

McGladrey & Pullen

Certified Public Accountants

Village of Matteson, Illinois

Annual Financial Report

Year Ended April 30, 2007

Village of Matteson, Illinois

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

The Honorable President and
Members of the Board of Trustees
Village of Matteson, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Matteson, Illinois, as of and for the year ended April 30, 2007, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Matteson, Illinois. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police or Firefighters' Pension Funds, both fiduciary fund types, or the Matteson Public Library, a discretely presented component unit, which statements reflect total assets of \$18,738,930, \$13,932,085 and \$5,609,989, respectively, as of April 30, 2007, and total additions to net assets/revenues of \$2,284,754, \$1,951,283 and \$2,086,722, respectively, for the year then ended. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Police and Firefighters' Pension Funds and the Matteson Public Library, are based solely on the reports of the other auditors.

Except as discussed in the following paragraph, 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.

The Village's pension information is incomplete. The Village did not obtain or perform a complete actuarial valuation of either the Police Pension or Firefighters' Pension Funds and the Notes to the Financial Statements do not contain all disclosures required by accounting principles generally accepted in the United States of America. In addition, the Village did not record a net pension liability or asset for either Fund. We were not able to satisfy ourselves by other auditing procedures as to the fairness of the net pension liability or asset as of April 30, 2007.

In our opinion, based on our audit and the reports of other auditors, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to audit the net pension liability or asset or disclosures for the Police and Firefighters' Pension Funds, as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Matteson, Illinois, as of April 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary and the other auditors information which includes management's discussion and analysis (pages 3-13), budgetary comparison information (page 72) and pension related information (pages 69-71) is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Matteson, Illinois. The combining and individual fund financial statements listed in the table of contents as supplementary information are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Chicago, Illinois
January 9, 2009

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

The Village of Matteson's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 14).

Certain amounts in this Management's Discussion and Analysis may not agree exactly to the basic financial statements due to rounding.

Using the Financial Section of this Comprehensive Annual Report

For the past 20 years, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resource basis. Since the modification of this approach in 2005, the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 14-16) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement, for the first time, combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 16) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, public works, engineering and administration. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water), where the fee for service typically covers all or most of the cost of operation, including depreciation.

The government-wide financial statements also include the Matteson Public Library (Library) which is a discretely presented component unit of the Village. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the primary government's financial statements. For detailed information pertaining to the Library, refer to the separately issued Library financial statements for the year ended April 30, 2007.

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than (the previous model's) fund types.

The Governmental Funds (see pages 17-20) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters Pension, see pages 25-26). While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 21-24) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 18 and 20). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide financial statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the Governmental column of the Government-wide Financial Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Statements

Statement of Net Assets

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 \$81.4 million as of April 30, 2007.

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

A significant portion of the Village's net assets (80.0%) reflects its investment in capital assets (i.e., land, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its 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.

Table 1

Statement of Net Assets

As of April 30, 2007

(in millions)

	Governmental Activities	Business-Type Activities	Total Primary Government
Current Assets	\$22.2	\$1.3	\$23.5
Non Current Assets	<u>85.8</u>	<u>6.8</u>	<u>92.6</u>
Total Assets	108.0	8.0	116.0
Current Liabilities	10.6	0.1	10.7
Non Current Liabilities	<u>20.7</u>	<u>3.3</u>	<u>24.0</u>
Total Liabilities	31.3	3.4	34.7
Net Assets:			
Invested in Capital Assets, Net of Related Debt	62.3	3.2	65.5
Restricted	0.3	0.0	0.3
Unrestricted	<u>14.2</u>	<u>1.5</u>	<u>15.6</u>
Total Net Assets	<u>\$76.7</u>	<u>\$4.7</u>	<u>\$81.4</u>

Village of Matteson, Illinois

Management's Discussion and Analysis April 30, 2007

Statement of Net Assets As of April 30, 2006 (in millions)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Current Assets	\$21.9	\$3.5	\$25.4
Non Current Assets	<u>87.6</u>	<u>4.1</u>	<u>91.7</u>
Total Assets	109.5	7.6	117.1
Current Liabilities	11.8	(0.1)	11.7
Non Current Liabilities	<u>23.6</u>	<u>3.5</u>	<u>27.1</u>
Total Liabilities	35.4	3.4	38.8
Net Assets:			
Invested in Capital Assets, Net of Related Debt	61.2	0.6	61.8
Restricted	0.2	-	0.2
Unrestricted	<u>12.7</u>	<u>3.6</u>	<u>16.3</u>
Total Net Assets	<u>\$74.1</u>	<u>\$4.2</u>	<u>\$78.3</u>

For more detailed information see the Statement of Net Assets (pages 14-15).

The Village's combined net assets (which is the Village's bottom line) increased to \$81.4 million from \$78.3 million primarily this year as a result of the payments made on debt within Governmental Activities. Net assets of the Village's governmental activities were \$76.7 million. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, were \$14.2 million.

The net assets of business-type activities increased to \$4.7 million from \$4.2 million. The Village can use the unrestricted net assets of \$1.5 million to finance the continuing operation of its water system.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's total net assets increased \$3.1 million and can be attributed to several things, including additional capital spending related to Lincoln Mall development, and upgrade of water and sewer infrastructure.

The following chart compares the revenue and expenses for the current fiscal year.

Table 2

Changes in Net Assets

For the Fiscal Year Ended April 30, 2007

(in millions)

	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	\$5.7	\$3.7	\$9.4
Operating Grants & Contributions	1.6	0.0	1.6
Capital Contributions	0.1	0.0	0.1
General Revenues			
Property Taxes	7.1	0.0	7.1
Other Taxes	9.1	0.0	9.1
Transfers	0.6	(0.6)	0.0
Miscellaneous	<u>0.9</u>	<u>0.0</u>	<u>0.9</u>
Total Revenues	25.2	3.1	28.3
EXPENSES			
General Government	12.5	0.0	12.5
Public Safety	7.0	0.0	7.0
Public Works	1.0	2.5	3.5
Parks and Recreation	1.1	0.0	1.1
Interest & Expense	<u>1.1</u>	<u>0.0</u>	<u>1.1</u>
Total Expenses	22.6	2.5	25.1
CHANGE IN NET ASSETS	2.6	0.5	3.1
BEGINNING NET ASSETS	<u>74.1</u>	<u>4.2</u>	<u>78.3</u>
ENDING NET ASSETS	<u>\$76.7</u>	<u>\$4.7</u>	<u>\$81.4</u>

Village of Matteson, Illinois

Management's Discussion and Analysis April 30, 2007

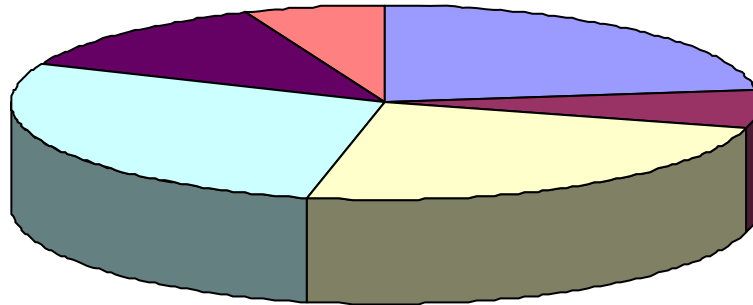
Table 2

Changes in Net Assets

For the Fiscal Year Ended April 30, 2006
(in millions)

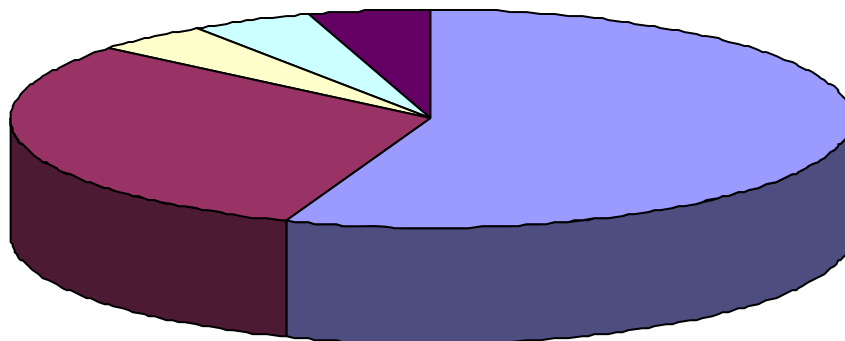
	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	\$5.9	\$3.7	\$9.6
Operating Grants & Contributions	1.5	0.0	1.5
General Revenues			
Property Taxes	6.4	0.0	6.4
Other Taxes	9.5	0.0	9.5
Transfers	1.1	(1.1)	0.0
Other	1.2	0.0	1.2
Total Revenues	25.6	2.6	28.2
EXPENSES			
General Government	16.5	0.0	16.5
Public Safety	8.7	0.0	8.7
Public Works	1.2	3.8	5.0
Parks and Recreation	1.2	0.0	1.2
Interest & Expense	<u>1.6</u>	<u>0.0</u>	<u>1.6</u>
Total Expenses	29.2	3.8	33.0
CHANGE IN NET ASSETS	(3.6)	(1.2)	(4.8)
BEGINNING NET ASSETS	77.7	5.4	83.1
ENDING NET ASSETS	\$74.1	\$4.2	\$78.3

2007 Governmental Activities Revenue



- Charges for Services
- Sales Tax
- Other Taxes
- Operating Grants and Contributions
- Property Tax
- Other

2007 Governmental Activities Expense



- General Government
- Public Safety
- Public Works
- Parks and Recreation
- Other

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (General Government, Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2007, revenues from all activities totaled \$28.3 million. The Village has a very diversified revenue structure and depends on several key revenue sources to help pay for the services we provide.

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

In addition to the Village increasing its property tax in 2006 compared to previous years, we saw the tax rate per \$100 of equalized assessed valuation (EAV) rise as well. This was due to a significant increase in the EAV due to Cook County's triennial reassessment. The 2006 EAV (used by the County in calculating 2007 tax bills) increased to \$514 million from \$482 million in 2005. Property tax revenue is comparable to the prior year.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2007 were \$25.1 million. This amount is a significant decrease from total expenses of \$33.0 million for the year ended April 30, 2006.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2007, the governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$15.5 million. Revenues exceeded expenditures before other financing sources/(uses) by \$0.86 million. The primary reason for this was an increase in building permits and planning review revenues along with a decrease in capital asset expenditures. Transfers to the governmental funds from business-type funds were \$0.6 million during the year. These factors contributed to an overall increase in fund balance of \$1.0 million for all governmental funds in 2007.

General Fund Budgetary Highlights

During the fiscal year the Village Board prepared year-end budget adjustments in order to provide formal spending authority for activity that took place during the year that was not anticipated when the original budget document was prepared. Below is a table that reflects the original and revised budget and the actual for the revenues and expenditures for the General Fund.

