414	(77,414)	84,000	-	17,281	(17,281)
Interest and fiscal charges	-	-	5,389	(5,389)	-	-	1,819	(1,819)
Total expenditures	<u>16,510,730</u>	<u>16,429,632</u>	<u>16,486,683</u>	<u>(57,051)</u>	<u>1,583,558</u>	<u>1,469,558</u>	<u>1,334,980</u>	<u>134,578</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 817,270</u>	<u>\$ 898,368</u>	<u>\$ (342,368)</u>	<u>\$ (1,240,736)</u>	<u>\$ 517,442</u>	<u>\$ 591,442</u>	<u>\$ (18,174)</u>	<u>\$ (609,616)</u>

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

**VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2010**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	1,871,129	681,986	2,553,115
Receivables (net of allowance for uncollectibles)	964,902	-	964,902
Prepaid insurance/expense	-	3,755	3,755
Due from other funds	<u>652,875</u>	<u>79,485</u>	<u>732,360</u>
Total current assets	<u>3,489,006</u>	<u>765,226</u>	<u>4,254,232</u>
Noncurrent assets:			
Restricted temporary cash investments	4,105,113	4,494,398	8,599,511
Bond issuance costs	73,314	175,687	249,001
Deposits	<u>-</u>	<u>168,315</u>	<u>168,315</u>
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,698,198	18,522,067
Building improvements	36,138	5,745,142	5,781,280
Improvements other than building	-	693,587	693,587
System infrastructure	21,104,287	-	21,104,287
Machinery and equipment	1,638,351	830,849	2,469,200
Vehicles	201,547	-	201,547
Construction in progress	1,632,081	-	1,632,081
Less accumulated depreciation	<u>(11,392,753)</u>	<u>(9,483,109)</u>	<u>(20,875,862)</u>
Total capital assets (net of accumulated depreciation)	<u>17,043,520</u>	<u>14,371,620</u>	<u>31,415,140</u>
Total noncurrent assets	<u>21,221,947</u>	<u>19,210,020</u>	<u>40,431,967</u>
TOTAL ASSETS	<u>\$ 24,710,953</u>	<u>\$ 19,975,246</u>	<u>\$ 44,686,199</u>

	Business-type Activities - Enterprise Funds		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 2,157,457	\$ 93,746	\$ 2,251,203
Accrued interest payable	97,045	68,387	165,432
Security deposits	-	328,720	328,720
Due to other funds	-	486,459	486,459
Current portion of general obligation bonds	<u>249,875</u>	<u>1,199,973</u>	<u>1,449,848</u>
Total current liabilities	<u>2,504,377</u>	<u>2,177,285</u>	<u>4,681,662</u>
Current liabilities payable from restricted assets:			
Deposits	<u>28,039</u>	<u>-</u>	<u>28,039</u>
Noncurrent liabilities:			
Compensated absences payable	11,799	-	11,799
Post employment benefit obligation	46,799	-	46,799
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>6,386,135</u>	<u>7,199,634</u>	<u>13,585,769</u>
Total noncurrent liabilities	<u>6,444,733</u>	<u>7,199,634</u>	<u>13,644,367</u>
Total liabilities	<u>8,977,149</u>	<u>9,376,919</u>	<u>18,354,068</u>
NET ASSETS			
Invested in capital assets, net of related debt	10,407,510	5,972,013	16,379,523
Unrestricted	<u>5,326,294</u>	<u>4,626,314</u>	<u>9,952,608</u>
Total net assets	<u>15,733,804</u>	<u>10,598,327</u>	<u>26,332,131</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 24,710,953</u>	<u>\$ 19,975,246</u>	<u>\$ 44,686,199</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, 2010

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for sales and services:			
Water and sewer sales	\$ 8,144,089	\$ -	\$ 8,144,089
Rental income	-	3,761,989	3,761,989
Other sales and services	<u>143,367</u>	<u>45,667</u>	<u>189,034</u>
Total operating revenues	<u>8,287,456</u>	<u>3,807,656</u>	<u>12,095,112</u>
OPERATING EXPENSES			
Cost of sales and services	7,126,530	2,149,778	9,276,308
Depreciation	<u>766,394</u>	<u>658,882</u>	<u>1,425,276</u>
Total operating expenses	<u>7,892,924</u>	<u>2,808,660</u>	<u>10,701,584</u>
Operating income	<u>394,532</u>	<u>998,996</u>	<u>1,393,528</u>
NON-OPERATING REVENUES (EXPENSES)			
Amortization of bond issuance costs	(3,384)	(21,695)	(25,079)
Amortization of underwriter's discount	(2,310)	(4,044)	(6,354)
Amortization of bond premium	2,923	663	3,586
Note and bond interest and fiscal charges	(302,870)	(263,069)	(565,939)
Investment earnings	<u>23,901</u>	<u>33,655</u>	<u>57,556</u>
Total non-operating revenues (expenses)	<u>(281,740)</u>	<u>(254,490)</u>	<u>(536,230)</u>
Income before transfers	112,792	744,506	857,298
TRANSFERS OUT	<u>(252,000)</u>	<u>(13,457)</u>	<u>(265,457)</u>
Change in net assets	<u>(139,208)</u>	<u>731,049</u>	<u>591,841</u>
NET ASSETS, BEGINNING OF YEAR AS PREVIOUSLY REPORTED	15,611,495	9,616,456	25,227,951
Prior period adjustment - see note 6	<u>261,517</u>	<u>250,822</u>	<u>512,339</u>
NET ASSETS, BEGINNING OF YEAR AS RESTATED	<u>15,873,012</u>	<u>9,867,278</u>	<u>25,740,290</u>
NET ASSETS, END OF YEAR	<u>\$ 15,733,804</u>	<u>\$ 10,598,327</u>	<u>\$ 26,332,131</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 8,176,501	\$ 3,814,226	\$ 11,990,727
Payments to suppliers	(6,608,997)	(1,881,173)	(8,490,170)
Payments to employees	(485,324)	(493,453)	(978,777)
	<u>1,082,180</u>	<u>1,439,600</u>	<u>2,521,780</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers out	<u>(252,000)</u>	<u>(13,457)</u>	<u>(265,457)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of property and building and building improvements	(1,954,217)	(616,621)	(2,570,838)
Proceeds from sale of property, building and equipment	4,200	-	4,200
Proceeds from issuance of bonds payable	-	3,811,142	3,811,142
Principal payments on note payable	(45,479)	-	(45,479)
Principal payments on bonds payable	(239,875)	(1,209,343)	(1,449,218)
Interest paid on notes and bonds	(302,870)	(189,106)	(491,976)
	<u>(2,538,241)</u>	<u>1,796,072</u>	<u>(742,169)</u>
Net cash used in capital and related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	<u>23,901</u>	<u>33,655</u>	<u>57,556</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS			
	(1,684,160)	3,255,870	1,571,710
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR			
	<u>7,660,502</u>	<u>1,920,514</u>	<u>9,581,016</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR			
	<u>\$ 5,976,342</u>	<u>\$ 5,176,384</u>	<u>\$ 11,152,726</u>

	Business-type Activities - Enterprise Funds		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 394,532	\$ 998,996	\$ 1,393,528
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	766,394	658,882	1,425,276
Gain on sale of property, building and equipment	(1,300)	-	(1,300)
Effects of changes in operating assets and liabilities:			
Receivables - account customers	(42,854)	-	(42,854)
Receivables - unbilled charges	(66,801)	-	(66,801)
Due from other funds	(174,148)	44,805	(129,343)
Prepaid insurance/expense	-	3,737	3,737
Utility overpayment	1,512	-	1,512
Deposits	-	(5,171)	(5,171)
Accounts payable	187,126	4,088	191,214
Due to other funds	-	(272,307)	(272,307)
Other accrued expenses	1,683	-	1,683
Security deposits	-	6,570	6,570
Post employment benefit obligation	14,881	-	14,881
Restricted liabilities	1,155	-	1,155
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,082,180</u>	<u>\$ 1,439,600</u>	<u>\$ 2,521,780</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, 2010

	Pension Trust		Totals
	Police Pension	Firemen's Pension	
ASSETS			
Cash and cash equivalents	\$ 2,270,154	\$ 2,506,491	\$ 4,776,645
Receivables:			
Contributions	1,002,213	715,180	1,717,393
Accrued interest	67,617	64,484	132,101
Due from other funds	185,063	-	185,063
Investments, at fair value:			
U.S. Government securities	5,906,448	7,159,331	13,065,779
Mutual funds	3,922,729	4,400,599	8,323,328
Stocks	1,529,183	1,744,111	3,273,294
Insurance contracts	-	657,795	657,795
	<u>14,883,407</u>	<u>17,247,991</u>	<u>32,131,398</u>
Total assets			
LIABILITIES			
Accrued liabilities	4,081	-	4,081
Deferred contributions	981,870	715,180	1,697,050
Due to other funds	-	81,401	81,401
	<u>985,951</u>	<u>796,581</u>	<u>1,782,532</u>
Total liabilities			
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 13,897,456</u>	<u>\$ 16,451,410</u>	<u>\$ 30,348,866</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, 2010

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	
ADDITIONS			
Contributions:			
Employer	\$ 1,864,246	\$ 1,059,651	\$ 2,923,897
Employee	266,794	256,330	523,124
	<u>2,131,040</u>	<u>1,315,981</u>	<u>3,447,021</u>
Total contributions			
Investment earnings:			
Net appreciation in fair value of investments	1,512,495	1,394,369	2,906,864
Dividends	84,727	69,314	154,041
Interest	254,590	259,899	514,489
Miscellaneous income	-	669	669
	<u>1,851,812</u>	<u>1,724,251</u>	<u>3,576,063</u>
Total investment earnings			
Less investment expense	<u>52,768</u>	<u>82,681</u>	<u>135,449</u>
Net investment earnings	<u>1,799,044</u>	<u>1,641,570</u>	<u>3,440,614</u>
Total additions	<u>3,930,084</u>	<u>2,957,551</u>	<u>6,887,635</u>
DEDUCTIONS			
Retirement benefits	2,015,668	499,239	2,514,907
Duty disability benefits	27,444	472,837	500,281
Surviving spouse benefits	47,228	189,456	236,684
Miscellaneous	15,956	-	15,956
	<u>2,106,296</u>	<u>1,161,532</u>	<u>3,267,828</u>
Total deductions			
NET INCREASE	1,823,788	1,796,019	3,619,807
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING	<u>12,073,668</u>	<u>14,655,391</u>	<u>26,729,059</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING	<u>\$ 13,897,456</u>	<u>\$ 16,451,410</u>	<u>\$ 30,348,866</u>

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The following is a summary of the more significant policies:

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

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

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

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

B. Government-wide and fund financial statements

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the Village considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. In prior periods, the Village had used a threshold of 60 days. This policy was changed in the current year to more accurately reflect the manner in which the Village plans to use these funds. The policy for recognizing real estate tax collections as revenues of the current fiscal year remains at 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The Village reports the following major governmental funds:

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

The Village reports the following major proprietary funds:

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

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

Additionally, the Village reports the following fund type:

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

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

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services. The principal operating revenues of the senior citizen complex enterprise fund are charges to customers for rental of living facilities. The water and sewer enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Reclassifications

Certain reclassifications have been made to the 2009 financial statements in order to conform to the 2010 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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 as 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:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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 \$31,768,845 difference are as follows:

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

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

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Assets (continued)

Bonds and notes payable	\$ 15,083,262
Less deferred charge on refunding (to be amortized over life of debt)	(80,175)
Less deferred charge for issuance costs (to be amortized over life of debt)	(180,639)
Less net issuance (discount) premium (to be amortized over life of debt)	14,618
Accrued interest payable	157,180
Other payable	244,410
Compensated absences	225,336
Net pension obligation	15,298,926
Post-retirement benefit obligation	<u>1,005,927</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 31,768,845</u>

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

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 \$(1,804,363) difference is as follows:

Capital outlay	\$ 305,398
Depreciation expense	<u>(2,109,761)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,804,363)</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

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 “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, 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 \$(2,041,948) difference is as follows:

Issuance of government obligation bonds payable	\$ (3,907,500)
Issuance of notes payable	(72,000)
Premium on government obligation bonds payable issued	(37,171)
Bond issuance costs on government obligation bonds payable	97,737
Principal repayments:	
Note payable debt	129,655
General obligation debt	1,777,267
Amortization of charge on refunding	(13,801)
Amortization of issuance costs	(16,865)
Amortization of bond premiums	9,039
Amortization of bond discounts	<u>(8,309)</u>
 Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ (2,041,948)</u>

Another element of that reconciliation states that “some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$(2,473,209) difference are as follows:

Net pension obligation	\$ (2,131,092)
Post-retirement benefit obligation	(391,367)
Accrued interest	22,201
Other liabilities	<u>26,549</u>
 Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ (2,473,209)</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

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

1. The Village mayor and finance director propose an operating budget based upon requests submitted by individual departments for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Budget hearings are conducted.
3. The Village mayor is authorized to transfer budgeted amounts within departments. Any revision that alters the total expenditure of any department is made through the passage of a resolution. Any revision that alters the total expenditure of any fund is made through the passage of a supplemental appropriations ordinance. Appropriations lapse at year-end.
4. Expenditure budgets for the General, certain Special Revenue Funds and components of the Debt Service and Capital Project Funds are legally adopted on the cash basis through passage of an appropriations ordinance. For the year ended April 30, 2010, an expenditure budget was not prepared for the Special Tax Allocation and Insurance Special Revenue Funds or for the 2000 Bond and Tax Incremental Financing District of the Debt Service Fund.

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

<u>Fund</u>	<u>Cash Basis</u>	<u>Accrual Basis</u>	<u>Difference</u>
General:			
Revenues	\$ 16,144,315	\$ 15,973,303	\$ 171,012
Expenditures	\$ 16,486,683	\$ 16,095,323	\$ 391,360
Road and Bridge:			
Revenues	\$ 1,316,806	\$ 1,316,806	\$ -
Expenditures	\$ 1,334,980	\$ 1,304,342	\$ 30,638

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

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

Excess of expenditures over appropriations

For the year ended April 30, 2010, expenditures exceeded appropriations in the public safety department of the general fund by \$136,494, the insurance department of the general fund by \$185,520 and the debt service department of the general fund by \$82,803. These over-expenditures were funded by less than anticipated expenditures in the other departments 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 \$2,131,042 as of April 30, 2010.

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank or other financial institution failure, the government's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2010, none of the Village's bank balance of \$27,953,678 was exposed to custodial credit risk.

Investments

As of April 30, 2010, the Police and Firemen's Pension trust funds own all of the investments, which are comprised of the following:

<u>Investment Type</u>	<u>Fair Value</u>
U. S. Government securities	\$ 13,065,779
Domestic and international equities	3,273,294
Mutual funds	8,323,328
Insurance contracts	<u>657,795</u>
Total	<u>\$ 25,320,196</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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Credit Risk. State law limits the type of investments 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 7.3%, 12.3% and 10.5%, respectively, of the Firemen's Pension Fund's total investments. The Police Pension Fund is invested in more than 5% in U.S. Treasury Notes with maturity dates of November 15, 2013 and August 15, 2023. These investments are 5.7% and 5.4%, respectively, of the police pension fund's total investments.

B. Receivables

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

	<u>General</u>	<u>Road and Bridge</u>	<u>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Non-major and Fiduciary Funds</u>	<u>Total</u>
Receivables:						
Interest	\$ -	\$ -	\$ -	\$ -	\$ 132,101	\$ 132,101
Taxes	5,656,613	98,173	720,032	-	467,279	6,942,097
Accounts	<u>1,328,984</u>	<u>-</u>	<u>-</u>	<u>964,902</u>	<u>1,717,393</u>	<u>4,011,279</u>
Gross receivables	6,985,597	98,173	720,032	964,902	2,316,773	11,085,477
Less allowance for uncollectibles	<u>(1,052,725)</u>	<u>(5,034)</u>	<u>(63,594)</u>	<u>-</u>	<u>(26,850)</u>	<u>(1,148,203)</u>
Net total receivables	<u><u>\$5,932,872</u></u>	<u><u>\$ 93,139</u></u>	<u><u>\$ 656,438</u></u>	<u><u>\$ 964,902</u></u>	<u><u>\$2,289,923</u></u>	<u><u>\$ 9,937,274</u></u>

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables (continued)

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property and other taxes receivable (general fund)	\$ 3,685,443	\$ -
Delinquent property taxes receivable (special revenue funds)	490,780	-
Delinquent property taxes receivable (debt service fund)	656,438	-
Grant drawdowns prior to meeting all eligibility requirements	-	4,782
Total deferred/unearned revenue for governmental funds	\$ 4,832,661	\$ 4,782

C. Capital assets

Capital asset activity for the year ended April 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 350,000	\$ -	\$ -	\$ 350,000
Construction in progress	-	31,310	-	31,310
Total capital assets, not being depreciated	350,000	31,310	-	381,310
Capital assets being depreciated:				
Buildings	8,473,041	-	-	8,473,041
Improvements	1,457,771	-	-	1,457,771
System infrastructure	36,451,042	146,469	-	36,597,511
Machinery and equipment	2,993,588	90,517	-	3,084,105
Furniture and fixtures	352,459	-	-	352,459
Vehicles	4,013,845	37,102	(190,283)	3,860,664
Total capital assets being depreciated	53,741,746	274,088	(190,283)	53,825,551
Less accumulated depreciation for:				
Buildings	(3,651,926)	(215,675)	-	(3,867,601)
Improvements	(868,416)	(52,191)	-	(920,607)
System infrastructure	(26,711,145)	(1,420,645)	-	(28,131,790)
Machinery and equipment	(1,725,412)	(200,929)	-	(1,926,341)
Furniture and fixtures	(287,662)	(10,821)	-	(298,483)
Vehicles	(2,508,101)	(209,500)	132,820	(2,584,781)
Total accumulated depreciation	(35,752,662)	(2,109,761)	132,820	(37,729,603)
Total capital assets being depreciated, net	17,989,084	(1,835,673)	(57,463)	16,095,948
Governmental activities capital assets, net	\$ 18,339,084	\$ (1,804,363)	\$ (57,463)	\$ 16,477,258

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,886,953	\$ -	\$ -	\$ 1,886,953
Construction in progress	<u>313,773</u>	<u>1,557,006</u>	<u>(238,698)</u>	<u>1,632,081</u>
Total capital assets, not being depreciated	<u>2,200,726</u>	<u>1,557,006</u>	<u>(238,698)</u>	<u>3,519,034</u>
Capital assets being depreciated:				
Buildings	18,522,067	-	-	18,522,067
Improvements	5,744,487	730,380	-	6,474,867
System infrastructure	20,727,562	376,725	-	21,104,287
Machinery and equipment	2,395,668	73,532	-	2,469,200
Vehicles	<u>158,654</u>	<u>71,893</u>	<u>(29,000)</u>	<u>201,547</u>
Total capital assets being depreciated	<u>47,548,438</u>	<u>1,252,530</u>	<u>(29,000)</u>	<u>48,771,968</u>
Less accumulated depreciation for:				
Buildings	(8,437,395)	(522,894)	-	(8,960,289)
Improvements	(2,237,913)	(255,484)	-	(2,493,397)
System infrastructure	(6,997,262)	(541,453)	-	(7,538,715)
Machinery and equipment	(1,732,227)	(91,315)	-	(1,823,542)
Vehicles	<u>(71,889)</u>	<u>(14,130)</u>	<u>26,100</u>	<u>(59,919)</u>
Total accumulated depreciation	<u>(19,476,686)</u>	<u>(1,425,276)</u>	<u>26,100</u>	<u>(20,875,862)</u>
Total capital assets being depreciated, net	<u>28,071,752</u>	<u>(172,746)</u>	<u>(2,900)</u>	<u>27,896,106</u>
Business-type activities capital assets, net	<u>\$ 30,272,478</u>	<u>\$ 1,384,260</u>	<u>\$ (241,598)</u>	<u>\$31,415,140</u>

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

Government activities:	
General government	\$ 84,789
Public safety	489,259
Highways and streets	1,476,212
Building	<u>59,501</u>
Total	<u>\$ 2,109,761</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables, and transfers

Interfund balances are the result of reimbursements due for expenditures paid on behalf of one fund for another fund and for corrections of allocations and deposits. The composition of interfund balances as of April 30, 2010, is as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Road and Bridge Fund	\$ 2,092,946	\$ -
9-1-1 Emergency Telephone Fund	-	76,954
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Insurance Fund	-	177,694
Debt Service Fund	-	343,153
Senior Citizen Complex Fund	422,169	-
Water and Sewer Fund	-	642,750
Police Pension Fund	-	185,063
Firemen's Pension Fund	<u>81,401</u>	<u>-</u>
Total	<u>2,596,516</u>	<u>1,741,482</u>
Road and Bridge Fund:		
General Fund	<u>-</u>	<u>2,092,946</u>
9-1-1 Emergency Telephone Fund:		
General Fund	<u>76,954</u>	<u>-</u>
Special Tax Allocation Fund:		
General Fund	50,525	-
Debt Service Fund	<u>-</u>	<u>211,159</u>
Total	<u>50,525</u>	<u>211,159</u>
Motor Fuel Tax Fund:		
General Fund	<u>265,343</u>	<u>-</u>
Insurance Fund:		
General Fund	<u>177,694</u>	<u>-</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

	<u>Receivables</u>	<u>Payables</u>
Debt Service Fund:		
General Fund	343,153	-
Special Tax Allocation Fund	211,159	-
Water and Sewer Fund	-	10,125
Senior Citizen Complex Fund	<u>-</u>	<u>15,195</u>
Total	<u>554,312</u>	<u>25,320</u>
Water and Sewer Fund:		
General Fund	642,750	-
Debt Service Fund	<u>10,125</u>	<u>-</u>
Total	<u>652,875</u>	<u>-</u>
Senior Citizen Complex Fund:		
General Fund	64,290	486,459
Debt Service Fund	<u>15,195</u>	<u>-</u>
Total	<u>79,485</u>	<u>486,459</u>
Police Pension Fund:		
General Fund	<u>185,063</u>	<u>-</u>
Firemen's Pension Fund:		
General Fund	<u>-</u>	<u>81,401</u>
Total all funds	<u><u>\$ 4,638,767</u></u>	<u><u>\$ 4,638,767</u></u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

The composition of interfund transfers as of April 30, 2010, is as follows:

	Transfer In:			
	General Fund	Debt Service Fund	Capital Projects Fund	Total
Transfer out:				
Motor Fuel Tax Fund	\$ -	\$ 57,040	\$ -	\$ 57,040
Road and Bridge Fund	-	30,000	-	30,000
9-1-1 Emergency Telephone Fund	-	47,100	-	47,100
Special Allocation Tax Fund	-	755,213	-	755,213
Debt Service Fund	50,229	-	31,310	81,539
Waterworks and Sewerage Fund	-	252,000	-	252,000
Senior Citizen Complex Fund	13,457	-	-	13,457
	<u>13,457</u>	<u>-</u>	<u>-</u>	<u>13,457</u>
Total	<u>\$ 63,686</u>	<u>\$ 1,141,353</u>	<u>\$ 31,310</u>	<u>\$ 1,236,349</u>

The purpose of the interfund transfers into the debt service fund, as well as the transfer from the debt service fund into the general fund is to support debt retirement as per the original bond and note ordinances. The purpose of the transfer from the debt service fund to the capital projects fund was to transfer a portion of the bond proceeds to the capital projects fund to be used for bond expenditures. In addition, excess funds of the senior citizen complex fund are transferred to the general fund for operations.

E. Long-term debt

General obligation bonds

The Village issues general obligation bonds to provide for the acquisition, construction and rehabilitation of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The original amount of general obligation bonds issued in prior years was \$56,737,000. The Village issued general obligation bonds during the year ended April 30, 2010 totaling \$9,385,000.

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:

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50 - 6.75%	\$ 6,020,000
Governmental activities - refunding	2.06 - 4.50%	8,750,704
Business-type activities	1.50 - 5.20%	<u>15,101,494</u>
Total general obligation bonds		<u>\$ 29,872,198</u>

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

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 3,204,400	\$ 1,527,670	\$ 4,732,070
2012	3,240,370	1,240,653	4,481,023
2013	2,146,389	1,128,471	3,274,860
2014	1,687,458	1,043,611	2,731,069
2015	1,608,581	974,049	2,582,630
2016-2020	6,515,000	3,891,870	10,406,870
2021-2025	4,550,000	2,611,779	7,161,779
2026-2030	4,285,000	1,488,663	5,773,663
2031-2033	<u>2,635,000</u>	<u>289,360</u>	<u>2,924,360</u>
Total	<u>\$ 29,872,198</u>	<u>\$ 14,196,126</u>	<u>\$ 44,068,324</u>

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

Notes payable

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	3.77 - 11.27%	<u>\$ 312,558</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

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>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 146,555	\$ 17,811	\$ 164,366
2012	131,504	7,894	139,398
2013	<u>34,499</u>	<u>423</u>	<u>34,922</u>
Total	<u>\$ 312,558</u>	<u>\$ 26,128</u>	<u>\$ 338,686</u>

Advance refunding

In November 2005, the Village issued \$3,060,000 and \$2,425,000 of general obligation refunding bonds to advance refund for general obligation bond issues, totaling \$7,770,000. The net proceeds of \$5,389,979 were used to purchase U.S. Government State and Local Government Series securities. Those securities were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, except for \$590,000, the refunded bonds are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of \$140,000. As of April 30, 2010, \$1,825,000 of the defeased debt is still outstanding.