Village of Matteson, Illinois

Management's Discussion and Analysis
April 30, 2007

Table 3
General Fund Budgetary Highlights
For the Year Ended April 30, 2007
(in millions)

General Fund	Original Budget	Amended Budget	Actual
Revenues			
Taxes	\$13.5	\$12.6	\$12.4
Other	4.2	4.1	4.1
Total	\$17.7	\$16.7	\$16.5
Expenditures	\$17.9	\$17.5	\$17.1
Excess of revenues over (under) expenditures	\$(0.2)	\$.8	\$(.6)

Capital Assets

At the end of the fiscal year 2007, the Village had a combined total of capital assets of \$92.4 million (after accumulated depreciation of \$43.4 million) invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4). This amount represents a net increase (including additions and deletions) of \$0.7 million.

Table 4
Total Capital Assets
Net of Depreciation
For the Year Ended April 30, 2007
(in millions)

	Balance May 1, 2006	Net Additions / Deletions	Balance April 30, 2007
Land	\$32.0	\$0.1	\$32.1
Buildings	8.5	(0.1)	8.4
Vehicles and Equipment	4.0	(0.4)	3.6
Streets and Bridges	24.0	(0.8)	23.2
Storm Sewers	17.1	(0.6)	16.5
Water Mains	1.7	2.7	4.4
Sanitary Sewers	4.4	(0.2)	4.2
Total Capital Assets	<u>\$91.7</u>	<u>\$0.7</u>	<u>\$92.4</u>

Village of Matteson, Illinois

Management's Discussion and Analysis

April 30, 2007

Debt Outstanding

At year-end, the Village had \$26.9 million in general obligation bonds and certificates outstanding. (More detailed information about the Village's long-term liabilities is presented in Note 6 to the financial statements.)

- The Village continued to pay down its debt, retiring \$5.3 million of outstanding bonds.
- The Village issued \$2.3 million in new General Obligation bonds to partially refund General Obligation bonds, Series 2001 with principal of \$2,270,000.
- The Village's general obligations bonds have carried a rating of A1 from Moody's.
- The state limits the amount of general obligation debt the Village can issue to 8.625% of the assessed value of all taxable property within the Village's limits. Outstanding debt is significantly below the current limit of \$44.3 million.

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Matteson during 2007 and is expected to continue into 2008. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax) have been materially reduced. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their acts in order.

Another area of concern is the local labor market. The unemployment rate has increased from 4.8% in 2000 to the current 6.8%.

Home values and permit fees revenue have increased significantly over the past few years.

Matteson recognizes the need to be competitive in attracting new services and businesses to our community as well as support the businesses that are here. As part of our business recruitment strategy, we are creating a presence with marketing campaigns such as "Matteson, Take a Closer Look." This campaign has been publicized in various trade publications geared toward the retail industry. In addition, each year, staff along with Village officials, attend the International Council of Shopping Centers in Las Vegas where more than 40,000 people in the retail development industry come together to make deals and build relationships. The Village has hired a Grant Writer to work with administration to acquire other opportunities that have not been sought after in the past for the Village.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Gloria Gibson, Budget Officer, Village of Matteson, 4900 Village Commons, Matteson, Illinois 60443.

Basic Financial Statements

Supplementary Information

Government-Wide Financial Statements

Village of Matteson, Illinois

Statement of Net Assets
April 30, 2007

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Matteson Public Library
Assets				
Current assets				
Cash and cash equivalents	\$ 15,706,677	\$ 811,969	\$ 16,518,646	\$ 7,979
Investments	307,093	-	307,093	1,799,226
Prepaid	173,984	-	173,984	-
Receivables				
Property taxes	2,874,052	-	2,874,052	1,302,693
Accounts	309,936	468,003	777,939	-
Intergovernmental	2,589,717	-	2,589,717	8,153
Component unit	25,638	-	25,638	(25,638)
Miscellaneous	163,197	-	163,197	-
Inventories	29,523	-	29,523	-
Total current assets	22,179,817	1,279,972	23,459,789	3,092,413
Noncurrent assets				
Unamortized bond costs	150,592	64,765	215,357	-
Capital assets, not being depreciated	29,832,055	29,780	29,861,835	300,000
Capital assets, net of accumulated depreciation	55,828,344	6,666,733	62,495,077	2,217,576
Total noncurrent assets	85,810,991	6,761,278	92,572,269	2,517,576
Total assets	\$ 107,990,808	\$ 8,041,250	\$ 116,032,058	\$ 5,609,989

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Net Assets - Continued
April 30, 2007

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Matteson Public Library
Liabilities				
Current liabilities				
Accounts payable	\$ 2,540,681	\$ 251,469	\$ 2,792,150	\$ 31,128
Accrued payroll	566,000	11,264	577,264	5,780
Accrued interest	360,500	54,800	415,300	-
Internal balances	449,090	(449,090)	-	-
Employer contribution payable	142,343	-	142,343	-
Unearned revenue	2,909,481	-	2,909,481	-
General obligation bonds	2,515,000	190,000	2,705,000	-
General obligation debt certificates	320,000	-	320,000	-
Capital lease	274,199	-	274,199	-
Compensated absences	551,654	7,746	559,400	18,071
Total current liabilities	10,628,948	66,189	10,695,137	54,979
Long-term liabilities, net of current maturities				
General obligation bonds, including premium of \$35,405 and net of losses on refunding \$278,473	20,276,932	3,310,000	23,586,932	-
Capital lease	290,198	-	290,198	-
Compensated absences	89,318	375	89,693	-
Total long-term liabilities	20,656,448	3,310,375	23,966,823	-
Total liabilities	31,285,396	3,376,564	34,661,960	54,979
Net Assets				
Invested in capital assets, net of related debt	62,253,568	3,196,513	65,450,081	2,517,576
Restricted for MFT allotments	289,243	-	289,243	-
Unrestricted	14,162,601	1,468,173	15,630,774	3,037,434
Total net assets	\$ 76,705,412	\$ 4,664,686	\$ 81,370,098	\$ 5,555,010

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Activities
Year Ended April 30, 2007

Functions/Programs	Primary Government							Component Unit Matteson Public Library
	Expenses	Program Revenues Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense), Revenue and Changes in Net Assets			
					Governmental Activities	Business-Type Activities	Total	
Governmental activities								
General government	\$ 12,539,623	\$ 5,530,003	\$ 512,099	\$ 88,927	\$ (6,408,594)	\$ -	\$ (6,408,594)	\$ (1,294,150)
Public safety	6,951,834	-	1,063,024	-	(5,888,810)	-	(5,888,810)	-
Public works	990,431	-	-	-	(990,431)	-	(990,431)	-
Parks and recreation	1,057,069	203,172	-	-	(853,897)	-	(853,897)	-
Interest, amortization and fees	1,061,367	-	-	-	(1,061,367)	-	(1,061,367)	-
Total governmental activities	22,600,324	5,733,175	1,575,123	88,927	(15,203,099)	-	(15,203,099)	(1,294,150)
Business-type activities								
Water	2,537,495	3,595,847	-	-	-	1,058,352	1,058,352	-
Total	\$ 25,137,819	\$ 9,329,022	\$ 1,575,123	\$ 88,927	(15,203,099)	1,058,352	(14,144,747)	(1,294,150)
General revenues								
Taxes:								
Sales					6,071,228	-	6,071,228	-
Property					7,095,976	-	7,095,976	1,919,398
Other					3,066,737	-	3,066,737	27,520
Interest					493,886	10,502	504,388	84,033
Net transfers					626,600	(626,600)	-	-
Miscellaneous					445,441	-	445,441	55,771
Total general revenues					17,799,868	(616,098)	17,183,770	2,086,722
Change in net assets					2,596,769	442,254	3,039,023	792,572
Net assets:								
May 1, 2006					74,108,643	4,222,432	78,331,075	4,762,438
April 30, 2007					\$ 76,705,412	\$ 4,664,686	\$ 81,370,098	\$ 5,555,010

See Notes to Basic Financial Statements.

Fund Financial Statements

Village of Matteson, Illinois

Balance Sheet - Governmental Funds
April 30, 2007

	General Fund	Tax Incremental Finance District IV Debt Service Fund	Tax Incremental Finance District IV Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 6,264,671	\$ 896,429	\$ 4,049,787	\$ 4,495,790	\$ 15,706,677
Investments	243,947	-	-	63,146	307,093
Prepaid	144,729	-	-	29,255	173,984
Receivables:					
Property taxes	2,292,155	-	-	581,897	2,874,052
Accounts	141,374	-	-	168,562	309,936
Intergovernmental	2,522,216	-	-	67,501	2,589,717
Component unit	25,638	-	-	-	25,638
Miscellaneous	153,247	-	-	9,950	163,197
Due from other funds	495,751	3,066,484	-	966,933	4,529,168
Inventories	29,523	-	-	-	29,523
Total assets	\$ 12,313,251	\$ 3,962,913	\$ 4,049,787	\$ 6,383,034	\$ 26,708,985
Liabilities:					
Accounts payable	\$ 2,481,412	\$ -	\$ 465	\$ 58,804	\$ 2,540,681
Accrued payroll and taxes	556,221	-	-	9,779	566,000
Due to other funds	1,444,421	-	3,117,391	558,789	5,120,601
Unearned revenue	2,315,904	-	-	593,577	2,909,481
Compensated absences	29,624	-	-	-	29,624
Total liabilities	6,827,582	-	3,117,856	1,220,949	11,166,387
Fund Balances:					
Reserved for inventories	29,523	-	-	-	29,523
Reserved for prepaids	144,729	-	-	-	144,729
Reserved for debt service	-	3,962,913	-	1,286,194	5,249,107
Unreserved					
General fund	5,311,417	-	-	-	5,311,417
Special revenue funds	-	-	-	3,681,459	3,681,459
Capital projects funds	-	-	931,931	194,432	1,126,363
Total fund balances	5,485,669	3,962,913	931,931	5,162,085	15,542,598
Total liabilities and fund balances	\$ 12,313,251	\$ 3,962,913	\$ 4,049,787	\$ 6,383,034	\$ 26,708,985

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
April 30, 2007**

Total fund balances-governmental funds	\$ 15,542,598
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.	85,660,399
Bond issuance costs that are an expenditure in the fund financial statements are an asset that is amortized over the life of the bonds in the government-wide financial statements.	150,592
Premiums and losses on refunding on bonds that are other financing sources/uses in the fund financial statements are amortized over the life of the bonds in the government-wide financial statements.	243,068
Some liabilities reported in the Statement of Net Assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These activities consist of:	
Accrued interest	(360,500)
General obligation bonds	(23,035,000)
General obligation debt certificates	(320,000)
Capital lease	(564,397)
Compensated absences	(611,348)
Net assets of governmental activities	<u>\$ 76,705,412</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

**Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds
Year Ended April 30, 2007**

	General Fund	Tax Incremental Finance District IV Debt Service Fund	Tax Incremental Finance District IV Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Sales taxes	\$ 6,071,228	\$ -	\$ -	\$ -	\$ 6,071,228
Property taxes	3,273,198	-	-	3,822,778	7,095,976
Developer contributions	-	-	-	338,160	338,160
Other taxes	3,066,737	-	-	-	3,066,737
Licenses and permits	1,153,986	-	-	309,515	1,463,501
Charges for services	2,258,453	-	-	1,134,869	3,393,322
Intergovernmental	39,558	-	-	472,541	512,099
Fines and forfeitures	335,020	-	-	-	335,020
Interest	143,397	102,538	35,813	212,138	493,886
Recreation programs	203,172	-	-	-	203,172
Special projects	-	-	-	1,063,024	1,063,024
Miscellaneous	143,822	-	-	390,546	534,368
Total revenues	16,688,571	102,538	35,813	7,743,571	24,570,493
Expenditures:					
Current:					
General government	7,074,846	-	24,236	177,793	7,276,875
Administration, finance, planning and engineering services	1,737,116	-	-	-	1,737,116
Community relations	162,757	-	-	-	162,757
Housing and human relations	5,134	-	-	-	5,134
Public safety services	6,212,363	-	-	-	6,212,363
Public works	534,278	-	-	344,206	878,484
Parks and recreation	937,589	-	-	-	937,589
Special projects	51,160	-	-	1,359,077	1,410,237
Capital equipment	454,886	-	-	-	454,886
Reimbursements and refunds	-	-	-	75,279	75,279
Debt service:					
Principal retirement	2,745	860,000	-	2,124,383	2,987,128
Interest and fees	553	366,956	-	681,422	1,048,931
Bond issuance costs	-	-	-	66,599	66,599
Capital outlay	-	-	19	456,822	456,841
Total expenditures	17,173,427	1,226,956	24,255	5,285,581	23,710,219
Excess (deficiency) of revenues over (under) expenditures	(484,856)	(1,124,418)	11,558	2,457,990	860,274
Other financing sources (uses):					
Bond proceeds	-	-	-	2,340,000	2,340,000
Bond premium	-	-	-	38,129	38,129
Payment to escrow agent	-	-	-	(2,311,530)	(2,311,530)
Capital lease issued	21,525	-	-	-	21,525
Transfers in	1,115,447	1,226,956	2,783,643	2,356,166	7,482,212
Transfers (out)	(860,123)	-	(1,357,641)	(4,637,848)	(6,855,612)
Total other financing sources (uses)	276,849	1,226,956	1,426,002	(2,215,083)	714,724
Net change in fund balances	(208,007)	102,538	1,437,560	242,907	1,574,998
Fund balances:					
May 1, 2006	5,693,676	3,860,375	(505,629)	4,919,178	13,967,600
April 30, 2007	\$ 5,485,669	\$ 3,962,913	\$ 931,931	\$ 5,162,085	\$ 15,542,598

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes
in Fund Balances to the Statement of Activities
Year Ended April 30, 2007**

Net change in fund balances-total governmental funds	\$	1,574,998
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which depreciation exceeded capital outlays in the current period.

Current year additions	1,059,908		
Depreciation expense	<u>(3,013,836)</u>		(1,953,928)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

General Obligation Bonds	2,410,000
General Obligation Debt Certificates	310,000
Capital Leases	267,128

Issuance of general obligation bonds and bond premium is an other financing source in the governmental funds, but increases long-term liabilities in the Statement of Net Assets	(2,340,000)
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Bond premium is an other financing source in the governmental funds, but increases liabilities in the Statement of Net Assets.	(38,129)
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Bond issuance costs are expenditures in the governmental funds and capitalized in the Statement of Net Assets.	66,599
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Payment to escrow agent is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	2,311,530
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Some capital additions were financed through the issuance of capital leases. In governmental funds, capital leases are considered other financing sources, but in the Statement of Net Assets, capital leases are reported as liabilities.	(21,525)
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Amortization of bond issuance costs, losses on refunding, and premiums are recorded in the Statement of Activities and are not reflected in the funds.	(56,136)
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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. These activities consist of:

Accrued interest		43,700	
Change in pension assets/obligation		52,186	
Change in compensated absences		<u>(29,654)</u>	

Change in net assets of governmental activities	\$	<u><u>2,596,769</u></u>
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Village of Matteson, Illinois

Statement of Net Assets - Enterprise Fund
April 30, 2007

	Business-Type Activities
	<u>Water Fund</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 811,969
Accounts receivable	468,003
Due from other funds	456,039
Total current assets	<u>1,736,011</u>
Noncurrent assets	
Unamortized bond issue costs	64,765
Capital assets not being depreciated	29,780
Capital assets, net of accumulated depreciation	6,666,733
Total noncurrent assets	<u>6,761,278</u>
Total assets	<u>\$ 8,497,289</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 251,469
Accrued payroll	11,264
Accrued interest payable	54,800
Due to other funds	6,949
Compensated absences	7,746
Current maturities of general obligation bonds	190,000
Total current liabilities	<u>522,228</u>
Long-term liabilities, net of current maturities	
General obligation bonds	3,310,000
Compensated absences	375
Total liabilities	<u>3,832,603</u>
Net Assets	
Invested in capital assets, net of related debt	3,196,513
Unrestricted	1,468,173
Total net assets	<u>\$ 4,664,686</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Revenues, Expenses and Changes in Net Assets - Enterprise Fund
Year Ended April 30, 2007

	Business-Type Activities
	<u>Water Fund</u>
Operating revenues:	
Water sales	\$ 3,327,548
Water meter sales	84,631
Fines and forfeitures	101,474
Miscellaneous	82,194
Total operating revenues	<u>3,595,847</u>
Operating expenses:	
Operations	2,267,591
Depreciation	265,278
Amortization	4,626
Total operating expenses	<u>2,537,495</u>
Operating income	<u>1,058,352</u>
Non-operating income (expense):	
Interest income	161,510
Interest expense	(151,008)
Total non-operating income (expense)	<u>10,502</u>
Income before transfers	1,068,854
Transfer (out)	<u>(626,600)</u>
Change in net assets	442,254
Net assets:	
May 1, 2006	<u>4,222,432</u>
April 30, 2007	<u>\$ 4,664,686</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Cash Flows - Enterprise Fund
Year Ended April 30, 2007

	Business-type Activities <u>Water Fund</u>
Cash Flows from Operating Activities	
Cash received from customers	\$ 3,667,853
Payments to employees	(383,869)
Payments to suppliers	(2,108,237)
Net cash provided by operating activities	<u>1,175,747</u>
Cash Flows from Non-Capital Financing Activities	
Increase in due from other funds	143,553
Transfer out	(626,600)
Net cash used in non-capital financing activities	<u>(483,047)</u>
Cash Flows from Capital and Related Financing Activities	
Additions to capital assets	(2,884,412)
Cash payments for interest	(96,208)
Net cash used in capital and related financing activities	<u>(2,980,620)</u>
Cash Flows from Investing Activities,	
Cash receipts from interest income	<u>161,510</u>
Net decrease in cash and cash equivalents	(2,126,410)
Cash and cash equivalents:	
May 1, 2006	<u>2,938,379</u>
April 30, 2007	<u>\$ 811,969</u>

(continued)

Village of Matteson, Illinois

Statement of Cash Flows - Enterprise Fund - (Continued)
Year Ended April 30, 2007

	<u>Business-type Activities Water Fund</u>
Reconciliation of Operating income to net cash provided by operating activities	
Operating income	\$ 1,058,352
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	265,278
Amortization	4,626
Changes in assets and liabilities	
Accounts receivable	72,006
Accounts payable	(223,013)
Accrued payroll and compensated absences	(1,502)
Total adjustments	<u>117,395</u>
Net cash provided by operating activities	<u>\$ 1,175,747</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Fiduciary Net Assets
Pension Trust Funds
April 30, 2007

Assets

Cash and cash equivalents	\$	98,929
Investments		
U.S. government securities		13,454,031
Pooled investment accounts		7,203,428
Equity mutual funds		9,186,938
Money market mutual funds		2,212,274
Accrued interest receivable		124,764
Prepaid expense		750
Due from other funds		389,901
		<hr/>
Total assets	\$	32,671,015

Liabilities and Net Assets

Liabilities,		
Due to the Village	\$	247,558
Accounts payable		5,531
		<hr/>
Net assets held in trust for employees' benefits		32,417,926
		<hr/>
Total liabilities and net assets	\$	32,671,015

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2007

Additions

Contributions:

Employer \$ 1,242,648

Participants 437,773

Total contributions 1,680,421

Investment income

Net appreciation in fair value of investments 1,729,024

Interest 922,347

Less: Investment expenses (95,755)

Net investment income 2,555,616

Total additions 4,236,037

Deductions

Administration 46,687

Pension benefits and refunds 1,530,756

Total deductions 1,577,443

Net increase 2,658,594

Net assets held in trust for employees' benefits:

May 1, 2006 29,759,332

April 30, 2007 \$ 32,417,926

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

The Village of Matteson, Illinois, (Village) was incorporated April 18, 1889. The Village operates under a Village form of government with an elected President and Board of Trustees. Operational management is provided by a professional Village Administrator employed by the Board of Trustees. Municipal services include: police, fire, water utility, street maintenance, planning and development, parks and recreation, building and zoning, sewer, and general administrative services.

The accounting policies of the Village of Matteson conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

a) Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the application criteria, one component unit has been included within the reporting entity. The Matteson Public Library provides library services to the residents of the Village, but is governed by a board which is separately elected by the public. However, the Library is fiscally dependent on the Village because the Village Board approves the Library's budget, levies taxes and must approve any debt issuances. Financial data of the Library has been discretely presented to emphasize that it is legally separate from the Village.

b) Government-Wide and Fund Financial Statements

Government-Wide Financial Statements: The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double-counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Note 1. Summary of Significant Accounting Policies (Continued)

b) Government-Wide and Fund Financial Statements (Continued)

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e. general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Village administers the following major governmental funds:

General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety, public works, and parks and recreation.

Tax Incremental Finance District IV Debt Service Fund – This fund accounts for the repayment of principal and interest on the Series 2004C General Obligation TIF Bonds.

Tax Incremental Finance District IV Capital Projects Fund – This fund accounts for the developer payment and property taxes for the Tax Incremental Finance District IV.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

b) Government-Wide and Fund Financial Statements (Continued)

The Village administers the following major proprietary fund:

Water Fund – This fund accounts for the self-supporting water utility activities of the Village, which render services of a commercial nature on a user charge basis to the general public.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees.

c) Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

Significant revenue sources which are susceptible to accrual include property taxes, sales and other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the 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.

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the enterprise fund are accrued and reported in the financial statements.

The proprietary fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

Note 1. Summary of Significant Accounting Policies (Continued)

d) Assets, Liabilities, and Net Assets or Fund Balance

1. Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

2. Investments

Investments are reported at fair value. Fair value is based on quoted market prices, except for insurance contracts which are carried at contract value which approximates fair value.

3. Interfund Receivables, Payables and Activity

The Village has the following types of transactions between funds:

Loans—amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net assets.