In August 2009, the Village issued \$1,570,000 of general obligation refunding bonds to advance refund for a general obligation bond issued totaling \$3,245,000. The net proceeds of \$1,527,367 were used to purchase U.S. Government State and Local Government Series securities. Those securities are placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, the refunded securities 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 approximately \$35,000. As of April 30, 2010, \$1,585,000 of the defeased debt is still outstanding.

In August 2010, the Village issued \$3,550,000 of general obligation refunding bonds to advance refund for two general obligation bonds issued totaling \$3,805,000. The net proceeds of \$3,634,838 were used to purchase U.S. Government State and Local Government Series securities. Those securities are placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, the refunded securities are considered to be defeased and the liability will be removed from the noncurrent liabilities of the governmental activities during 2011. This advance refunding was undertaken to obtain an economic gain of approximately \$290,948.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Line of credit

The Village renewed a working capital line of credit with First Midwest Bank on April 30, 2009, for \$1,000,000 bearing interest at a rate of 3.44% annually. No amounts were drawn against the line during fiscal year 2010. The line matured on April 22, 2010 and was secured by the Village's deposit accounts at First Midwest Bank. This line of credit was renewed on April 22, 2010 for \$1,000,000 bearing interest at a rate of 3.47% annually of which \$0 was outstanding at April 30, 2010. The new line matures on April 22, 2011.

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Government activities:					
Bonds payable:					
General obligation bonds	\$ 12,640,471	\$ 3,907,500	\$(1,777,267)	\$ 14,770,704	\$ 1,754,552
Less deferred amounts:					
For issuance costs, discounts and premiums	<u>(215,566)</u>	<u>(106,776)</u>	<u>76,146</u>	<u>(246,196)</u>	<u>-</u>
Total bonds payable	12,424,905	3,800,724	(1,701,121)	14,524,508	1,754,552
Notes payable	370,213	72,000	(129,655)	312,558	146,555
Compensated absences	251,885	-	(26,549)	225,336	-
Other long-term liabilities	244,410	-	-	244,410	-
Net pension obligation	13,167,834	2,131,092	-	15,298,926	-
Post-retirement benefit obligation	<u>614,560</u>	<u>391,367</u>	<u>-</u>	<u>1,005,927</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 27,073,807</u>	<u>\$ 6,395,183</u>	<u>\$(1,857,325)</u>	<u>\$ 31,611,665</u>	<u>\$ 1,901,107</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Changes in long-term liabilities (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 12,597,202	\$ 5,477,500	\$(2,973,208)	\$ 15,101,494	\$ 1,449,848
Less deferred amounts:					
For loss on extinguishment of debt	(167,602)	-	62,830	(104,772)	-
For premiums and discounts	<u>10,202</u>	<u>43,525</u>	<u>(14,832)</u>	<u>38,895</u>	<u>-</u>
Total bonds payable	12,439,802	5,521,025	(2,925,210)	15,035,617	1,449,848
Notes payable	45,479	-	(45,479)	-	-
Compensated absences	11,799	-	-	11,799	-
Post employment benefit obligation	<u>31,918</u>	<u>14,881</u>	<u>-</u>	<u>46,799</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 12,528,998</u>	<u>\$ 5,535,906</u>	<u>\$(2,970,689)</u>	<u>\$ 15,094,215</u>	<u>\$ 1,449,848</u>

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, 2010 is presented below:

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Total</u>
Operating revenues	\$ 8,287,456	\$ 3,807,656	\$12,095,112
Depreciation expense	766,394	658,882	1,425,276
Operating income	394,532	998,996	1,393,528
Net income	(139,208)	518,311	379,103
Property, plant and equipment additions	1,954,217	616,621	2,570,838
Net working capital	723,112	(1,875,619)	(1,152,507)
Total assets	24,449,436	19,975,246	44,424,682
Bonds payable and other long-term debt	6,694,608	8,399,607	15,094,215
Net assets	15,472,287	10,134,767	25,607,054
Operating transfers out	252,000	226,195	478,195

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

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, 2010, the Village owes \$345,375 for medical claims; this liability is accrued in the Insurance Fund.

B. Subsequent events

From May through October 2010, the Village approved contracts totaling approximately \$2,450,000 for road resurfacing, water tank restoration and roof and gutter replacement.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 5 - OTHER INFORMATION (continued)

D. Employment retirement systems and pension plans

Pension plans - primary government

Agent-Multiple-Employer Defined Benefit Pension Plan:

Plan Description:

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

Funding Policy and Annual Pension Cost:

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

Digest of Changes:

Assumptions:

The actuarial assumptions used to determine the actuarial accrued liability for 2009 are based on the 2005 - 2007 Experience Study.

Single-Employer Defined Benefit Pension Plans:

Plan Descriptions:

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

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

	<u>PPP</u>	<u>FPP</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	30	25
Active plan members	41	38
Total	71	63

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 5 - OTHER INFORMATION (continued)

D. Employment retirement systems and pension plans (continued)

Single-Employer Defined Benefit Pension Plans: (continued)

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.

E. Funded status and funding progress - employee retirement systems and pension plans

The funded status of the IMRF as of December 31, 2009 and the PPP and FPP as of April 30, 2009, the most recent actuarial valuation dates, respectively, is as follows:

<u>Plan</u>	(1) <u>Actuarial Value of Assets</u>	(2) <u>Actuarial Liability (AAL) - Entry Age</u>	(3) <u>(Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)</u>	(4) <u>Funded Ratio (1) ÷ (2)</u>	(5) <u>Covered Payroll</u>	(6) <u>UAAL as a Percentage of Covered Payroll (3) ÷ (5)</u>
IMRF	4,105,809	6,670,414	2,564,605	61.55%	3,048,486	84.13%
PPP	12,073,668	38,700,876	26,627,208	31.20%	2,857,149	931.95%
FPP	14,171,338	25,998,247	11,826,909	54.51%	2,723,064	434.32%

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 5 - OTHER INFORMATION (continued)

F. Postemployment benefit plans other than pensions

Health Insurance Plan for Retired Employees:

Plan Description:

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

Health Insurance Plan for Retired Employees (continued)

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

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

Actuarial Valuations:

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

Funding Policy, Annual OPEB Cost and Net OPEB Obligation:

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 5 - OTHER INFORMATION (continued)

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

	Illinois Municipal Retirement Fund	Police Pension Fund	Firemen's Pension Fund	Health Insurance Plan for Retired Employees
Contribution rates:				
Village	N/A	N/A	N/A	N/A
Plan members	4.50%	9.91%	8.46%	0.00%
Annual pension/OPEB cost	\$408,192	\$1,725,345	\$1,160,980	\$712,107
Contributions made	\$408,192	\$1,864,246	\$1,059,651	\$305,858
Actuarial valuation date	December 31, 2009	April 30, 2009	April 30, 2009	April 30, 2009
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period
Remaining amortization period	23 years	24.1699 years	24.1699 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%	3.0%	3.0%	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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2010

NOTE 6 - PRIOR PERIOD ADJUSTMENT

Due to an accounting error in a prior period, the amounts due to the Village's general fund from the Village's senior citizen complex fund and water and sewer fund were overstated as of April 30, 2009, which were offset by an overstatement in the amount due to the Village's debt service fund from the Village's general fund. The amounts totaling \$512,339, were spent on items related to the debt issues and for debt service, and as such were never intended to be re-paid. The amounts should have been recorded as increases to net assets on the senior citizen complex fund and water and sewer fund and decreases to the fund balance on the debt service fund in a prior period. The effect of this prior period adjustment on the fund financial statements was to decrease due to other funds and due from other funds in the general fund, to increase net assets and decrease due to other funds on the senior citizen complex fund, to increase net assets and increase due from other funds on the water and sewer fund and to decrease due from other funds and fund balance in the debt service fund. In addition, this adjustment affected the government-wide financial statements by decreasing the internal balances and net assets for governmental activities and decreasing internal balances and increasing net assets for business-type activities.

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

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2010

I. SCHEDULE OF FUNDING PROGRESS

Illinois Municipal Retirement Fund						
Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial 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)
12/31/01	\$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	\$4,998,559	\$6,258,388	\$1,259,829	79.87%	\$2,551,900	49.37%
12/31/08	\$3,336,332	\$5,926,929	\$2,590,597	56.29%	\$2,766,516	93.64%
12/31/09	\$4,105,809	\$6,670,414	\$2,564,605	61.55%	\$3,048,486	84.13%

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)
4/30/01	\$12,831,055	\$21,293,641	\$ 8,462,586	60.26%	\$2,134,787	396.41%
4/30/02	\$12,934,405	\$23,048,285	\$10,113,880	56.12%	\$2,494,702	405.41%
4/30/03	\$12,911,696	\$26,009,369	\$13,097,673	49.64%	\$2,320,945	564.33%
4/30/04	\$13,238,404	\$28,721,804	\$15,483,400	46.91%	\$2,587,530	598.39%
4/30/05	\$13,393,892	\$28,999,241	\$15,605,349	46.19%	\$2,481,395	629.89%
4/30/06	\$14,030,355	\$32,678,836	\$18,648,481	42.93%	\$2,483,080	751.02%
4/30/07	\$14,790,406	\$32,492,365	\$17,701,959	45.52%	\$2,538,657	697.30%
4/30/08	\$14,442,626	\$36,548,413	\$22,105,787	39.50%	\$2,822,581	783.20%
4/30/09	\$12,073,668	\$38,700,846	\$26,627,208	31.20%	\$2,857,149	931.95%

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2010

I. SCHEDULE OF FUNDING PROGRESS (continued)

Firemen's Pension Fund

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/01	\$10,652,818	\$16,113,015	\$ 5,460,197	66.11%	\$2,037,839	267.94%
4/30/02	\$10,505,041	\$17,434,787	\$ 6,929,746	60.25%	\$2,054,148	337.35%
4/30/03	\$10,926,500	\$18,269,849	\$ 7,343,349	59.81%	\$2,258,460	325.15%
4/30/04	\$11,716,680	\$19,774,070	\$ 8,057,390	59.25%	\$2,385,475	337.77%
4/30/05	\$12,643,083	\$20,125,387	\$ 7,482,304	62.82%	\$2,370,182	315.68%
4/30/06	\$13,862,998	\$20,410,714	\$ 6,547,716	67.92%	\$2,247,854	291.29%
4/30/07	\$15,253,135	\$22,372,210	\$ 7,119,075	68.18%	\$2,558,973	278.20%
4/30/08	\$15,721,646	\$24,757,356	\$ 9,035,710	63.50%	\$2,567,263	351.96%
4/30/09	\$14,171,338	\$25,998,247	\$11,826,909	54.51%	\$2,723,064	434.32%

Health Insurance for Retired Employees

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

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2010

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	12/31/01	\$ 127,470	100%	\$ -
	12/31/02	116,166	100%	-
	12/31/03	93,343	100%	-
	12/31/04	161,781	100%	-
	12/31/05	199,968	100%	-
	12/31/06	216,007	100%	-
	12/31/07	328,429	100%	-
	12/31/08	407,231	100%	-
	12/31/09	408,192	100%	-
Police Pension Fund	4/30/02	762,072	106%	2,289,053
	4/30/03	870,833	90%	3,294,791
	4/30/04	1,017,778	93%	4,447,540
	4/30/05	1,028,588	109%	5,435,573
	4/30/06	1,188,316	97%	6,773,940
	4/30/07	1,192,725	96%	8,058,866
	4/30/08	1,585,879	71%	9,788,110
	4/30/09	1,725,345	108%	11,246,319
Firemen's' Pension Fund	4/30/02	727,959	110%	1,185,867
	4/30/03	794,939	107%	1,639,631
	4/30/04	858,451	114%	2,084,784
	4/30/05	840,202	135%	2,318,691
	4/30/06	785,054	141%	2,458,493
	4/30/07	860,349	115%	2,829,797
	4/30/08	975,587	81%	3,379,724
	4/30/09	1,160,980	91%	4,052,607
Retired Employees' Health Insurance	4/30/07	612,210	56%	270,021
	4/30/08	647,321	71%	456,694
	4/30/09	650,433	71%	646,477
	4/30/10	712,077	43%	1,052,726

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2010**

III. SCHEDULE OF ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>2010</u>	<u>2009</u>
Annual required contribution	\$ 679,783	\$ 642,821
Interest on net OPEB obligation	32,324	22,835
Adjustment to annual required contribution	<u>-</u>	<u>(15,223)</u>
Annual OPEB cost	712,107	650,433
Contributions made	<u>(305,858)</u>	<u>(460,650)</u>
Increase in net OPEB obligation	406,249	189,783
Net OPEB obligation, beginning of year	<u>646,477</u>	<u>456,694</u>
Net OPEB obligation, end of year	<u>\$ 1,052,726</u>	<u>\$ 646,477</u>

SUPPLEMENTAL INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Cash	\$ 786,792	\$ 781,531
Temporary cash investment	1,859,382	1,642,816
Restricted assets:		
Temporary cash investment	285,072	145,369
Receivables (net of allowance for uncollectibles):		
Taxes	5,473,094	5,229,950
Accounts	459,778	371,498
Due from other funds	2,596,516	2,739,095
Prepaid expense	<u>1,200</u>	<u>42,331</u>
TOTAL ASSETS	<u>\$ 11,461,834</u>	<u>\$ 10,952,590</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 435,872	\$ 391,881
Other accrued expenses	280,781	201,535
Due to other funds	1,741,482	1,799,077
Deferred revenue:		
Property and other taxes	3,685,443	3,238,326
Other	<u>4,782</u>	<u>4,782</u>
Total liabilities	<u>6,148,360</u>	<u>5,635,601</u>

FUND BALANCES

Reserved for prepaid expenses	1,200	42,331
Reserved for police department use in excess of budget	139,116	-
Unreserved - undesignated	<u>5,173,158</u>	<u>5,274,658</u>
Total fund balances	<u>5,313,474</u>	<u>5,316,989</u>

TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,461,834</u>	<u>\$ 10,952,590</u>
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**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Taxes:		
Property tax	\$ 5,769,564	\$ 5,226,439
Sales tax	4,832,102	5,413,529
State income tax	1,430,546	1,879,948
Mini-warehouse tax	100,027	98,188
Hotel/motel tax	366,486	272,042
Replacement tax	320,303	353,612
Transfer tax	<u>173,112</u>	<u>132,440</u>
Total taxes	<u>12,992,140</u>	<u>13,376,198</u>
Miscellaneous revenue:		
Flea market fees	71,059	68,633
Miscellaneous income	221,109	274,063
Police seizure income	228,846	71,689
Damage to Village property - insurance reimbursements	35,607	22,055
Miscellaneous fees	644,733	724,321
Cable TV franchise fees	251,774	189,690
Boat launch fee	<u>12,925</u>	<u>17,122</u>
Total miscellaneous revenue	<u>1,466,053</u>	<u>1,367,573</u>
Police and court fines	442,297	444,597
Licenses and permits	382,732	355,448
Grants	179,810	201,751
Donations	-	391,742
Charges for services	507,118	88,174
Interest	<u>3,153</u>	<u>33,712</u>
Total	<u>1,515,110</u>	<u>1,515,424</u>
Total revenues	<u>15,973,303</u>	<u>16,259,195</u>
EXPENDITURES		
General government:		
Administrative department	352,366	745,950
Planning commission	1,450	2,387
Police and fire commission	15,197	21,242
Social Security and IMRF	483,769	485,108
Finance department	245,322	371,659
Village clerk department	176,168	233,059
Village hall department	<u>106,510</u>	<u>203,275</u>
Total general government	<u>1,380,782</u>	<u>2,062,680</u>

	<u>2010</u>	<u>2009</u>
EXPENDITURES (continued)		
Public safety:		
Civil defense	9,537	9,290
Fire department	3,127,117	2,954,694
Fire department ambulance service	1,356,804	1,536,444
Police department	<u>5,776,475</u>	<u>5,447,319</u>
Total public safety	<u>10,269,933</u>	<u>9,947,747</u>
Building department	214,956	205,640
Health and environmental control department	1,076,960	1,028,671
Insurance department	3,021,581	3,479,448
Boat launch	24,308	52,325
Debt service	<u>106,803</u>	<u>106,055</u>
Total	<u>4,444,608</u>	<u>4,872,139</u>
Total expenditures	<u>16,095,323</u>	<u>16,882,566</u>
Deficiency of revenues over expenditures	(122,020)	(623,371)
 OTHER FINANCING SOURCES		
Operating transfers in	63,686	58,691
Loan proceeds	-	160,000
Sale of Village property	<u>54,819</u>	<u>12,407</u>
Deficiency of revenues and other financing sources over expenditures	<u>(3,515)</u>	<u>(392,273)</u>
 FUND BALANCE, BEGINNING OF YEAR	<u>5,316,989</u>	<u>5,709,262</u>
 FUND BALANCE, END OF YEAR	<u>\$ 5,313,474</u>	<u>\$ 5,316,989</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

GENERAL GOVERNMENT	<u>2010</u>	<u>2009</u>
Administrative Department:		
Salary - mayor	\$ 92,856	\$ 92,856
Salary - secretary	46,149	44,820
Compensation - trustees	75,600	75,600
Hotel/motel tax	62,458	86,273
Membership and dues	5,720	6,365
Legal retainer	12,000	12,000
Legal fees - other	180,393	130,971
Engineering fees	557	-
Contingent expenses	29,176	21,757
Newsletter expense	10,264	11,520
Employee travel	5,678	3,957
Office expense	241	716
Beautification	1,400	31,472
Street fair	22,125	33,621
Acquisition of land	-	350,000
Other expense	138,324	66,315
Reimbursements from other funds	<u>(330,575)</u>	<u>(222,293)</u>
Total administrative department	<u>352,366</u>	<u>745,950</u>
Planning Commission:		
Staff expense	508	1,185
Secretarial services	639	802
Contingent expense	<u>303</u>	<u>400</u>
Total planning commission	<u>1,450</u>	<u>2,387</u>
Police and Fire Commission:		
Legal fees	1,200	-
Examinations	9,732	16,168
Staff expense	3,175	4,316
Office supplies	71	-
Printing and publications	<u>1,019</u>	<u>758</u>
Total police and fire commission	<u>15,197</u>	<u>21,242</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
GENERAL GOVERNMENT		
Social Security and IMRF:		
Social Security and IMRF	474,455	467,909
Unemployment insurance	9,314	17,199
	<hr/>	<hr/>
Total Social Security and IMRF	483,769	485,108
	<hr/>	<hr/>
Finance Department:		
Salary - finance director, treasurer and accountant	251,160	241,244
Salary - computer operator	80,596	78,992
Payroll service and administrator	15,791	24,334
Purchase computer equipment	335	2,048
Computer forms and supplies	6,259	5,754
Computer maintenance	50,224	52,259
Office supplies	1,039	1,437
Accounting service	66,345	70,337
Contingent expense	3,724	5,870
Office equipment	-	139
Reimbursements from other funds	(230,151)	(110,755)
	<hr/>	<hr/>
Total finance department	245,322	371,659
	<hr/>	<hr/>
Village Clerk Department:		
Salary - village clerk	15,700	15,700
Salary - recording secretary	4,361	4,201
Salaries - clerical	159,892	154,234
Telephone expense	53,909	87,525
Postage expense	15,000	15,009
Contingent expense	2,935	3,597
Legal advertising	3,042	2,907
Codification	2,565	6,499
Decals and tags	560	-
Repair - office equipment	65	65
Equipment purchases	70,139	1,367
Equipment rental	8,907	6,699
Office supplies	3,513	3,589
Printing	854	1,119
Reimbursements from other funds	(165,274)	(69,452)
	<hr/>	<hr/>
Total village clerk department	176,168	233,059
	<hr/>	<hr/>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
GENERAL GOVERNMENT		
Village Hall Department:		
Salary - wages	45,239	45,771
Salary - custodian	8,342	75,779
Maintain village hall	34,349	43,899
Contract repair and utilities	12,592	28,113
Cleaning supplies	5,563	9,605
Contingent expense	425	108
	<hr/>	<hr/>
Total village hall department	106,510	203,275
	<hr/>	<hr/>
Total General Government	1,380,782	2,062,680
	<hr/>	<hr/>
PUBLIC SAFETY		
Civil Defense:		
Salary - director	8,487	8,240
Repair - warning systems	1,050	1,050
	<hr/>	<hr/>
Total civil defense	9,537	9,290
	<hr/>	<hr/>
Fire Department:		
Salaries - all firemen	1,616,748	1,557,594
Volunteers, paid calls, and overtime	166,406	210,596
Holiday pay	29,402	25,558
Salaries - incentive pay	25,433	24,242
Retirement buyout	59,219	-
Publications and membership	5,283	5,089
Repair - fire trucks	27,922	62,119
Repair - radio equipment	3,398	4,953
Maintenance - fire stations	18,674	54,812
Utilities - fire stations	636	6,088
Fire prevention expense	2,463	2,445
Contingent expense	4,389	5,468
Purchase fire equipment	14,697	26,825
Purchase radio equipment	26,832	6,794
Education reimbursement	21,313	15,213
Gasoline and oil	6,482	13,149
Clothing allowance	3,346	23,234
Training materials	1,188	1,066
Training facility	-	41,742
Physical examinations	12,360	15,168
Copy machine rental	3,085	2,620

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
PUBLIC SAFETY		
Fire Department: (continued)		
Office supplies	18,382	57,038
Firemen's pension contribution	1,059,459	792,881
	<hr/>	<hr/>
Total fire department	3,127,117	2,954,694
	<hr/>	<hr/>
Fire Department Ambulance Service:		
Salaries - ambulance personnel	1,168,143	1,258,218
Holiday pay	28,434	32,764
Retirement buyout	9,679	29,036
Repairs - ambulance	12,232	108,264
Maintenance - stations	28,995	31,523
Contingent expense	1,383	697
Purchase equipment	45,182	-
Ambulance supplies	8,842	12,053
Gasoline and oil	5,488	17,338
Clothing allowance	12,552	8,508
Office supplies	1,799	2,176
Collection fees	34,075	35,867
	<hr/>	<hr/>
Total fire department ambulance service	1,356,804	1,536,444
	<hr/>	<hr/>
Police Department:		
Salaries - policemen	2,647,648	2,796,241
Salaries - clerical	132,038	130,177
Salaries - communications	327,737	502,216
Salaries - overtime	206,476	198,460
Salaries - crossing guards	25,153	24,005
Salaries - municipal court	36,500	35,932
Purchase equipment	-	1,189
Holiday pay	70,196	77,998
Impoundments	2,305	2,754
Clothing allowance	36,957	37,906
Purchase vehicles	37,102	73,898
Miscellaneous vehicle equipment	15,413	17,877
Equipment poundmasters and traffic safety	1,424	10,134
Computer purchase	11,071	12,967
Purchase office furniture	2,502	3,675
Photo supplies and rental	7,704	7,570
Gasoline and oil	81,906	98,395
Firearms and ammunition	6,425	9,942
Investigative aids	93,000	10,770
Training	60,968	38,207
Crime prevention	5,095	18,009

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
PUBLIC SAFETY		
Police Department: (continued)		
Vehicle maintenance	30,590	43,216
Radio equipment repair and maintenance contract	39,975	127,676
Repair - office equipment	394	260
Contingent expense	19,017	24,292
Publications, membership and dues	2,696	3,468
Prisoner food/care	1,494	1,894
Physical examination fee	2,215	5,240
Office supplies	8,536	9,403
Building security	-	1,654
Police pension contribution	<u>1,863,938</u>	<u>1,121,894</u>
 Total police department	 <u>5,776,475</u>	 <u>5,447,319</u>
 Total Public Safety	 <u>10,269,933</u>	 <u>9,947,747</u>
 Building Department:		
Salary - commissioner	89,792	87,433
Salaries - clerical	86,143	83,245
Salaries - building inspectors	9,408	13,336
Salaries - electrical inspectors	1,800	2,398
Salaries - plumbing inspectors	1,784	5,025
Outside inspection fee	3,280	1,376
Contingent expense	1,838	962
Research, testing, and plan review	14,895	10,560
Office equipment and supplies	<u>6,016</u>	<u>1,305</u>
 Total building department	 <u>214,956</u>	 <u>205,640</u>
 Health and Environmental Control Department:		
Salary - commissioner	17,500	17,298
Part-time inspector/office assistant	32,024	33,548
Dues and memberships	175	305
Refuse contract	1,024,083	972,655
Rodent control contract	2,560	2,640
Equipment maintenance	63	852
Contingent expense	555	1,356
Supplies	<u>-</u>	<u>17</u>
 Total health and environmental control department	 <u>1,076,960</u>	 <u>1,028,671</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Insurance Department:		
General liability	7,426	40,082
Liability - public official and police	74,441	81,574
Comprehensive general, automobile, umbrella and workmen's compensation	574,720	627,553
Group health and life	2,664,994	2,870,239
Reimbursements from other funds	<u>(300,000)</u>	<u>(140,000)</u>
Total insurance department	<u>3,021,581</u>	<u>3,479,448</u>
 Boat Launch:		
Salary - wages	12,723	17,609
Utilities	1,101	1,031
Supplies	-	536
Grounds and maintenance	10,065	31,654
Telephone expense	242	271
Contingent expense	85	588
Physicals	<u>92</u>	<u>636</u>
Total boat launch	<u>24,308</u>	<u>52,325</u>
 Debt Service	<u>106,803</u>	<u>106,055</u>
 TOTAL GENERAL FUND EXPENDITURES	 <u>\$ 16,095,323</u>	 <u>\$ 16,882,566</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
April 30, 2010
with Comparative Totals at April 30, 2009**