Reimbursements—repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers—flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

4. Inventory and Prepaid Items

Inventories are accounted for at cost, using the first-in, first-out method. The costs of General Fund inventories are recorded as expenditures when consumed rather than when purchased. Reported General Fund inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available expendable resources" even though they are a component of net current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Note 1. Summary of Significant Accounting Policies (Continued)

d) Assets, Liabilities, and Net Assets or Fund Balance (continued)

5. Capital Assets

Capital assets which include land, land improvements, buildings and improvements, machinery, furniture, and equipment, streets, sidewalks, storm sewers, sanitary sewers, water distribution system, traffic signals, streetlights, right of ways, and bridges are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$10,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

Land improvements	20 years
Buildings and improvements	50 years
Machinery, furniture and equipment	5 – 15 years
Streets	50 years
Sidewalks	40 years
Storm sewers	40 years
Sanitary sewers	40 years
Streetlights	25 years
Traffic signals	50 years
Bridges	50 years
Water distribution system	45 – 80 years

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

Note 1. Summary of Significant Accounting Policies (Continued)

d) Assets, Liabilities, and Net Assets or Fund Balance (continued)

6. Unearned Revenue

The Village defers revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

7. Compensated Absences

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to received sick pay benefits. However an expenditure/expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement. The general fund is typically used to liquidate these liabilities.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Items such as premiums, discounts, bond issuance costs, and gain or losses on bond sales are capitalized and amortized over the life of the bonds.

In the fund financial statements, governmental funds recognize bond issuance costs during the year the bonds are sold. 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 on 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.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds' debt. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year. Proprietary funds individually account for and service the applicable debt that benefits those funds.

9. Restricted Net Assets

For the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

d) Assets, Liabilities, and Net Assets or Fund Balance (continued)

10. Fund Balance Reserves and Designations

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. Designated fund balances, if any, represent tentative plans for future use of financial resources.

11. Elimination and Reclassification

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

12. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

13. Capital Contributions

Capital contributions reported in the governmental and the proprietary fund represent capital assets donated from outside parties, principally developers.

Note 2. Stewardship, Compliance and Accountability

a) Budgetary Information

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

- a) The Village Administrator submits to the Village Board of Trustees, for its adoption, a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted by the Village to obtain taxpayer comments.
- c) Subsequently, the budget is legally adopted by the Village Board of Trustees.

Notes to Basic Financial Statements

Note 2. Stewardship, Compliance and Accountability (Continued)

- d) Formal budgetary integration is employed as a management control device during the year for the general and certain special revenue funds. Formal budgetary policies are not employed for debt service funds and capital projects funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions and formal capital project authorizations, respectively.
- e) Budgets for the general and certain special revenue funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- f) Budgetary authority lapses at year-end.
- g) State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items, departments and funds may be made by administrative action. Amounts to be transferred between funds would require Village Board approval. The level of legal control is generally to be the fund budget in total.
- h) Supplemental budgets were adopted for various funds.

b) Excess of Expenditures Over Budget

The Hotel/Motel Tax Fund overexpended its budget for the year ended April 30, 2007 by approximately \$67,000.

Note 3. Deposits and Investments

The Village is authorized to make deposits in commercial banks and savings and loan institutions and make investments in obligations of the U.S. Treasury and U.S. Government Agencies, obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, under certain statutory restrictions, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, and life insurance company contracts.

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2007, the carrying amount of the Village's deposits was \$10,150,314 with bank balances of \$10,130,653. Of these bank balances, \$3,593,364 was uninsured and uncollateralized.

As of April 30, 2007, the carrying amount of the Police and Firefighters' Pension deposits were \$95,000 and \$3,929 with bank balances of \$113,896 and \$7,643, respectively. Of these bank balances, \$13,896 of the police pension funds were uninsured and uncollateralized.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

As of April 30, 2007, the carrying amount of the Library's deposits was \$7,879. These deposits were entirely covered by federal depository insurance or collateralized with securities held by the Library or its agent in the Library's name. The Library also had \$100 in petty cash on hand at April 30, 2007.

Investments

As of April 30, 2007, the Village had the following investments in debt securities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 2,682,623	\$ 1,337,624	\$ 564,653	\$ 780,346	\$ -
U.S. Treasury Bonds	1,374,188	-	-	20,569	1,353,619
U.S. Treasury Strips	111,645	-	-	-	111,645
U.S. agencies - GNMA	2,154,909	434	-	3,066	2,151,409
U.S. agencies - FHLMC	845,373	191,436	64,995	588,942	-
U.S. agencies - FHLB	5,278,544	850,650	3,448,514	979,380	-
U.S. agencies - FNMA	1,006,749	312,694	631,554	-	62,501
Pooled Investment Account IPPFA Group Trust*	2,065,449	2,065,449	-	-	-
Illinois Funds *	722,316	722,316	-	-	-
Money Market Funds *	2,212,274	2,212,274	-	-	-
Illinois Metropolitan Investment Fund *	5,953,109	5,953,109	-	-	-
	<u>\$24,407,179</u>	<u>\$13,645,986</u>	<u>\$ 4,709,716</u>	<u>\$ 2,372,303</u>	<u>\$ 3,679,174</u>

In addition, the Library had Illinois Funds investments of \$1,799,226 as of April 30, 2007, which mature in less than 1 year.

* Weighted average maturity is less than one year.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Village's and Library's investment policies require diversified investments to eliminate the risk of loss resulting in over concentration in a specific maturity. However, the Village's and Library's investment policies do not specifically identify limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

The IPPFA Group Trust is an investment trust formed pursuant to the Illinois Pension Code. The current trustee is Midwest Bank who oversees management of the trust, monitors performance and administers the trust. The Group Trust only invests in U.S. Treasury securities that are implicitly guaranteed by the United States Government. The Group Trust is not registered with the SEC as an Investment Company. Investments in the Group Trust are valued at the share price. The price for which the investment could be sold, units are priced daily allowing for daily liquidity.

The Illinois Funds Investment Pool is not registered with the SEC. The pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Illinois Metropolitan Investment Fund (I.M.E.T.) is a not-for-profit investment fund formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. I.M.E.T. is not registered with the SEC as an investment company. Investments in I.M.E.T. are valued at I.M.E.T.'s share price, which is the price the investment could be sold for.

Credit Risk. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized rating organizations (NRSROs). It is the Village's policy to limit its investments in these types to the top rating issued by NRSROs. As of April 30, 2007, the Village's investments in U.S. Government Agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Village's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Illinois Metropolitan Investment Fund, the IPPFA pooled investment account, and the money market mutual funds were not rated.

Concentration of Credit Risk. The Village's investment policy requires diversified investments to eliminate the risk of loss resulting in over concentration in a specific issuer or class of securities. The diversification required is as follows:

- a. Up to a 100% investment in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by the United States of America, its agencies and allowable instrumentalities;
- b. Up to a 90% investment in interest bearing saving accounts, certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, or certificates of deposits with federally insured institutions that are collateralized or insured at levels acceptable to the Village in excess of the \$100,000 provided by the Federal Deposit Insurance Corporation coverage limit; and
- c. Up to a 33% investment in collateralized repurchase agreements, commercial paper, the Illinois Funds or the Illinois Municipal League Liquid Asset Fund.

More than 5 percent of the Village's investments are invested in the following:

Treasury Notes	7%
Government National Mortgage Association	6%
Federal Home Loan Bank	14%
Pooled Investment Account IPPFA Group Trust	5%
Money Market Funds	6%
Illinois Metropolitan Investment Fund	15%

Custodial Credit Risk – For an investment, this is the risk that, in the event of failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. agency securities are held by the Village's agent in the Village's name. The remainder of the Village's investments are not subject to custodial credit risk. The Village's investment policy does not address custodial credit risk for investments.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

As of April 30, 2007, the Village's fair values of investments that are not included in the totals above are as follows:

Stock equities	\$ 5,137,979
Equity mutual funds	9,186,938
	<u>\$ 14,324,917</u>

The above cash and investments totaling \$50,788,544 are reported in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Component Unit-Library	Fiduciary Funds	Total
Cash and cash equivalents	\$ 15,706,677	\$ 811,969	\$ 7,979	\$ 98,929	\$ 16,625,554
Investments	307,093	-	1,799,226	32,056,671	34,162,990
Total	<u>\$ 16,013,770</u>	<u>\$ 811,969</u>	<u>\$ 1,807,205</u>	<u>\$ 32,155,600</u>	<u>\$ 50,788,544</u>

Note 4. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by the County and issued on or about February 1 and July 1, and are payable in two installments which become due on or about March 1 and August 1. The County collects such taxes and periodically remits them to the Village.

A reduction for collection losses based on historical collection experience has been provided to reduce the taxes receivable to the estimated amount to be collected. That portion of the property taxes receivable which is not expected to be collected within sixty (60) days after the year-end is not considered to pay current liabilities and is, therefore, shown as unearned revenue.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets

a) Governmental Activities

A summary of changes in capital assets for governmental activities of the Village for the year ended April 30, 2007 is as follows:

	Balance May 1, 2006	Additions	Retirements	Balance April 30, 2007
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,199,413	\$ 88,927	\$ 88,927	\$ 6,199,413
Rights of way	23,632,642	-	-	23,632,642
Total capital assets not being depreciated	<u>29,832,055</u>	<u>88,927</u>	<u>88,927</u>	<u>29,832,055</u>
Capital assets being depreciated:				
Land improvements	3,554,752	287,765	-	3,842,517
Buildings and improvements	10,993,067	134,914	-	11,127,981
Machinery and equipment	7,350,368	637,229	12,320	7,975,277
Streets	19,147,080	-	-	19,147,080
Sidewalks	10,718,045	-	-	10,718,045
Storm sewers	28,190,363	-	-	28,190,363
Sanitary sewers	7,343,468	-	-	7,343,468
Streetlights	3,852,550	-	-	3,852,550
Traffic signals	309,500	-	-	309,500
Bridges	3,372,914	-	-	3,372,914
Total capital assets being depreciated	<u>94,832,107</u>	<u>1,059,908</u>	<u>12,320</u>	<u>95,879,695</u>
Less accumulated depreciation for:				
Land improvements	1,456,731	192,126	-	1,648,857
Buildings and improvements	3,028,568	222,560	-	3,251,128
Machinery and equipment	5,130,433	952,472	12,320	6,070,585
Streets	6,153,510	376,481	-	6,529,991
Sidewalks	4,228,944	249,040	-	4,477,984
Storm sewers	11,085,224	654,164	-	11,739,388
Sanitary sewers	2,938,219	169,893	-	3,108,112
Streetlights	2,339,710	122,182	-	2,461,892
Traffic signals	224,262	7,460	-	231,722
Bridges	464,234	67,458	-	531,692
Total accumulated depreciation	<u>37,049,835</u>	<u>3,013,836</u>	<u>12,320</u>	<u>40,051,351</u>
Total capital assets being depreciated, net	<u>57,782,272</u>	<u>(1,953,928)</u>	<u>-</u>	<u>55,828,344</u>
Governmental activities capital assets, net	<u>\$ 87,614,327</u>	<u>\$ (1,865,001)</u>	<u>\$ 88,927</u>	<u>\$ 85,660,399</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

b) Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2007 is as follows:

	Balance May 1, 2006	Additions	Retirements	Balance April 30, 2007
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 29,780	\$ -	\$ -	\$ 29,780
Capital assets being depreciated:				
Buildings and improvements	1,495,065	-	-	1,495,065
Machinery, furniture and equipment	2,847,036	-	-	2,847,036
Water distribution system	2,755,449	2,884,412	-	5,639,861
Total capital assets being depreciated	7,097,550	2,884,412	-	9,981,962
Less accumulated depreciation for:				
Buildings and improvements	929,277	40,407	-	969,684
Machinery, furniture and equipment	1,045,646	105,789	-	1,151,435
Water distribution system	1,075,028	119,082	-	1,194,110
Total accumulated depreciation	3,049,951	265,278	-	3,315,229
Total capital assets being depreciated, net	4,047,599	2,619,134	-	6,666,733
Business-type activities capital assets, net	\$ 4,077,379	\$ 2,619,134	\$ -	\$ 6,696,513

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

A summary of changes in the capital assets for the Library during the year ended April 30, 2007 is as follows:

	Balance May 1, 2006	Additions	Retirements	Balance April 30, 2007
Capital assets not being depreciated:				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Capital assets being depreciated:				
Building	3,029,741	272,603	-	3,302,344
Furniture and fixtures	556,598	30,611	20,582	566,627
Site improvement	178,710	-	-	178,710
Equipment	6,083	-	-	6,083
Library collection	595,282	185,540	112,785	668,037
Total capital assets being depreciated	4,366,414	488,754	133,367	4,721,801
Less accumulated depreciation for:				
Building	1,464,375	104,400	-	1,568,775
Furniture and fixtures	478,649	41,000	20,582	499,067
Site improvements	139,686	10,112	-	149,798
Equipment	3,379	492	-	3,871
Library collection	269,124	126,375	112,785	282,714
Total accumulated depreciation	2,355,213	282,379	133,367	2,504,225
Total capital assets being depreciated, net	2,011,201	206,375	-	2,217,576
Capital assets, net	\$ 2,311,201	\$ 206,375	\$ -	\$ 2,517,576

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

c) Depreciation Charged to Functions / Activities

Depreciation was charged to functions/activities as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 1,750,364	\$ -
Public safety	977,668	-
Public works	138,251	-
Parks and recreation	147,553	-
Water	-	265,278
	<u>\$ 3,013,836</u>	<u>\$ 265,278</u>

Note 6. Long-Term Obligations

Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007	Due within one year
General obligation bonds:					
Series 1996	\$ 360,000	\$ -	\$ 360,000	\$ -	\$ -
Series 1997B	350,000	-	-	350,000	-
Series 2001	2,555,000	-	2,355,000	200,000	95,000
Series 2002B	1,735,000	-	170,000	1,565,000	175,000
Series 2003A	2,090,000	-	85,000	2,005,000	85,000
Series 2003B	4,245,000	-	50,000	4,195,000	430,000
Series 2004	810,000	-	195,000	615,000	200,000
Series 2004A	2,545,000	-	395,000	2,150,000	405,000
Series 2004B	2,675,000	-	210,000	2,465,000	215,000
Series 2004C	8,010,000	-	860,000	7,150,000	895,000
Series 2006A	-	2,340,000	-	2,340,000	15,000
General obligation debt certificates, Series 2002	630,000	-	310,000	320,000	320,000
Premium on general obligation bonds	-	38,129	2,724	35,405	-
Losses on refunding of general obligation bonds	278,271	41,530	41,328	278,473	-
Capital lease	810,000	21,525	267,128	564,397	274,199
Pension obligation	52,186	-	52,186	-	-
Compensated absences	611,318	640,972	611,318	640,972	551,654
	<u>\$ 27,756,775</u>	<u>\$ 3,082,156</u>	<u>\$ 5,964,684</u>	<u>\$ 24,874,247</u>	<u>\$ 3,660,853</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

Business-Type Activities

The following is a summary of long-term obligation activity for the Village associated with business-type activities for the year ended April 30, 2007:

	Outstanding Debt As of May 1, 2006		Additions	Reductions	Outstanding Debt as of April 30, 2007		Due within one year
General obligation bonds, Series 2006	\$	3,500,000	\$ -	\$ -	\$	3,500,000	\$ 190,000
Compensated absences		10,871	-	2,750		8,121	7,746
	\$	3,510,871	\$ -	\$ 2,750	\$	3,508,121	\$ 197,746

Component Unit

The Library has compensated absences outstanding of \$18,071, all of which is due within one year.

Long-term obligations outstanding of the Village are as follows:

General Obligation TIF III Bond Series 1997B

The Village issued general obligation bonds on February 1, 1997 to provide financing for the purpose of constructing a new Village Hall and the Village Green. The bonds are due serially on December 1 through 2014, bearing interest at 5.00% to 5.125%. The Village has pledged future tax incremental finance property tax revenues within Redevelopment Project Area #3 (TIF #3) for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ -	\$ 17,813
2009	-	17,813
2010	-	17,813
2011	-	17,813
2012	-	17,813
2013	100,000	17,813
2014	125,000	12,813
2015	125,000	6,406
	<u>\$ 350,000</u>	<u>\$ 126,097</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

General Obligation Bond Series 2001

The Village issued general obligation bonds on February 15, 2001 to provide financing of a new fire station. The bonds are due serially on December 1 through 2008, bearing interest at 5.625%. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 95,000	\$ 117,774
2009	105,000	112,430
	<u>\$ 200,000</u>	<u>\$ 230,204</u>

General Obligation Refunding Bond Series 2002B

The Village issued general obligation bonds, Series 2002B on September 16, 2002 to provide for the refunding of the Series 1995B bonds. The bonds are due serially on December 1 through 2014, bearing interest at 3.00% to 3.60%. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 175,000	\$ 45,200
2009	185,000	39,850
2010	185,000	34,640
2011	200,000	29,963
2012	200,000	24,587
2013	205,000	18,343
2014	205,000	11,857
2015	210,000	5,040
	<u>\$ 1,565,000</u>	<u>\$ 209,480</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

General Obligation Bond Series 2003A

The Village issued general obligation bonds, (utility tax alternate revenue source) on December 2, 2003 to provide for the acquisition of land and related infrastructure for the future site of the Village's Community Center. The bonds are due serially on December 1 through 2023, bearing interest at 3.25% to 4.7%. The Village has pledged future utility tax revenue for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 85,000	\$ 85,377
2009	90,000	83,210
2010	90,000	80,600
2011	95,000	77,720
2012	95,000	74,348
2013	100,000	70,785
2014	105,000	66,885
2015	110,000	62,685
2016	115,000	58,120
2017	120,000	53,175
2018	125,000	47,835
2019	130,000	42,147
2020	135,000	36,103
2021	140,000	29,757
2022	150,000	23,038
2023	155,000	15,763
2024	165,000	8,168
	<u>\$ 2,005,000</u>	<u>\$ 915,716</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

General Obligation Refunding Bond Series 2003B

The Village issued general obligation refunding bonds (alternate revenue source) on December 2, 2003 to provide for the partial refunding of general obligation TIF III bond series 1996. The bonds are due serially on December 1 through 2015, bearing interest at 3.20% to 3.70%. The Village has pledged future utility tax revenue for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 430,000	\$ 140,635
2009	450,000	126,875
2010	465,000	112,475
2011	485,000	97,595
2012	500,000	82,075
2013	415,000	66,075
2014	415,000	52,380
2015	440,000	37,855
2016	595,000	22,015
	<u>\$ 4,195,000</u>	<u>\$ 737,980</u>

General Obligation Bond Series 2004

The Village issued general obligation bonds (sales tax alternate revenue source) on April 15, 2004 to finance the purchase of capital equipment to be used in Village operations. The bonds are due serially on December 1 through 2009, bearing interest at 2.5% to 3.25%. The Village has pledged future sales tax revenue for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 200,000	\$ 18,783
2009	205,000	13,283
2010	210,000	6,825
	<u>\$ 615,000</u>	<u>\$ 38,891</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

General Obligation Refunding Bonds (Alternate Revenue Source), Series 2004A

The Village issued general obligation bonds on October 1, 2004 to provide for the refunding of the Series 1997A general obligation bonds. The bonds are due serially on December 1 through 2011, bearing interest at 2.25% to 3.50%. The Village has pledged incremental property tax revenues for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 405,000	\$ 65,639
2009	415,000	55,514
2010	425,000	44,931
2011	445,000	31,119
2012	460,000	16,100
	<u>\$ 2,150,000</u>	<u>\$ 213,303</u>

General Obligation Refunding Bonds (Alternate Revenue Source), Series 2004B

The Village issued general obligation bonds on October 1, 2004 to provide for the refunding of the Series 1997C general obligation bonds. The bonds are due serially on December 1 through 2016, bearing interest at 2.50% to 4.00%. The Village has pledged future sales tax revenues for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 215,000	\$ 85,429
2009	220,000	80,322
2010	225,000	74,272
2011	230,000	66,960
2012	240,000	59,197
2013	245,000	50,798
2014	260,000	41,610
2015	270,000	32,250
2016	275,000	22,125
2017	285,000	11,400
	<u>\$ 2,465,000</u>	<u>\$ 524,363</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

Tax Increment Revenue Bonds, Series 2004C

The Village issued tax increment revenue bonds on October 1, 2004 to provide financing for capital improvements within Redevelopment Project Area #4 (TIF #4). The bonds are due serially on December 1 through 2017, bearing interest at 3.75% to 5.50%. The Village has pledged future tax incremental finance property tax revenues from TIF #4 for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 895,000	\$ 336,856
2009	925,000	303,294
2010	965,000	263,981
2011	1,005,000	222,969
2012	1,055,000	173,975
2013	1,110,000	121,225
2014	215,000	65,725
2015	225,000	53,900
2016	240,000	41,525
2017	250,000	28,325
2018	265,000	14,575
	<u>\$ 7,150,000</u>	<u>\$ 1,626,350</u>

General Obligation Refunding Bonds, Series 2006A

The Village issued general obligation bonds on December 21, 2006 to provide for the partial refunding of the Series 2001 general obligation bonds. The bonds are due semiannually on December 1 through 2020, bearing interest at 3.625% to 4.0%. The Village has pledged incremental property tax revenues for the repayment of these bonds. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 15,000	\$ 93,300
2009	10,000	92,800
2010	125,000	90,100
2011	140,000	84,800
2012	150,000	79,000
2013	165,000	72,700
2014	180,000	65,800
2015	195,000	58,300
2016	205,000	50,300
2017	210,000	42,000
2018	215,000	33,500
2019	230,000	24,600
2020	245,000	15,100
2021	255,000	5,100
	<u>\$ 2,340,000</u>	<u>\$ 807,400</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

General Obligation Limited Tax Debt Certificates Series 2002

The Village issued general obligation limited tax debt certificates on November 21, 2002 to provide financing of various capital projects in the Village. The bonds are due semiannually on May 1 and November 1 through 2007, bearing interest at 3.60%. Debt service requirements for these bonds are as follows:

	Principal	Interest
<u>Year ending April 30:</u>		
2008	\$ 320,000	\$ 8,640

General Obligation Bonds (Waterworks Series 2006 Alternate Revenue Source)

The Village issued general obligation bonds on March 6, 2006 to provide financing of improvements to the waterworks system. The bonds are due semiannually on June 1 and December 1 through 2020, bearing interest at 3.625% to 4.00%.