	<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>2010</u>	<u>2009</u>
ASSETS								
Temporary cash investments	\$ 66,703	\$ 453,719	\$ 847,354	\$ 619,395	\$ -	\$ 101,953	\$ 2,089,124	\$ 1,581,198
Restricted temporary cash investments	-	-	-	-	663,187	-	663,187	763,971
Receivables (net of allowance for uncollectibles):								
Taxes	93,139	-	397,641	-	-	-	490,780	538,994
Other	-	-	-	42,788	-	-	42,788	39,391
Prepaid expense	2,844	5,000	-	-	-	-	7,844	2,708
Due from other funds	-	76,954	50,525	265,343	177,694	-	570,516	533,016
TOTAL ASSETS	<u>\$ 162,686</u>	<u>\$ 535,673</u>	<u>\$ 1,295,520</u>	<u>\$ 927,526</u>	<u>\$ 840,881</u>	<u>\$ 101,953</u>	<u>\$ 3,864,239</u>	<u>\$ 3,459,278</u>
LIABILITIES AND FUND BALANCES (DEFICIT)								
Liabilities:								
Accounts payable	\$ 80,351	\$ -	\$ 349	\$ 204,046	\$ -	\$ -	\$ 284,746	\$ 156,962
Other accrued expenses	27,292	-	-	-	345,375	-	372,667	118,425
Deferred property tax revenue	93,139	-	397,641	-	-	-	490,780	538,994
Due to other funds	2,092,946	-	211,159	-	-	-	2,304,105	2,300,396
Total liabilities	<u>2,293,728</u>	<u>-</u>	<u>609,149</u>	<u>204,046</u>	<u>345,375</u>	<u>-</u>	<u>3,452,298</u>	<u>3,114,777</u>
Fund balances (deficit):								
Reserved for insurance	-	-	-	-	663,187	-	663,187	763,971
Unreserved - undesignated	(2,131,042)	535,673	686,371	723,480	(167,681)	101,953	(251,246)	(419,470)
Total fund balances (deficit)	<u>(2,131,042)</u>	<u>535,673</u>	<u>686,371</u>	<u>723,480</u>	<u>495,506</u>	<u>101,953</u>	<u>411,941</u>	<u>344,501</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 162,686</u>	<u>\$ 535,673</u>	<u>\$ 1,295,520</u>	<u>\$ 927,526</u>	<u>\$ 840,881</u>	<u>\$ 101,953</u>	<u>\$ 3,864,239</u>	<u>\$ 3,459,278</u>

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
For the Year Ended April 30, 2010
with Comparative Totals for the Year Ended April 30, 2009

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Insurance	Foreign Fire Insurance Tax	Totals	
							2010	2009
REVENUES								
Taxes	\$ 732,731	\$ -	\$ 939,972	\$ 497,800	\$ -	\$ 92,110	\$ 2,262,613	\$ 2,675,934
Licenses and permits	357,807	566,251	-	-	-	-	924,058	749,841
Investment income:								
Interest	-	1,751	1,285	759	1,946	64	5,805	26,765
Miscellaneous	226,268	-	-	70,391	2,767,587	-	3,064,246	3,318,116
Total revenues	1,316,806	568,002	941,257	568,950	2,769,533	92,174	6,256,722	6,770,656
EXPENDITURES								
Public safety	-	332,490	-	-	-	32,972	365,462	342,995
Self insurance	-	-	-	-	3,130,779	-	3,130,779	3,168,382
Highways and streets	1,259,670	-	-	480,841	-	-	1,740,511	2,351,239
Drainage and storm sewers	6,021	-	-	-	-	-	6,021	12,800
Forestry maintenance	19,551	-	-	-	-	-	19,551	21,976
Miscellaneous	-	-	8,492	-	-	-	8,492	1,149
Debt service	19,100	82,013	-	-	-	-	101,113	79,114
Total expenditures	1,304,342	414,503	8,492	480,841	3,130,779	32,972	5,371,929	5,977,655
Excess (deficiency) of revenues over expenditures	12,464	153,499	932,765	88,109	(361,246)	59,202	884,793	793,001
OTHER FINANCING SOURCES (USES)								
Operating transfers out	(30,000)	(47,100)	(755,213)	(57,040)	-	-	(889,353)	(1,000,860)
Loan proceeds	72,000	-	-	-	-	-	72,000	110,500
Total other financing sources (uses)	42,000	(47,100)	(755,213)	(57,040)	-	-	(817,353)	(890,360)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	54,464	106,399	177,552	31,069	(361,246)	59,202	67,440	(97,359)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(2,185,506)	429,274	508,819	692,411	856,752	42,751	344,501	441,860
FUND BALANCES (DEFICIT), END OF YEAR	\$ (2,131,042)	\$ 535,673	\$ 686,371	\$ 723,480	\$ 495,506	\$ 101,953	\$ 411,941	\$ 344,501

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ 66,703	\$ 45,527
Receivable (net of allowance for uncollectibles):		
Taxes	93,139	78,909
Prepaid expense	<u>2,844</u>	<u>2,708</u>
 TOTAL ASSETS	 <u><u>\$ 162,686</u></u>	 <u><u>\$ 127,144</u></u>

LIABILITIES AND FUND DEFICIT

LIABILITIES

Accounts payable	\$ 80,351	\$ 110,992
Other accrued expenses	27,292	33,512
Deferred property tax revenue	93,139	78,909
Due to other funds	<u>2,092,946</u>	<u>2,089,237</u>
Total liabilities	2,293,728	2,312,650

FUND DEFICIT

Unreserved - undesignated	<u>(2,131,042)</u>	<u>(2,185,506)</u>
 TOTAL LIABILITIES AND FUND DEFICIT	 <u><u>\$ 162,686</u></u>	 <u><u>\$ 127,144</u></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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Property taxes	\$ 145,816	\$ 224,434
Replacement tax	14,921	13,214
Fuel use tax	525,994	563,071
Sales tax	46,000	300,000
Income tax	-	105,000
Vehicle license	357,807	385,190
Garage fees	185,000	42,000
Waste transfer fee	12,445	12,764
Property rental	14,400	12,800
Miscellaneous income	14,423	23,332
Interest income	-	1,095
	<hr/>	<hr/>
Total revenues	<u>1,316,806</u>	<u>1,682,900</u>
 EXPENDITURES		
Street department:		
Salary - superintendent	88,752	86,196
Wages	606,232	597,272
Engineering fees	3,571	6,978
Purchase new equipment and vehicles	5,523	87,344
Uniforms	6,119	5,997
Purchase street signs	4,455	9,593
Resurface and repair streets	67,475	388,531
Sidewalk repair and maintenance	18,265	60,375
Purchase salt	111,842	86,241
Village vehicle stickers	10,454	10,682
Gasoline and oil	38,187	41,394
Equipment and repair	20,598	21,898
Equipment maintenance	14,386	15,851
Purchase radio communication	405	2,928
Garage maintenance and supplies	18,690	14,540
Utilities	8,355	10,100
Energy charge - street lights	37,232	38,717
Social Security and IMRF	150,810	150,533
Unemployment insurance	3,810	7,036
Contingent expense	1,892	1,675
Dumping charges	17,146	16,485
Office supplies	1,838	1,960
Training	1,995	1,255
Refunds	378	1,209
Equipment rental - pagers	1,526	1,661
Cleaning supplies	18,011	17,724
Physicals	526	995
JULIE charges	1,197	1,521
Chemicals	-	5,584
	<hr/>	<hr/>
Total street department	<u>1,259,670</u>	<u>1,692,275</u>

	<u>2010</u>	<u>2009</u>
EXPENDITURES (continued)		
Drainage and storm sewers:		
Engineering fees	1,958	2,405
Supplies	2,245	1,675
Maintenance - storm sewers	140	7,611
Contingent expense	<u>1,678</u>	<u>1,109</u>
Total drainage and storm sewers	<u>6,021</u>	<u>12,800</u>
Forestry maintenance:		
Equipment purchase	145	3,453
Equipment maintenance	952	636
Forestry maintenance	17,268	16,496
Training	480	120
Equipment repairs	<u>706</u>	<u>1,271</u>
Total forestry maintenance	<u>19,551</u>	<u>21,976</u>
Debt service	<u>19,100</u>	<u>16,125</u>
Total expenditures	<u>1,304,342</u>	<u>1,743,176</u>
Excess (deficiency) of revenues over expenditures	12,464	(60,276)
OTHER FINANCING SOURCES (USES)		
Operating transfers out	(30,000)	-
Loan proceeds	<u>72,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	54,464	(60,276)
FUND DEFICIT, BEGINNING OF YEAR	<u>(2,185,506)</u>	<u>(2,125,230)</u>
FUND DEFICIT, END OF YEAR	<u>\$ (2,131,042)</u>	<u>\$ (2,185,506)</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ 453,719	\$ 389,820
Prepaid expenses	5,000	-
Due from other funds	<u>76,954</u>	<u>39,454</u>
TOTAL ASSETS	<u>\$ 535,673</u>	<u>\$ 429,274</u>

LIABILITIES AND FUND BALANCE

FUND BALANCE

Unreserved - undesignated	<u>\$ 535,673</u>	<u>\$ 429,274</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 535,673</u>	<u>\$ 429,274</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Surcharge fees	\$ 566,251	\$ 364,651
Interest income	1,751	3,475
Miscellaneous income	-	1,000
	<hr/>	<hr/>
Total revenues	568,002	369,126
	<hr/>	<hr/>
EXPENDITURES		
Wages	262,000	37,500
Telephone charges	31,804	23,316
Equipment purchases	38,319	218,645
Maintenance	367	-
Travel	-	2,082
Debt service	82,013	62,989
	<hr/>	<hr/>
Total expenditures	414,503	344,532
	<hr/>	<hr/>
Excess of revenues over expenditures	153,499	24,594
 OTHER FINANCING SOURCES (USES)		
Operating transfers out	(47,100)	(47,100)
Loan proceeds	-	110,500
	<hr/>	<hr/>
Excess of revenues and other financing sources over expenditures and other financing uses	106,399	87,994
	<hr/>	<hr/>
FUND BALANCE, BEGINNING OF YEAR	429,274	341,280
	<hr/>	<hr/>
FUND BALANCE, END OF YEAR	\$ 535,673	\$ 429,274
	<hr/>	<hr/>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ 847,354	\$ 669,453
Receivable (net of allowance for uncollectibles):		
Taxes	397,641	460,085
Due from other funds	<u>50,525</u>	<u>50,525</u>
 TOTAL ASSETS	 <u>\$ 1,295,520</u>	 <u>\$ 1,180,063</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 349	\$ -
Deferred property tax revenue	397,641	460,085
Due to other funds	<u>211,159</u>	<u>211,159</u>
Total liabilities	609,149	671,244

FUND BALANCE

Unreserved - undesignated	<u>686,371</u>	<u>508,819</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 1,295,520</u>	 <u>\$ 1,180,063</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Property taxes	\$ 939,972	\$ 902,001
Interest income	<u>1,285</u>	<u>6,013</u>
Total revenues	941,257	908,014
 EXPENDITURES		
Bank fees	7,660	1,149
Legal fees	<u>832</u>	<u>-</u>
Excess of revenues over expenditures	932,765	906,865
 OTHER FINANCING USES		
Operating transfers out	<u>(755,213)</u>	<u>(896,700)</u>
Excess of revenues over expenditures and other financing uses	177,552	10,165
 FUND BALANCE, BEGINNING OF YEAR	 <u>508,819</u>	 <u>498,654</u>
 FUND BALANCE, END OF YEAR	 <u>\$ 686,371</u>	 <u>\$ 508,819</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ 619,395	\$ 433,647
Receivables:		
Allotments from the State of Illinois	42,788	39,391
Due from other funds	<u>265,343</u>	<u>265,343</u>
 TOTAL ASSETS	 <u><u>\$ 927,526</u></u>	 <u><u>\$ 738,381</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts payable	\$ 204,046	\$ 45,970
 FUND BALANCE		
Unreserved - undesignated	<u>723,480</u>	<u>692,411</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 927,526</u></u>	 <u><u>\$ 738,381</u></u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
State allotments	\$ 497,800	\$ 514,731
Interest income	759	6,016
Miscellaneous income	<u>70,391</u>	<u>36,294</u>
Total revenues	<u>568,950</u>	<u>557,041</u>
 EXPENDITURES		
General maintenance	81,666	133,432
Road maintenance	<u>399,175</u>	<u>525,532</u>
Total expenditures	<u>480,841</u>	<u>658,964</u>
Excess (deficiency) of revenues over expenditures	88,109	(101,923)
 OTHER FINANCING USES		
Operating transfers out	<u>(57,040)</u>	<u>(57,060)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	31,069	(158,983)
FUND BALANCE, BEGINNING OF YEAR	<u>692,411</u>	<u>851,394</u>
FUND BALANCE, END OF YEAR	<u>\$ 723,480</u>	<u>\$ 692,411</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
INSURANCE FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Restricted temporary cash investment	\$ 663,187	\$ 763,971
Due from other funds	<u>177,694</u>	<u>177,694</u>
 TOTAL ASSETS	 <u>\$ 840,881</u>	 <u>\$ 941,665</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accrued medical claims	<u>\$ 345,375</u>	<u>\$ 84,913</u>
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FUND BALANCES

Reserved for insurance	663,187	763,971
Unreserved - undesignated	<u>(167,681)</u>	<u>92,781</u>
Total fund balances	<u>495,506</u>	<u>856,752</u>

TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 840,881</u>	<u>\$ 941,665</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Premium income	\$ 2,767,587	\$ 3,189,926
Interest income	1,946	10,067
Total revenues	2,769,533	3,199,993
 EXPENDITURES		
Claims paid, administrative and insurance costs	3,130,779	3,168,382
Excess (deficiency) of revenues over expenditures	(361,246)	31,611
 FUND BALANCE, BEGINNING OF YEAR	 856,752	 825,141
 FUND BALANCE, END OF YEAR	 \$ 495,506	 \$ 856,752

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ <u>101,953</u>	\$ <u>42,751</u>
TOTAL ASSETS	<u>\$ 101,953</u>	<u>\$ 42,751</u>

LIABILITIES AND FUND BALANCE

FUND BALANCE

Unreserved - undesignated	\$ <u>101,953</u>	\$ <u>42,751</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 101,953</u>	<u>\$ 42,751</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Foreign fire insurance tax	\$ 92,110	\$ 53,483
Interest income	<u>64</u>	<u>99</u>
Total revenues	<u>92,174</u>	<u>53,582</u>
EXPENDITURES		
Clothing allowance	2,447	1,594
Ambulance supplies	4,179	3,749
Furniture and fixtures	8,059	10,326
Equipment and supplies	12,531	30,894
Public education materials	492	221
Training tower	-	11,269
Contingent expense	<u>5,264</u>	<u>3,399</u>
Total expenditures	<u>32,972</u>	<u>61,452</u>
Excess (deficiency) of revenues over expenditures	59,202	(7,870)
FUND BALANCE, BEGINNING OF YEAR	<u>42,751</u>	<u>50,621</u>
FUND BALANCE, END OF YEAR	<u>\$ 101,953</u>	<u>\$ 42,751</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
Temporary cash investment	\$ 8,446,404	\$ 4,267,489
Receivable (net of allowance for uncollectibles):		
Taxes	656,438	653,240
Due from other funds	<u>554,312</u>	<u>879,449</u>
 TOTAL ASSETS	 <u>\$ 9,657,154</u>	 <u>\$ 5,800,178</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 9,428	\$ -
Deferred property tax revenues	656,438	653,238
Intergovernmental liability	72,579	141,896
Due to other funds	<u>25,320</u>	<u>-</u>
Total liabilities	763,765	795,134

FUND BALANCE

Reserved for debt service	<u>8,893,389</u>	<u>5,005,044</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 9,657,154</u>	 <u>\$ 5,800,178</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
REVENUES		
Taxes	\$ 1,234,399	\$ 1,427,824
Investment income:		
Interest	33,159	17,026
Dividends	849	15,328
	<hr/>	<hr/>
Total revenues	1,268,407	1,460,178
	<hr/>	<hr/>
EXPENDITURES		
Debt service:		
Principal retirement	1,732,432	1,749,582
Interest and fiscal charges	525,833	595,100
Bond issuance costs	97,737	-
Contingencies	7,695	11,700
Legal fees	20,030	-
Miscellaneous	820	2,830
	<hr/>	<hr/>
Total expenditures	2,384,547	2,359,212
	<hr/>	<hr/>
Deficiency of revenues over expenditures	(1,116,140)	(899,034)
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Operating transfers in	1,141,353	1,466,531
Operating transfers out	(81,539)	(50,246)
General obligation bonds issued and related premium	3,944,671	-
	<hr/>	<hr/>
Total other financing sources	5,004,485	1,416,285
	<hr/>	<hr/>
Excess of revenues and other financing sources over expenditures and other financing uses	3,888,345	517,251
	<hr/>	<hr/>
FUND BALANCE, BEGINNING OF YEAR AS PREVIOUSLY REPORTED	5,005,044	5,000,132
Prior period adjustment - see Note 6	-	(512,339)
	<hr/>	<hr/>
FUND BALANCE, BEGINNING OF YEAR AS RESTATED	5,005,044	4,487,793
	<hr/>	<hr/>
FUND BALANCE, END OF YEAR	<u>\$ 8,893,389</u>	<u>\$ 5,005,044</u>

**VILLAGE OF ALSIP, ILLINOIS
 CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 For the Years Ended April 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
EXPENDITURES		
Engineering fees	\$ 31,310	\$ -
 OTHER FINANCING SOURCES		
Operating transfers in	<u>31,310</u>	<u>-</u>
Excess of other financing sources over expenditures	-	-
 FUND BALANCE, BEGINNING OF YEAR	 <u>-</u>	 <u>-</u>
 FUND BALANCE, END OF YEAR	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
April 30, 2010
With Comparative Totals at April 30, 2009**

ASSETS				
	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2010</u>	<u>2009</u>
CURRENT ASSETS				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	1,871,129	681,986	2,553,115	2,262,109
Receivables (net of allowance for uncollectibles):				
Account customers	271,950	-	271,950	229,096
Estimated unbilled water and sewer charges	692,952	-	692,952	626,151
Prepaid expense/insurance	-	3,755	3,755	7,492
Due from other funds	<u>652,875</u>	<u>79,485</u>	<u>732,360</u>	<u>603,017</u>
Total current assets	<u>3,489,006</u>	<u>765,226</u>	<u>4,254,232</u>	<u>3,727,965</u>
RESTRICTED ASSETS				
Temporary cash investments	<u>4,105,113</u>	<u>4,494,398</u>	<u>8,599,511</u>	<u>7,318,807</u>
FIXED ASSETS				
Property, building and equipment - net	<u>17,043,520</u>	<u>14,371,620</u>	<u>31,415,140</u>	<u>30,272,478</u>
OTHER ASSETS				
Bond issuance costs	73,314	175,687	249,001	105,787
Deposits	<u>-</u>	<u>168,315</u>	<u>168,315</u>	<u>163,144</u>
Total other assets	<u>73,314</u>	<u>344,002</u>	<u>417,316</u>	<u>268,931</u>
 TOTAL ASSETS	 <u>\$ 24,710,953</u>	 <u>\$ 19,975,246</u>	 <u>\$ 44,686,199</u>	 <u>\$ 41,588,181</u>

LIABILITIES AND FUND EQUITIES

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2010	2009
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)				
Accounts payable	\$ 609,752	\$ 93,746	\$ 703,498	\$ 512,284
Other accrued expenses	1,545,254	-	1,545,254	1,543,571
Current portion of note payable	-	-	-	45,479
Current portion of general obligation bonds	249,875	1,199,973	1,449,848	1,388,204
Due to other funds	-	486,459	486,459	758,766
Security deposits	-	328,720	328,720	322,150
Utility overpayments	2,451	-	2,451	939
Accrued interest payable	97,045	68,387	165,432	154,299
Total current liabilities (payable from current assets)	2,504,377	2,177,285	4,681,662	4,725,692
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)				
Deposits	28,039	-	28,039	26,884
LONG-TERM LIABILITIES				
Compensated absences payable	11,799	-	11,799	11,799
Post employment benefit obligation	46,799	-	46,799	31,918
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	6,386,135	7,199,634	13,585,769	11,051,598
Total long-term liabilities	6,444,733	7,199,634	13,644,367	11,095,315
Total liabilities	8,977,149	9,376,919	18,354,068	15,847,891
FUND EQUITIES				
Contributed capital	480,831	-	480,831	480,831
Retained earnings:				
Unreserved	15,252,973	10,598,327	25,851,300	25,259,459
Total fund equities	15,733,804	10,598,327	26,332,131	25,740,290
TOTAL LIABILITIES AND FUND EQUITIES	\$ 24,710,953	\$ 19,975,246	\$ 44,686,199	\$ 41,588,181

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND EQUITIES
For the Year Ended April 30, 2010
with Comparative Totals for the Year Ended April 30, 2009

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2010	2009
OPERATING REVENUES				
Charges for services	\$ 8,144,089	\$ -	\$ 8,144,089	\$ 7,551,781
Rental income	-	3,761,989	3,761,989	3,691,444
Other income	143,367	45,667	189,034	116,306
	<u>8,287,456</u>	<u>3,807,656</u>	<u>12,095,112</u>	<u>11,359,531</u>
OPERATING EXPENSES				
Water department	6,919,591	-	6,919,591	5,659,155
Sewer department	206,939	-	206,939	145,637
Senior citizen complex	-	2,149,778	2,149,778	2,074,893
	<u>7,126,530</u>	<u>2,149,778</u>	<u>9,276,308</u>	<u>7,879,685</u>
Total operating expenses				
Operating income before depreciation	1,160,926	1,657,878	2,818,804	3,479,846
DEPRECIATION				
	<u>766,394</u>	<u>658,882</u>	<u>1,425,276</u>	<u>1,369,746</u>
Operating income	<u>394,532</u>	<u>998,996</u>	<u>1,393,528</u>	<u>2,110,100</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond premium	2,923	663	3,586	2,923
Amortization of bond issue costs	(3,384)	(21,695)	(25,079)	(14,292)
Amortization of underwriter's discount	(2,310)	(4,044)	(6,354)	(3,541)
Note and bond interest and fiscal charges	(302,870)	(263,069)	(565,939)	(674,366)
Operating transfers out	(252,000)	(13,457)	(265,457)	(474,116)
Interest income	23,901	33,655	57,556	101,277
	<u>(533,740)</u>	<u>(267,947)</u>	<u>(801,687)</u>	<u>(1,062,115)</u>
Total non-operating expenses and transfers				
NET INCOME (LOSS)	<u>(139,208)</u>	<u>731,049</u>	<u>591,841</u>	<u>1,047,985</u>
FUND EQUITIES, BEGINNING OF YEAR AS PREVIOUSLY REPORTED				
	15,873,012	9,867,278	25,740,290	24,179,966
Prior period adjustment - see Note 6	-	-	-	512,339
FUND EQUITIES, BEGINNING OF YEAR AS RESTATED				
	<u>15,873,012</u>	<u>9,867,278</u>	<u>25,740,290</u>	<u>24,692,305</u>
FUND EQUITIES, END OF YEAR	<u>\$ 15,733,804</u>	<u>\$ 10,598,327</u>	<u>\$ 26,332,131</u>	<u>\$ 25,740,290</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2010
with Comparative Totals for the Year Ended April 30, 2009

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 394,532	\$ 998,996	\$ 1,393,528	\$ 2,110,100
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	766,394	658,882	1,425,276	1,369,746
Gain on sale of property, building and equipment	(1,300)	-	(1,300)	-
Effects of changes in operating assets and liabilities:				
Receivables - account customers	(42,854)	-	(42,854)	31,453
Receivables - unbilled charges	(66,801)	-	(66,801)	(17,479)
Due from other funds	(174,148)	44,805	(129,343)	(157,210)
Prepaid insurance/expense	-	3,737	3,737	6,051
Utility overpayment	1,512	-	1,512	939
Deposits	-	(5,171)	(5,171)	(448)
Accounts payable	187,126	4,088	191,214	(217,204)
Due to other funds	-	(272,307)	(272,307)	(275,260)
Other accrued expenses	1,683	-	1,683	(167)
Security deposits	-	6,570	6,570	(3,515)
Postemployment benefit obligation	14,881	-	14,881	3,781
Restricted liabilities	1,155	-	1,155	(1,430)
	<u>1,082,180</u>	<u>1,439,600</u>	<u>2,521,780</u>	<u>2,849,357</u>
Net cash provided by operating activities				
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfers out	<u>(252,000)</u>	<u>(13,457)</u>	<u>(265,457)</u>	<u>(474,116)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	(1,954,217)	(616,621)	(2,570,838)	(688,230)
Proceeds from sale of property, building and equipment	4,200	-	4,200	-
Principal payments on note payable	(45,479)	-	(45,479)	(89,679)
Proceeds from issuance of bonds payable	-	3,811,142	3,811,142	-
Principal payments on bonds payable	(239,875)	(1,209,343)	(1,449,218)	(1,262,945)
Interest paid on notes and bonds	<u>(302,870)</u>	<u>(189,106)</u>	<u>(491,976)</u>	<u>(621,895)</u>
	<u>(2,538,241)</u>	<u>1,796,072</u>	<u>(742,169)</u>	<u>(2,662,749)</u>
Net cash provided by (used in) capital and related financing activities				