	Principal	Interest
<u>Year ending April 30:</u>		
2008	\$ 190,000	\$ 131,404
2009	195,000	124,516
2010	205,000	117,448
2011	215,000	110,016
2012	220,000	102,222
2013	230,000	94,248
2014	240,000	85,910
2015	250,000	77,210
2016	265,000	68,148
2017	275,000	58,342
2018	285,000	48,030
2019	295,000	37,200
2020	310,000	25,400
2021	325,000	13,000
	<u>\$ 3,500,000</u>	<u>\$ 1,093,094</u>

Capital Leases

Capital lease, dated August 18, 2005, provides for the retirement of principal on May 30 of each year. Interest is due on May 30 of each year at 3.67%. The lease is collateralized by equipment with a net book value of \$604,677 at April 30, 2007.

	Principal	Interest
<u>Year ending April 30:</u>		
2008	\$ 267,892	\$ 20,024
2009	277,725	10,192
	<u>\$ 545,617</u>	<u>\$ 30,216</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

Capital lease, dated December 11, 2006, provides for the retirement of principal on the 15th of every month in annual amounts of \$6,307 in 2007, \$7,321 in 2009 and \$5,512 in 2010. Interest is due on the 15th of every month at 6.5%. The lease is collateralized by a vehicle with a net book value of \$18,834 at April 30, 2007.

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 6,307	\$ 950
2009	7,321	595
2010	5,152	126
	<u>\$ 18,780</u>	<u>\$ 1,671</u>

Annual debt service requirements to maturity for the Village for general obligation bonds, general obligation debt certificates and capital leases are as follows:

<u>Year ending April 30,</u>	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	General Obligation Bonds and Certificates and Capital Leases		General Obligation Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 3,109,199	\$ 1,036,420	\$ 190,000	\$ 131,404
2009	2,890,046	936,178	195,000	124,516
2010	2,695,152	725,763	205,000	117,448
2011	2,600,000	628,939	215,000	110,016
2012	2,700,000	527,095	220,000	102,222
2013-2017	7,715,000	1,320,230	1,260,000	383,858
2018-2022	1,890,000	271,755	1,215,000	123,630
2023-2024	320,000	23,931	-	-
Totals	<u>\$ 23,919,397</u>	<u>\$ 5,470,311</u>	<u>\$ 3,500,000</u>	<u>\$ 1,093,094</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Obligations (Continued)

Legal Debt Margin

Equalized Assessed Valuation (2006 Tax Year)		\$ 513,699,301
Bond debt limit - 8.625% of assessed value		\$ 44,306,565
Amount of debt applicable to debt limit -		
Series 1996 general obligation TIF III bonds	\$ -	
Series 1997B general obligation TIF III bonds	350,000	
Series 1997C general obligation bonds (alternate revenue)	-	
Series 2001 general obligation bonds	200,000	
Series 2002A refunding general obligation Library bonds	-	
Series 2002B refunding general obligation bonds	1,565,000	
Series 2003A general obligation bonds (alternate revenue)	2,005,000	
Series 2003B general obligation refunding bonds (alternate revenue)	4,195,000	
Series 2004 general obligation bonds	615,000	
Series 2004A refunding general obligation bonds (alternate revenue)	2,150,000	
Series 2004B refunding general obligation bonds (alternate revenue)	2,465,000	
Series 2004C TIF IV bonds (alternate revenue)	7,150,000	
Series 2002 general obligation debt certificates (alternate revenue)	320,000	
Series 2006 refunding general obligation bonds	2,340,000	
Less alternate revenue source bonds	(18,285,000)	
Total amount of debt applicable to debt limit		<u>5,070,000</u>
Legal debt margin		<u>\$ 39,236,565</u>

Note 7. Pension and Retirement Plan Commitments

Substantially all Village employees are covered under one of the following employee retirement plans:

Illinois Municipal Retirement Fund

The Village's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is a multi-employer defined benefit pension plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2007 was 11.28 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The remaining amortization period at December 31, 2006, was 26 years.

For April 30, 2007, the Village's annual pension cost of \$561,911 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2004 and 2005, actuarial valuations using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.0% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation and the schedule of funding progress were based on the 2002-2004 experience study.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
04/30/07	\$ 561,911	100 %
04/30/06	420,501	100
04/30/05	381,486	100

Police Pension Plan

The information below is provided by the State of Illinois Department of Insurance and does not comply with accounting principles generally accepted in the United States of America.

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2007 was \$2,322,145 of a total payroll of \$9,506,628. At April 30, 2007 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	23
Current employees, vested and nonvested	38
Total	<u><u>61</u></u>

Note 7. Pension and Retirement Plan Commitments (continued)

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2% of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service for each additional month over 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased 3% annually.

Covered employees are required to contribute 9.45% of their salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9-1/4%) necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Related Party Transactions

The Police Pension Plan did not have any investment securities in the form of bonds, notes, loans or any other instrument representing debt of the Village.

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess, on a going-concern basis, the funding status of the system to which contributions are made, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is independent of the funding method used to determine contributions to the systems.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

The pension benefit obligations were computed as part of the actuarial valuations performed as of the following dates, and the significant actuarial assumptions used in those valuations are as follows:

	<u>Police Pension</u>
Actuarial valuation date	April 30, 2007**
Significant actuarial assumptions:	
a) Rate of return on investment of present and future assets	7.00% compounded annually
b) Projected salary increases - attributable to inflation	*
c) Additional projected salary increases - attributable to seniority/merit	*

* Separate information for b. and c. is not available. Combined projected salary increases are 5.50% compounded annually.

** Latest information available.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

The unfunded pension benefit obligation applicable to the Village's employees as of the preceding valuation dates and within the Police Pension Plan is as follows:

	<u>Police Pension</u>
Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$ 16,647,159
Terminated employees not yet receiving benefits	-
Current employees:	
Unallocated	-
Accumulated employee contributions including allocated investment earnings	9,928,851
Employer - financed vested	*
Employer - financed nonvested	*
Total pension benefit obligation	<u>26,576,010</u>
Net assets available for benefits, at market**	<u>18,871,401</u>
Unfunded (assets in excess of) pension benefit obligation***	<u><u>\$ 7,704,609</u></u>

* The concept of vesting is not clearly defined in Illinois State Statutes. Benefit accrual rates are delineated, but they do not assist in definitively determining vesting status. As such no detail allocation can be determined for the Police Pension Fund.

** Net assets available for benefits, at fair value, at April 30, 2007, for the Police Pension Plan were \$18,734,034.

*** No asset or obligation has been recorded for the Police Pension Plan.

Actuarially Determined Contribution Requirements and Contributions Made

The funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal costs is determined using the entry age normal actuarial funding method. The police plan uses the level dollar amount method to amortize the unfunded liability over a forty-year period.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

The following contributions to the Plan for the year ended April 30, 2007, were based on, determined and made in accordance with actuarially determined requirements computed through actuarial valuations as of the actuarial valuation date.

	Police Pension
	<u>April 30, 2007</u>
Actuarial valuation date	
Contribution requirements:	
As a dollar amount:	
Normal cost	\$ 376,692
Amortization of unfunded actuarial accrued liability (credit for surplus)	354,644
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>\$ 731,336</u>
As a % of covered payroll:	
Normal cost	16.22%
Amortization of unfunded actuarial accrued liability	15.27%
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>31.49%</u>
Contributions made:	
As a dollar amount:	
Employer	\$ 682,994
Employee	225,063
	<u>\$ 908,057</u>
As a % of covered payroll:	
Employer	29.41%
Employee	9.69%
	<u>39.10%</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

Within the Village's financial statements, three-year historical trend information for the Plan is as follows:

	Fiscal Year	Police Pension
Net assets available as a percentage of the pension benefit obligation	2005	*
	2006	*
	2007	243.15%
Unfunded (assets in excess of) pension benefit obligation as a percentage of annual covered payroll	2005	*
	2006	*
	2007	331.79%
Total employer contributions as a percentage of annual covered payroll	2005	*
	2006	*
	2007	29.41%

* Information not available.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation.

Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay liabilities when due. Generally, the smaller this percentage, the stronger the system.

Firefighters' Pension Plan

The information below is provided by the State of Illinois Department of Insurance and does not comply with accounting principles generally accepted in the United States of America.

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2007 was \$2,198,620 of a total payroll of \$9,506,628. At April 30, 2007 the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	13
Current employees, vested and nonvested	33
Total	46

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2% of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service for each additional month over 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased 3% annually.

Covered employees are required to contribute 9.45% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9-1/4%) necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

Related Party Transactions

The Firefighters' Pension Plan did not have any investment securities in the form of bonds, notes, loans or any other instrument representing debt of the Village.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess, on a going-concern basis, the funding status of the system to which contributions are made, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is independent of the funding method used to determine contributions to the systems.

The pension benefit obligations were computed as part of the actuarial valuations performed as of the following dates, and the significant actuarial assumptions used in those valuations are as follows:

	Fire- fighters' Pension
Actuarial valuation date	<u>April 30, 2007**</u>
Significant actuarial assumptions:	
a) Rate of return on investment of present and future assets	7.00% compounded annually
b) Projected salary increases - attributable to inflation	*
c) Additional projected salary increases - attributable to seniority/merit	*

* Separate information for b. and c. is not available. Combined projected salary increases are 5.50% compounded annually.

** Latest information available.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

The unfunded pension benefit obligation applicable to the Village's employees as of the preceding valuation dates and within the Firefighters' Pension Plan is as follows:

	Fire- fighters' Pension
Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$ 8,762,060
Terminated employees not yet receiving benefits	-
Current employees:	
Unallocated	-
Accumulated employee contributions including allocated investment earnings	8,911,747
Employer - financed vested	*
Employer - financed nonvested	*
Total pension benefit obligation	17,673,807
Net assets available for benefits, at market**	14,113,613
Unfunded (assets in excess of) pension benefit obligation***	\$ 3,560,194

* The concept of vesting is not clearly defined in Illinois State Statutes. Benefit accrual rates are delineated, but they do not assist in definitively determining vesting status. As such no detail allocation can be determined for the Firefighters' Pension Fund.

** Net assets available for benefits, at fair value, at April 30, 2007, for the Firefighters' Pension Plan were \$13,683,892.

*** No asset or obligation has been recorded for the Firefighters' Pension Plan.

Actuarially Determined Contribution Requirements and Contributions Made

The funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal costs is determined using the entry age normal actuarial funding method. The firefighters' plan uses the level dollar amount method to amortize the unfunded liability over a forty-year period.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

The following contributions to the Plan for the year ended April 30, 2007, were based on, determined and made in accordance with actuarially determined requirements computed through actuarial valuations as of the actuarial valuation date.