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	<u>23,901</u>	<u>33,655</u>	<u>57,556</u>	<u>101,277</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	(1,684,160)	3,255,870	1,571,710	(186,231)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>7,660,502</u>	<u>1,920,514</u>	<u>9,581,016</u>	<u>9,767,247</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 5,976,342</u>	<u>\$ 5,176,384</u>	<u>\$ 11,152,726</u>	<u>\$ 9,581,016</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash	\$ 100	\$ 100
Temporary cash investments	1,871,129	1,812,633
Receivables (net of allowance for uncollectibles):		
Account customers	271,950	229,096
Estimated unbilled water and sewer charges	692,952	626,151
Due from other funds	<u>652,875</u>	<u>478,727</u>
Total current assets	3,489,006	3,146,707
RESTRICTED ASSETS		
Temporary cash investments	4,105,113	5,847,769
PROPERTY, BUILDING AND EQUIPMENT, NET	17,043,520	15,858,597
OTHER ASSETS		
Bond issue costs	<u>73,314</u>	<u>76,698</u>
 TOTAL ASSETS	 <u>\$ 24,710,953</u>	 <u>\$ 24,929,771</u>

LIABILITIES AND FUND EQUITY

	<u>2010</u>	<u>2009</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	\$ 609,752	\$ 422,626
Accrued interest payable	97,045	97,045
Other accrued expenses	1,545,254	1,543,571
Utility overpayments	2,451	939
Current portion of general obligation bonds	249,875	239,875
Current portion of note payable	-	45,479
	<u>2,504,377</u>	<u>2,349,535</u>
Total current liabilities (payable from current assets)		
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Deposits	<u>28,039</u>	<u>26,884</u>
LONG-TERM LIABILITIES		
Compensated absences payable	11,799	11,799
Postemployment benefit obligation	46,799	31,918
General obligation bonds (net of unamortized discount and premium)	<u>6,386,135</u>	<u>6,636,623</u>
	<u>6,444,733</u>	<u>6,680,340</u>
Total long-term liabilities		
Total liabilities	<u>8,977,149</u>	<u>9,056,759</u>
FUND EQUITY		
Contributed capital	480,831	480,831
Retained earnings:		
Unreserved	<u>15,252,973</u>	<u>15,392,181</u>
	<u>15,733,804</u>	<u>15,873,012</u>
Total fund equity		
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 24,710,953</u>	<u>\$ 24,929,771</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
OPERATING REVENUES		
Charges for services:		
Water	\$ 7,270,478	\$ 6,761,925
Sewer	719,058	668,762
Tapping fees	57,925	29,372
Fines and penalties	96,628	91,722
Other income	<u>143,367</u>	<u>79,027</u>
Total operating revenues	<u>8,287,456</u>	<u>7,630,808</u>
OPERATING EXPENSES		
Water department	6,919,591	5,659,155
Sewer department	<u>206,939</u>	<u>145,637</u>
Total operating expenses	<u>7,126,530</u>	<u>5,804,792</u>
Operating income before depreciation	1,160,926	1,826,016
DEPRECIATION	<u>766,394</u>	<u>756,555</u>
Operating income	<u>394,532</u>	<u>1,069,461</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS		
Amortization of bond premium	2,923	2,923
Amortization of underwriter's discount	(2,310)	(2,310)
Amortization of bond issue costs	(3,384)	(3,384)
Note and bond interest and fiscal charges	(302,870)	(308,265)
Operating transfers out	(252,000)	(252,000)
Interest income	<u>23,901</u>	<u>79,329</u>
Total non-operating expenses and transfers	<u>(533,740)</u>	<u>(483,707)</u>
NET INCOME (LOSS)	<u>(139,208)</u>	<u>585,754</u>
FUND EQUITY, BEGINNING OF YEAR AS PREVIOUSLY REPORTED	15,873,012	15,025,741
Prior period adjustment - see Note 6	<u>-</u>	<u>261,517</u>
FUND EQUITY, BEGINNING OF YEAR AS RESTATED	<u>15,873,012</u>	<u>15,287,258</u>
FUND EQUITY, END OF YEAR	<u>\$ 15,733,804</u>	<u>\$ 15,873,012</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 394,532	\$ 1,069,461
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	766,394	756,555
Gain on sale of property, building and equipment	(1,300)	-
Effects of changes in operating assets and liabilities:		
Receivables - account customers	(42,854)	31,453
Receivables - unbilled charges	(66,801)	(17,479)
Due from other funds	(174,148)	(217,210)
Accounts payable	187,126	(115,390)
Other accrued expenses	1,683	(167)
Utility overpayment	1,512	939
Due to other funds	-	(185,013)
Postemployment benefit obligation	14,881	3,781
Restricted liabilities	1,155	(1,430)
	<u>1,082,180</u>	<u>1,325,500</u>
Net cash provided by operating activities		
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Operating transfers out	<u>(252,000)</u>	<u>(252,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property, building and equipment	(1,954,217)	(514,892)
Proceeds from sale of property, building and equipment	4,200	-
Principal payments on note payable	(45,479)	(89,679)
Principal payments on bonds payable	(239,875)	(170,000)
Interest paid on notes and bonds	(302,870)	(310,532)
	<u>(2,538,241)</u>	<u>(1,085,103)</u>
Net cash used in capital and related financing activities		

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	<u>23,901</u>	<u>79,329</u>
 NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	 (1,684,160)	 67,726
 CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	 <u>7,660,502</u>	 <u>7,592,776</u>
 CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	 <u>\$ 5,976,342</u>	 <u>\$ 7,660,502</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF OPERATING EXPENSES
For the Years Ended April 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
WATER DEPARTMENT		
Salary - commissioner	\$ 88,752	\$ 86,196
Salary - clerical	48,560	45,176
Wages - meter readers	16,895	16,127
Wages - general labor	213,922	206,409
Engineering fees	11,821	10,995
Audit fee	6,000	-
Tools and equipment	1,680	1,910
Purchase - office equipment	4,604	1,584
Purchase - new equipment	22,619	22,701
Purchase - meters	77,310	39,409
Purchase - computer	6,689	100
Repairs - equipment	5,368	20,589
Restoration (main breaks)	184,588	171,659
Maintenance water system	429,591	402,293
Utilities	237,286	251,634
Water tap-ons	27,835	6,265
Purchase - water	4,398,951	3,768,733
Social Security and IMRF	93,916	89,222
Insurance and administrative expense	782,000	355,536
Contingent expense	21,734	15,532
Water system expense	35,500	44,079
Building and grounds maintenance	154,736	63,441
Pager service	3,223	1,555
Office supplies	1,310	2,762
Postage	1,354	-
Water sampling fees	3,670	4,269
Purchase chlorine	1,933	1,448
Gasoline and oil	7,751	9,077
Water billing charges	18,484	17,230
Dues and memberships	-	300
Postemployment benefit obligation	11,509	2,924
	<hr/>	<hr/>
Total water department	6,919,591	5,659,155
 SEWER DEPARTMENT		
Salary - clerical	55,710	54,148
Wages - general labor	61,485	49,570
Purchase - new equipment	719	6,413
Material and supplies	7,461	5,282
Repair - equipment	554	1,105
Maintenance - sanitary sewers	29,369	13,810
Contingent expense	-	41
Uniforms	2,019	2,411
Garage rentals	46,250	12,000
Postemployment benefit obligation	3,372	857
	<hr/>	<hr/>
Total sewer department	206,939	145,637
 TOTAL OPERATING EXPENSES		
	<u>\$ 7,126,530</u>	<u>\$ 5,804,792</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING BALANCE SHEET
April 30, 2010 and 2009**

ASSETS

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
CURRENT ASSETS				
Temporary cash investments	\$ -	\$ 681,986	\$ 681,986	\$ 449,476
Due from other funds	15,195	64,290	79,485	124,290
Prepaid insurance	<u>1,196</u>	<u>2,559</u>	<u>3,755</u>	<u>7,492</u>
Total current assets	<u>16,391</u>	<u>748,835</u>	<u>765,226</u>	<u>581,258</u>
RESTRICTED ASSETS				
Temporary cash investments	<u>-</u>	<u>4,494,398</u>	<u>4,494,398</u>	<u>1,471,038</u>
PROPERTY, BUILDING AND EQUIPMENT - NET	<u>5,668,933</u>	<u>8,702,687</u>	<u>14,371,620</u>	<u>14,413,881</u>
OTHER ASSETS				
Bond issuance costs	-	175,687	175,687	29,089
Deposits	<u>167,315</u>	<u>1,000</u>	<u>168,315</u>	<u>163,144</u>
Total other assets	<u>167,315</u>	<u>176,687</u>	<u>344,002</u>	<u>192,233</u>
TOTAL ASSETS	<u>\$ 5,852,639</u>	<u>\$ 14,122,607</u>	<u>\$ 19,975,246</u>	<u>\$ 16,658,410</u>

LIABILITIES AND FUND EQUITIES

CURRENT LIABILITIES				
Accrued interest payable	\$ 29,105	\$ 39,282	\$ 68,387	\$ 57,254
Accounts payable	13,995	79,751	93,746	89,658
Current portion of general obligation bonds	106,240	1,093,733	1,199,973	1,148,329
Due to other funds	486,459	-	486,459	758,766
Security deposits	<u>112,820</u>	<u>215,900</u>	<u>328,720</u>	<u>322,150</u>
Total current liabilities	748,619	1,428,666	2,177,285	2,376,157
LONG-TERM LIABILITIES				
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>1,869,160</u>	<u>5,330,474</u>	<u>7,199,634</u>	<u>4,414,975</u>
Total liabilities	2,617,779	6,759,140	9,376,919	6,791,132
FUND EQUITIES				
Retained earnings - unreserved	<u>3,234,860</u>	<u>7,363,467</u>	<u>10,598,327</u>	<u>9,867,278</u>
TOTAL LIABILITIES AND FUND EQUITIES	<u>\$ 5,852,639</u>	<u>\$ 14,122,607</u>	<u>\$ 19,975,246</u>	<u>\$ 16,658,410</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, 2010
with Comparative Totals for the Year Ended April 30, 2009**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
OPERATING REVENUES				
Rental income	\$ 1,279,253	\$ 2,482,736	\$ 3,761,989	\$ 3,691,444
Other income	12,544	33,123	45,667	37,279
	<u>1,291,797</u>	<u>2,515,859</u>	<u>3,807,656</u>	<u>3,728,723</u>
OPERATING EXPENSES	<u>812,681</u>	<u>1,337,097</u>	<u>2,149,778</u>	<u>2,074,893</u>
Operating income before depreciation	479,116	1,178,762	1,657,878	1,653,830
DEPRECIATION	<u>209,380</u>	<u>449,502</u>	<u>658,882</u>	<u>613,191</u>
Operating income	<u>269,736</u>	<u>729,260</u>	<u>998,996</u>	<u>1,040,639</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond issuance costs	-	(21,695)	(21,695)	(10,908)
Amortization of bond premium	-	663	663	-
Amortization of underwriter's discount	-	(4,044)	(4,044)	(1,231)
Operating transfers out	(13,457)	-	(13,457)	(222,116)
Bond interest	(87,316)	(175,753)	(263,069)	(366,101)
Interest income	-	33,655	33,655	21,948
	<u>(100,773)</u>	<u>(167,174)</u>	<u>(267,947)</u>	<u>(578,408)</u>
NET INCOME (LOSS)	<u>168,963</u>	<u>562,086</u>	<u>731,049</u>	<u>462,231</u>
RETAINED EARNINGS, BEGINNING OF YEAR AS PREVIOUSLY REPORTED	3,065,897	6,801,381	9,867,278	9,154,225
Prior period adjustment - see note 6	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,822</u>
RETAINED EARNINGS, BEGINNING OF YEAR AS RESTATED	<u>3,065,897</u>	<u>6,801,381</u>	<u>9,867,278</u>	<u>9,405,047</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 3,234,860</u>	<u>\$ 7,363,467</u>	<u>\$ 10,598,327</u>	<u>\$ 9,867,278</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2010
with Comparative Totals for the Year Ended April 30, 2009**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 269,736	\$ 729,260	\$ 998,996	\$ 1,040,639
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	209,380	449,502	658,882	613,191
Effects of changes in operating assets and liabilities:				
Due from other funds	(15,195)	60,000	44,805	60,000
Prepaid insurance	(140)	3,877	3,737	6,051
Deposits	(5,171)	-	(5,171)	(448)
Accounts payable	13,995	(9,907)	4,088	(101,814)
Security deposits	3,395	3,175	6,570	(3,515)
Due to other funds	(272,307)	-	(272,307)	(90,247)
	<u>203,693</u>	<u>1,235,907</u>	<u>1,439,600</u>	<u>1,523,857</u>
Net cash provided by operating activities				
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfer out	<u>(13,457)</u>	<u>-</u>	<u>(13,457)</u>	<u>(222,116)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	-	(616,621)	(616,621)	(173,338)
Proceeds from issuance of bonds payable	-	3,811,142	3,811,142	-
Principal payments on bonds payable	(102,920)	(1,106,423)	(1,209,343)	(1,092,945)
Interest paid on bonds	(87,316)	(101,790)	(189,106)	(311,363)
	<u>(190,236)</u>	<u>1,986,308</u>	<u>1,796,072</u>	<u>(1,577,646)</u>
Net cash provided by (used in) capital and related financing activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	<u>-</u>	<u>33,655</u>	<u>33,655</u>	<u>21,948</u>
NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS				
	<u>-</u>	<u>3,255,870</u>	<u>3,255,870</u>	<u>(253,957)</u>
TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR				
	<u>-</u>	<u>1,920,514</u>	<u>1,920,514</u>	<u>2,174,471</u>
TEMPORARY CASH INVESTMENTS, END OF YEAR				
	<u>\$ -</u>	<u>\$ 5,176,384</u>	<u>\$ 5,176,384</u>	<u>\$ 1,920,514</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF OPERATING EXPENSES
For the Year Ended April 30, 2010
with Comparative Totals for the Year Ended April 30, 2009**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
Salaries	\$ 147,831	\$ 345,622	\$ 493,453	\$ 408,323
Audit fee	-	3,500	3,500	-
Repairs and maintenance	156,811	268,791	425,602	393,983
Management fee	76,755	148,964	225,719	221,944
Administrative fee	144,000	100,000	244,000	194,000
Decorating	16,263	33,234	49,497	59,160
Office supplies	6,460	-	6,460	6,553
Telephone	9,142	-	9,142	7,989
Utilities	143,987	219,084	363,071	450,672
Insurance	39,643	69,932	109,575	108,359
Scavenger	14,223	49,006	63,229	65,681
Pest control	4,402	6,000	10,402	12,224
Contingent expense	7,186	8,193	15,379	11,468
Payroll taxes	11,971	22,104	34,075	32,915
Uniforms	1,698	3,381	5,079	4,817
Legal fees	-	1,288	1,288	-
Union health/pension	31,954	57,998	89,952	96,470
Other employee benefits	355	-	355	335
TOTAL OPERATING EXPENSES	<u>\$ 812,681</u>	<u>\$ 1,337,097</u>	<u>\$ 2,149,778</u>	<u>\$ 2,074,893</u>

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET ASSETS
April 30, 2010
with Comparative Totals at April 30, 2009**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2010</u>	<u>2009</u>
ASSETS				
Cash and cash equivalents	\$ 2,270,154	\$ 2,506,491	\$ 4,776,645	\$ 4,023,855
Receivables:				
Contributions	1,002,213	715,180	1,717,393	1,812,951
Accrued interest	67,617	64,484	132,101	127,417
Due from other funds	185,063	-	185,063	185,062
Investments, at fair value:				
U.S. Government securities	5,906,448	7,159,331	13,065,779	13,018,787
Mutual funds	3,922,729	4,400,599	8,323,328	6,038,262
Stocks	1,529,183	1,744,111	3,273,294	2,527,263
Insurance contracts	-	657,795	657,795	887,035
	<u>14,883,407</u>	<u>17,247,991</u>	<u>32,131,398</u>	<u>28,620,632</u>
Total assets				
LIABILITIES				
Accrued liabilities	4,081	-	4,081	16,624
Deferred contributions	981,870	715,180	1,697,050	1,793,549
Due to other funds	-	81,401	81,401	81,400
	<u>985,951</u>	<u>796,581</u>	<u>1,782,532</u>	<u>1,891,573</u>
Total liabilities				
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS				
	<u>\$ 13,897,456</u>	<u>\$ 16,451,410</u>	<u>\$ 30,348,866</u>	<u>\$ 26,729,059</u>

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
For the Year Ended April, 30, 2010
with Comparative Totals for the Year Ended April, 30, 2009**

	Police Pension Fund	Firemen's Pension Fund	Total	
			<u>2010</u>	<u>2009</u>
ADDITIONS				
Contributions:				
Employer	\$ 1,864,246	\$ 1,059,651	\$ 2,923,897	\$ 1,914,775
Employee	266,794	256,330	523,124	547,424
	<u>2,131,040</u>	<u>1,315,981</u>	<u>3,447,021</u>	<u>2,462,199</u>
Total contributions				
Investment income (loss):				
Net appreciation (depreciation) in fair value of investments	1,512,495	1,394,369	2,906,864	(4,107,044)
Dividends	84,727	69,314	154,041	212,554
Interest	254,590	259,899	514,489	609,860
Miscellaneous income	-	669	669	259
	<u>1,851,812</u>	<u>1,724,251</u>	<u>3,576,063</u>	<u>(3,284,371)</u>
Total investment income (loss)				
Less investment expense	52,768	82,681	135,449	134,073
	<u>1,799,044</u>	<u>1,641,570</u>	<u>3,440,614</u>	<u>(3,418,444)</u>
Net investment income (loss)				
Total additions	<u>3,930,084</u>	<u>2,957,551</u>	<u>6,887,635</u>	<u>(956,245)</u>
DEDUCTIONS				
Retirement benefits	2,015,668	499,239	2,514,907	2,101,500
Duty disability benefits	27,444	472,837	500,281	536,410
Surviving spouse benefits	47,228	189,456	236,684	200,629
Miscellaneous	15,956	-	15,956	18,210
	<u>2,106,296</u>	<u>1,161,532</u>	<u>3,267,828</u>	<u>2,856,749</u>
Total deductions				
NET INCREASE (DECREASE)	1,823,788	1,796,019	3,619,807	(3,812,994)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR	<u>12,073,668</u>	<u>14,655,391</u>	<u>26,729,059</u>	<u>30,542,053</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR	<u>\$ 13,897,456</u>	<u>\$ 16,451,410</u>	<u>\$ 30,348,866</u>	<u>\$ 26,729,059</u>

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2010
(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	WA10001993	05/01/09-10	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Scottsdale	PK10001574	05/01/09-10	Professional liability insurance	Law enforcement officers and public officials	Multiple Coverages
Scottsdale	PES0005049	05/01/09-10	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Scottsdale and Arch Insurance	UMS0024483 MEUM07163102	05/01/09-10	Excess liability - umbrella	Bodily injury and property damage, includes civil rights	\$10,000,000
Arch Insurance	MEPK07351002	05/01/09-10	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137802	05/01/09-10	Portable Equipment		Multiple Coverages
IPRF	AGC-2Q36-IL	12/15/09-10	Workmen's Compensation		\$2,500,000
Travelers	103199571	08/03/08-11	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	103062011	02/20/10-11	Blanket Employee Crime Bond		\$250,000
Travelers	103199575	08/03/08-11	Police Pension Fund Bond	Errors and omissions	\$1,000,000
American Fidelity	2000SLG198-09	05/01/09-10	Specific/Aggregate Health		Various

**VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2010
(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	05/09/09-10	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	6760466307776	05/09/09-10	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
AutoOwners	6760466307570	05/17/09-10	Public Official Bond - Gregory Palumbo	Errors and omissions	\$150,000
Liberty Mutual	285025029	01/30/10-11	Public Official Bond - Elizabeth Gonzalez	Errors and omissions	\$150,000
Safeco	6400805	12/20/09-10	Public Official Bond - Sharon McDowell	Errors and omissions	\$150,000
Liberty Mutual	6609418	9/21/09-13	IL Notary Public Bond - Deborah Venhuizen	Errors and omissions	\$5,000
Safeco	6233260	04/04/09-13	IL Notary Public Bond - Judith DeLuise	Errors and omissions	\$5,000
Safeco	6233249	04/21/08-12	IL Notary Public Bond - Violet Regan	Errors and omissions	\$5,000
Safeco	6233247	03/28/08-12	IL Notary Public Bond - Sharon Szynalski	Errors and omissions	\$5,000
Liberty Mutual	6609421	2/3/10-14	IL Notary Public Bond - Sharon McDowell	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	05/01/09-10	Life insurance		Various
Reliance Standard	VAR202787	05/01/09-10	Accidental Death & Dismemberment		Various
North Point	NPCM005152	4/21/10-11	Canine policy		Multiple Coverages

VILLAGE OF ALSIP
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS
AND ASSESSED VALUATION
April 30, 2010

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Assessed valuation, estimated as of April 30, 2010	<u>\$ 687,386,575</u>	<u>\$ 680,364,001</u>	<u>\$ 710,758,298</u>	<u>\$ 802,041,333</u>	<u>\$ 749,936,394</u>
Tax rates:					
General	.3639	.3758	.4014	.3592	.4308
Police pension	.1269	.1470	.1617	.1995	.2301
Fire pension	.1212	.1154	.1176	.1216	.1548
Road and bridge	.0000	.0089	.0294	.0066	.0069
Debt service	<u>.1922</u>	<u>.1967</u>	<u>.2004</u>	<u>.1454</u>	<u>.1555</u>
Total - All Funds	<u>.8042</u>	<u>.8438</u>	<u>.9105</u>	<u>.8323</u>	<u>.9781</u>
Tax levies:					
General	\$ 2,576,519	\$ 2,633,799	\$ 2,812,916	\$ 2,880,986	\$ 3,230,986
Police pension	898,675	1,030,000	1,133,000	1,600,000	1,725,345
Fire pension	863,964	808,606	824,000	975,587	1,160,980
Road and bridge	-	60,255	206,000	51,500	51,500
Debt service	<u>1,318,305</u>	<u>1,338,228</u>	<u>1,363,753</u>	<u>1,166,351</u>	<u>1,166,163</u>
Total - All Funds	<u>\$ 5,657,463</u>	<u>\$ 5,870,888</u>	<u>\$ 6,339,669</u>	<u>\$ 6,674,424</u>	<u>\$ 7,334,974</u>
Collections:					
General	\$ 2,441,540	\$ 2,405,040	\$ 2,816,590	\$ 2,726,247	\$ 1,454,811
Police pension	851,379	945,224	997,978	1,568,246	795,235
Fire pension	818,591	740,202	786,697	938,520	480,701
Road and bridge	-	55,559	175,930	51,436	24,013
Debt service	<u>1,249,066</u>	<u>1,242,316</u>	<u>1,167,311</u>	<u>1,089,219</u>	<u>522,291</u>
Total - All Funds	<u>\$ 5,360,576</u>	<u>\$ 5,388,341</u>	<u>\$ 5,944,506</u>	<u>\$ 6,373,668</u>	<u>\$ 3,277,051</u>
Percentage of levies collected	<u>94.8%</u>	<u>91.8%</u>	<u>93.8%</u>	<u>95.5%</u>	<u>44.7%</u>
Township levies	<u>\$ 134,040</u>	<u>\$ 134,040</u>	<u>\$ 91,849</u>	<u>\$ 95,952</u>	<u>\$ 116,296</u>
Collections	<u>\$ 86,635</u>	<u>\$ 82,577</u>	<u>\$ 88,556</u>	<u>\$ 91,792</u>	<u>\$ 47,159</u>
Percentage of collections	<u>64.6%</u>	<u>61.6%</u>	<u>96.4%</u>	<u>95.7%</u>	<u>40.6%</u>
Special service areas levies	<u>\$ 169,449</u>	<u>\$ 168,896</u>	<u>\$ 168,862</u>	<u>\$ 168,862</u>	<u>\$ 169,276</u>
Collections	<u>\$ 169,459</u>	<u>\$ 168,901</u>	<u>\$ 168,876</u>	<u>\$ 168,862</u>	<u>\$ 93,113</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>55.0%</u>
Tax increment levies	<u>\$ 790,971</u>	<u>\$ 830,520</u>	<u>\$ 835,330</u>	<u>\$ 895,000</u>	<u>\$ 895,000</u>
Collections	<u>\$ 794,492</u>	<u>\$ 831,597</u>	<u>\$ 835,330</u>	<u>\$ 877,528</u>	<u>\$ 470,510</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>98.0%</u>	<u>52.6%</u>

**VILLAGE OF ALSIP, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2010**

	Tax Year <u>2009</u>
ASSESSED VALUATION	<u>\$ 749,936,394</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 64,682,014</u>
Total debt:	
General obligation debt:	
Notes payable	312,558
Bonds payable	<u>29,872,198</u>
	30,184,756
Deductions:	
Amount available for repayment of general obligation bonds	<u>8,893,389</u>
	<u>21,291,367</u>
LEGAL DEBT MARGIN	<u>\$ 43,390,647</u>

**REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH THE REQUIREMENTS OF THE STATE
OF ILLINOIS PUBLIC ACT 85-1142 SUBSECTION (Q) OF SECTION 11-74.4-3
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE STATE OF ILLINOIS PUBLIC ACT 85-1142, SUBSECTION (Q)
OF SECTION 11-74.4-3**

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

We have audited the basic financial statements of the Village of Alsip ("the Village"), as of and for the year ended April 30, 2010 and have issued our report thereon dated November 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

Clifton Gunderson LLP

Oak Brook, Illinois
November 1, 2010