	Firefighters' Pension
	<u>April 30, 2007</u>
Actuarial valuation date	
Contribution requirements:	
As a dollar amount:	
Normal cost	\$ 481,802
Amortization of unfunded actuarial accrued liability (credit for surplus)	163,876
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>\$ 645,678</u>
As a % of covered payroll:	
Normal cost	21.91%
Amortization of unfunded actuarial accrued liability	7.45%
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>29.37%</u>
Contributions made:	
As a dollar amount:	
Employer	\$ 559,654
Employee	212,710
	<u>\$ 772,364</u>
As a % of covered payroll:	
Employer	25.45%
Employee	9.67%
	<u>35.13%</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (continued)

Within the Village's financial statements, three-year historical trend information for the Plan is as follows:

	Fiscal Year	Firefighters' Pension
Net assets available as a percentage of the pension benefit obligation	2005	*
	2006	74.27%
	2007	79.86%
Unfunded (assets in excess of) pension benefit obligation as a percentage of annual covered payroll	2005	*
	2006	186.37%
	2007	161.93%
Total employer contributions as a percentage of annual covered payroll	2005	*
	2006	20.13%
	2007	25.45%

* Information not available.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation.

Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay liabilities when due. Generally, the smaller this percentage, the stronger the system.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

Pension Trust Funds
 Combining Statement of Fiduciary Net Assets
 Year Ended April 30, 2007

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 95,000	\$ 3,929	\$ 98,929
Investments:			
U.S. government securities	6,874,409	6,579,622	13,454,031
Pooled investment accounts	2,065,449	5,137,979	7,203,428
Equity mutual funds	8,647,447	539,491	9,186,938
Money market mutual funds	623,259	1,589,015	2,212,274
Accrued interest receivable	42,715	82,049	124,764
Prepaid expense	750	-	750
Due from the Village	389,901	-	389,901
Total assets	\$ 18,738,930	\$ 13,932,085	\$ 32,671,015
Liabilities and Net Assets			
Liabilities,			
Due to the Village	\$ -	\$ 247,558	\$ 247,558
Accounts payable	4,896	635	5,531
Net assets held in trust for employees' benefits	18,734,034	13,683,892	32,417,926
Total liabilities and net assets	\$ 18,738,930	\$ 13,932,085	\$ 32,671,015

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. Pension and Retirement Plan Commitments (Continued)

**Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Assets
Year Ended April 30, 2007**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions:			
Employer	\$ 682,994	\$ 559,654	\$ 1,242,648
Participants	225,063	212,710	437,773
Total contributions	<u>908,057</u>	<u>772,364</u>	<u>1,680,421</u>
Investment income:			
Net appreciation in fair value of investments	979,419	749,605	1,729,024
Interest	433,384	488,963	922,347
Less: Investment expenses	(36,106)	(59,649)	(95,755)
Net investment income	<u>1,376,697</u>	<u>1,178,919</u>	<u>2,555,616</u>
Total additions	<u>2,284,754</u>	<u>1,951,283</u>	<u>4,236,037</u>
Deductions			
Administration	19,606	27,081	46,687
Pension benefits and refunds	1,007,693	523,063	1,530,756
Total deductions	<u>1,027,299</u>	<u>550,144</u>	<u>1,577,443</u>
Net increase	1,257,455	1,401,139	2,658,594
Net assets held in trust for employees' benefits:			
May 1, 2006	<u>17,476,579</u>	<u>12,282,753</u>	<u>29,759,332</u>
April 30, 2007	<u>\$ 18,734,034</u>	<u>\$ 13,683,892</u>	<u>\$ 32,417,926</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 8. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The Village carries private commercial insurance for workers' compensation, general liability and property coverage.

The Village is self-insured for employee health and accident claims. A purchased insurance policy limits the aggregate claims the Village may potentially pay up to \$50,000 per individual and \$1,000,000 in aggregate per calendar year. All administration and claims processing is done by an independent administrator. As of April 30, 2007, all significant claims incurred and reported have been accrued. All incurred and not reported claims have been estimated based on historical experience and have been accrued. There has been no significant reduction in insurance coverage from the prior year.

The Village did not exceed its insurance coverage during the years ended April 30, 2007, 2006 or 2005.

Changes in aggregated claims payable for the years ended April 30, 2007 and 2006 were as follows:

	2007	2006
Beginning balance	\$ 164,536	\$ 255,650
Provision for claims	2,166,232	1,664,124
Claims paid	(1,998,064)	(1,755,238)
Ending balance	<u>\$ 332,704</u>	<u>\$ 164,536</u>

Claims payable of \$332,704 are included in accounts payable of \$3,019,012 in the Village's general fund at April 30, 2007. All known claims and estimated claims incurred but not reported are expected to be paid from current available resources; therefore, these amounts are accrued in the governmental funds at April 30, 2007.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 9. Lake Michigan Water Project

In 1983, the Village entered into a water service supply agreement with the Village of Oak Lawn, Illinois (Oak Lawn) whereby Oak Lawn constructed a water transmission line to provide Lake Michigan water to the Village and to two neighboring communities. The purpose of the transmission line, as well as the related assets constructed by the Village, was to provide, pump, and store Lake Michigan water. The project began operations in February 1985.

To finance the construction of the transmission line, which remains the property of Oak Lawn, Oak Lawn issued general obligation bonds. As part of the water supply agreement, the Village was responsible for its share of the costs related to the construction of the transmission line. In addition to the transmission line costs, the Village is responsible for a portion of principal and interest on the bonded debt incurred by Oak Lawn to finance the expansion of the pumping and storage system, and is to make semiannual payments to Oak Lawn as the bonds are repaid through the year 2012. Payments were allocated in proportion to the original water allocation and are considered future commitments and are a component of the water service fees. The following is a summary of the Village's commitment for these water service fees related to the general obligation bonds of Oak Lawn:

Year ending April 30:

2008	\$	248,156
2009		249,645
2010		249,632
2011		250,471
2012		279,279
		<hr/>
	\$	<u>1,277,183</u>

The Village also pays Oak Lawn for the purchase of Lake Michigan water which is based upon water consumption. During the year ended April 30, 2007, this additional amount totaled \$1,053,925.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 10. Interfund Balances

a) Due To/From Other Funds

Individual interfund balances for the Village at April 30, 2007, are shown as follows:

Fund	Due To Other Funds
General	
Nonmajor Governmental	\$ 796,011
Water	258,509
Fiduciary	389,901
Tax Increment Finance District IV Capital Project	
Tax Increment Finance District IV Debt Service	3,066,484
General	50,907
Nonmajor Governmental	
General	197,286
Water	197,530
Other Nonmajor Governmental	163,973
Water Fund	
Nonmajor Governmental	6,949
Fiduciary	
General	247,558
Total	<u>\$ 5,375,108</u>

Fund	Due From Other Funds
General	
Nonmajor Governmental	\$ 197,286
Tax Increment Finance District IV Capital Project	50,907
Fiduciary	247,558
Tax Increment Finance District IV Debt Service	
Tax Increment Finance District IV Capital Project	3,066,484
Fiduciary	
General	389,901
Nonmajor Governmental	
General	796,011
Other Nonmajor Governmental	163,973
Water	6,949
Water Fund	
General	258,509
Nonmajor Governmental	197,530
Total	<u>\$ 5,375,108</u>

Interfund debt reflects operating loans, which are expected to be repaid in the following fiscal year.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 10. Interfund Balances (Continued)

b) Transfers In/Out

The interfund transfers in and out for the year ended April 30, 2007, are as follows:

Fund	Transfers In
General	
Water	\$ 626,600
TIF IV Capital Projects	50,000
Nonmajor Governmental	438,847
TIF IV Debt Service	
TIF IV Capital Projects	1,226,956
TIF IV Capital Projects	
Nonmajor Governmental	2,783,643
Nonmajor Governmental	
General	860,123
TIF IV Capital Projects	80,685
Other Nonmajor Governmental	1,415,358
Total	<u>\$ 7,482,212</u>

Fund	Transfers Out
General	
Nonmajor Governmental	\$ 860,123
Water	
General	626,600
TIF IV Capital Projects	
General	50,000
TIF IV Debt Service	1,226,956
Nonmajor Governmental	80,685
Nonmajor Governmental	
General	438,847
TIF IV Capital Projects	2,783,643
Other Nonmajor Governmental	1,415,358
Total	<u>\$ 7,482,212</u>

Transfers are used to a.) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; b.) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund; and c.) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 11. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time Village employees, permits them to defer a portion of their salary until future years. The Village made no contributions to the plan for the year ended April 30, 2007.

Note 12. Commitments

The Village has agreements with several retail stores in the community to provide possible future economic assistance. The Village has agreed to remit 50% of the total sales taxes received by the Village as a result of sales made by these retail stores. During the year ended April 30, 2007, the Village expended \$1,610,984 under these agreements.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 13. Defeased Debt

The Village defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Village's financial statements. As of April 30, 2007, \$12,280,000 of bonds outstanding are considered defeased.

Note 14. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 43, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2008. This statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information. The Village is required to implement this Statement for the year ending April 30, 2009.

GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, will be effective for the Village beginning with its year ending April 30, 2008. This statement will establish criteria that governments will use to ascertain whether proceeds received should be reported as revenue or as a liability.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, will be effective for the Village beginning with its year ending April 30, 2009. This Statement addresses accounting and financial reporting for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessment and cleanups.

GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*, will be effective for the Village beginning with its year ending April 30, 2009. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed on the notes to the financial statement or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village beginning with its year ending April 30, 2011. This statement establishes accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby, enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

Note 15. Subsequent Events

On April 7, 2008, the Village issued \$10,000,000 in General Obligation (Utility Tax Alternate Revenue Source), Series 2008. The proceeds from these bonds are being used for the construction of a new community center within the Village. Interest rates range from 3.0% to 4.0%.

Subsequent to year-end, the credit and liquidity crisis in the United States and throughout the global financial system has resulted in substantial volatility in financial markets and the banking system. These and other economic events have had a significant adverse impact on investment portfolios. As a result, the Village of Matteson's investments have likely incurred a significant decline in fair value since April 30, 2007. As a result, it is likely that funding requirements related to the Village's pension plans in the future will be higher.

Village of Matteson, Illinois

**Schedule of Funding Progress
Illinois Municipal Retirement Fund**

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded (Overfunded) AAL	(1)/(2) Funded Ratio	(3) Covered Payroll	Unfunded (Overfunded) AAL as a Percentage of Covered Payroll ((2-1)/3)
12/31/2006	\$ 8,856,157	\$ 11,691,340	\$ 2,835,183	75.75 %	\$ 4,849,507	58.46 %
12/31/2005	9,064,057	11,350,620	2,286,563	79.86	4,704,138	48.61
12/31/2004	8,361,032	10,633,865	2,272,833	78.63	4,500,169	50.51

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$9,631,045. On a market basis, the funded ratio would be 82.38%.

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 experience study. The principal changes were:

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

Village of Matteson, Illinois

**Schedule of Funding Progress
Police Pension Fund**

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
4/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2006	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2005	\$ 17,695,128	\$ 22,728,317	\$ 5,033,189	77.85 %	\$ 2,406,240	209.17 %
4/30/2004	17,520,234	21,185,282	3,665,048	82.70	2,304,283	159.05
4/30/2003	16,575,350	19,780,307	3,204,957	83.80	2,168,483	147.80
4/30/2002	15,701,208	17,596,047	1,894,839	89.23	2,170,691	87.29

**Schedule of Employer Contributions
Police Pension Fund**

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
2007	N/A	N/A
2006	N/A	N/A
2005	\$ 547,940	44.06 %
2004	483,429	74.86
2003	375,076	92.53
2002	329,666	87.45

Information presented for as many years as available.

Village of Matteson, Illinois

**Schedule of Funding Progress
Firefighters' Pension Fund**

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAAL)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
4/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2006	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2005	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2004	\$ 11,091,147	\$ 12,059,981	\$ 968,834	91.97 %	\$ 1,981,546	48.89 %
4/30/2003	10,000,594	10,650,630	650,036	93.90	1,840,833	35.31
4/30/2002	8,988,501	9,431,178	442,677	95.31	1,616,878	27.38

**Schedule of Employer Contributions
Firefighters' Pension Fund**

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
2007	N/A	N/A
2006	N/A	N/A
2005	N/A	N/A
2004	\$ 373,312	89.74 %
2003	297,028	107.61
2002	271,469	89.31

Information presented for as many years as available.

Village of Matteson, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
General Fund
Year Ended April 30, 2007**

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Sales taxes	\$ 6,930,554	\$ 7,100,000	\$ 6,071,228	\$ (1,028,772)
Property taxes	3,294,336	2,820,000	3,273,198	453,198
Other taxes	3,280,190	2,720,196	3,066,737	346,541
Licenses and permits	1,413,953	1,145,100	1,153,986	8,886
Charges for services	2,206,970	2,243,935	2,258,453	14,518
Intergovernmental	27,800	39,557	39,558	1
Fines and forfeitures	229,000	309,000	335,020	26,020
Interest	48,008	100,000	143,397	43,397
Recreation programs	199,825	195,684	203,172	7,488
Miscellaneous	104,899	95,408	143,822	48,414
Total revenues	17,735,535	16,768,880	16,688,571	(80,309)
Expenditures:				
Current:				
General government	6,656,548	6,793,773	7,074,846	(281,073)
Administration, finance, planning, and engineering services	1,843,746	1,760,573	1,737,116	23,457
Housing and human relations	3,400	5,980	5,134	846
Community relations	219,880	168,657	162,757	5,900
Public safety services	6,769,125	6,331,274	6,212,363	118,911
Public works	599,017	552,870	534,278	18,592
Parks and recreation	916,190	969,392	937,589	31,803
Special projects	391,955	344,285	51,160	293,125
Debt service:				
Principal	-	(2,186)	2,745	(4,931)
Interest and fees	-	-	553	(553)
Capital equipment	492,983	585,783	454,886	130,897
Total expenditures	17,892,844	17,510,401	17,173,427	336,974
Excess (deficiency) of revenue over (under) expenditures	(157,309)	(741,521)	(484,856)	256,665
Other financing sources (uses):				
Capital lease issued	-	-	21,525	21,525
Transfers in	-	1,509,638	1,115,447	(394,191)
Transfers out	-	(648,154)	(860,123)	(211,969)
Total other financing sources (uses)	-	861,484	276,849	(584,635)
Change in fund balance	\$ (157,309)	\$ 119,963	(208,007)	\$ (327,970)
Fund balance:				
May 1, 2006			<u>5,693,676</u>	
April 30, 2007			<u>\$ 5,485,669</u>	

See Note to Required Supplementary Information.

Note to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

The General Fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Village of Matteson, Illinois

**Schedule of General Fund Revenues
Budget and Actual
Year Ended April 30, 2007
With Comparative Amounts for 2006**

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Sales tax	\$ 6,930,554	\$ 7,100,000	\$ 6,071,228	\$ 6,737,125
Property taxes	3,193,935	2,700,000	3,140,833	2,864,804
Road and bridge taxes	100,401	120,000	132,365	131,351
	<u>3,294,336</u>	<u>2,820,000</u>	<u>3,273,198</u>	<u>2,996,155</u>
Other taxes:				
Income taxes	1,264,911	1,264,911	1,381,387	943,804
Replacement taxes	99,016	84,500	142,515	133,176
Utility tax	1,239,252	1,148,860	1,307,659	1,372,428
Sales use taxes	145,000	170,000	207,312	161,881
Hotel/motel	32,500	25,000	-	27,332
TIF distributions	470,011	-	-	55,368
Miscellaneous taxes	29,500	26,925	27,864	21,271
Total other taxes	<u>3,280,190</u>	<u>2,720,196</u>	<u>3,066,737</u>	<u>2,715,260</u>
Licenses and permits:				
Business licenses	77,300	60,450	61,525	62,875
Liquor licenses	28,000	28,000	44,900	34,500
Vending machine licenses	10,000	10,000	17,922	14,448
Miscellaneous licenses	3,100	2,500	2,477	2,512
Contractor licenses	60,400	65,000	69,300	59,600
Payroll processing	2,500	3,175	3,274	3,238
Building permits	726,770	568,225	553,675	691,215
Electric permits	144,147	112,500	109,284	137,607
Plumbing permits	150,687	116,500	113,422	143,741
Mechanical permits	138,049	105,000	103,264	131,739
Alarm permits	48,000	53,250	53,318	49,127
Fire services	25,000	20,500	21,625	30,756
Total licenses and permits	<u>1,413,953</u>	<u>1,145,100</u>	<u>1,153,986</u>	<u>1,361,358</u>

(continued)

Village of Matteson, Illinois

Schedule of General Fund Revenues
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006
	Original Budget	Final Budget	Actual	Actual
Revenues: (continued)				
Charges for services:				
Existing structure inspection	\$ 25,000	\$ 40,000	\$ 39,425	\$ 41,441
Inspections and reinspections	24,000	12,350	12,356	25,295
Construction inspection	150,000	47,500	53,031	112,023
Engineering review	100,000	37,250	40,354	102,182
Plan review income	115,869	87,865	88,295	91,628
Scavenger services	841,626	965,625	977,003	786,850
Police reports	5,500	4,500	4,815	5,380
Fire reports	1,630	1,630	1,600	1,015
Fire protection agreement	497,875	497,875	494,296	464,588
Ambulance service	250,000	300,000	293,213	276,206
Planning/rview	25,000	35,000	35,092	37,171
Health inspections	13,000	13,000	11,700	10,700
Building rent	10,050	13,500	13,331	10,945
Cable franchise fee	123,420	157,900	164,002	138,340
Gas franchise fee	22,000	29,560	29,560	29,302
Fire and police applications	2,000	380	380	1,730
Total charges for services	2,206,970	2,243,935	2,258,453	2,134,796
Intergovernmental:				
Police reimbursement	6,000	8,122	8,122	-
Other reimbursed salaries	20,000	28,880	28,881	23,028
Fire training grant	1,800	2,555	2,555	4,238
Total intergovernmental	27,800	39,557	39,558	27,266
Fines and forfeitures:				
Traffic and parking	104,000	161,000	164,332	122,724
Court fines	62,000	73,500	90,113	70,114
Other fines and penalties	63,000	74,500	80,575	79,600
Total fines and forfeitures	229,000	309,000	335,020	272,438

(continued)

Village of Matteson, Illinois

Schedule of General Fund Revenues
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues: (continued)				
Interest:				
Investments	\$ 48,008	\$ 100,000	\$ 143,397	\$ 92,991
Total interest	48,008	100,000	143,397	92,991
Recreation programs:				
Summer	31,868	23,672	41,114	34,395
Fall	33,339	20,400	20,395	16,756
Winter/Spring	3,518	33,518	29,932	28,304
Preschool	14,128	10,622	10,471	10,576
Matteson Community Theater	-	-	-	2,066
Matteson festival	73,900	56,533	68,458	86,661
Miscellaneous	43,072	50,939	32,802	43,333
Total recreation programs	199,825	195,684	203,172	222,091
Miscellaneous:				
S.R.O.	-	-	-	26,565
Southcom utility payments	2,492	2,400	2,400	2,433
Tower rent	53,000	49,475	53,948	48,970
Vending machines	6,000	126	126	741
Range rental	-	-	-	577
Miscellaneous revenues (expenses)	43,407	43,407	87,348	(22,309)
Total miscellaneous	104,899	95,408	143,822	56,977
Total general fund revenues	\$ 17,735,535	\$ 16,768,880	\$ 16,688,571	\$ 16,616,457

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures:				
General government:				
Executive/legislative department:				
Salaries - Board trustees	\$ 36,000	\$ 36,000	\$ 34,616	\$ 36,000
Salaries - Village president	10,500	10,500	10,105	10,142
Salaries - Liquor commissioner	5,000	5,000	4,799	5,358
Supplies	1,500	1,625	625	12,660
Liquor license investigation	200	200	78	156
Conference/expenses	14,000	14,000	5,502	5,225
Travel	200	200	-	102
Legislative contact	1,000	1,000	150	332
Commissioner recognition	4,500	4,500	5,192	3,990
Public education	500	500	-	100
Trustee expense	14,000	14,000	6,128	8,876
Board Retreat	-	5,000	-	-
Strategic planning	-	-	-	8,119
Total executive/legislative department	87,400	92,525	67,195	91,060
Office of the Village clerk:				
Officials fees	50,669	50,669	48,327	49,045
Books	200	200	40	214
Ordinance Codification	5,500	3,000	3,216	-
Legal notices	2,500	2,500	608	3,155
Dues	80	80	80	80
Training/conference	600	600	547	875
	2,000	2,000	1,962	-
Total office of the Village clerk	61,549	59,049	54,780	53,369
Memberships/contributions:				
NIPC	1,870	1,870	-	4,020
Municipal league	1,075	1,108	1,108	916
SSMMA	16,371	16,527	16,527	13,853
SS Chamber of Commerce	740	740	540	540
Chicago Southland alliance	-	5,000	5,000	5,000
SS housing center	1,500	1,500	1,500	6,000
MACC	2,650	3,100	3,100	2,650
Local school incentives	-	2,000	-	-
Contribution - CIA escrow	3,000	5,500	5,500	-
Miscellaneous	4,400	6,115	5,847	4,912
Total memberships/contributions	31,606	43,460	39,122	37,891

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
General government: (continued)				
Fire/police commission:				
Commissioner salary	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Office supplies	150	150	11	251
Testing costs	13,500	35,000	16,987	46,361
Legal services	3,500	3,500	488	741
Recruitment	1,000	5,052	3,552	2,763
Postage	150	150	98	104
Dues	375	375	375	375
Conferences	2,040	2,500	3,885	3,000
Travel	200	200	110	-
Total fire/police commission	28,415	54,427	33,006	61,095
Park and recreation commission:				
Officials fees	2,205	3,430	2,030	1,855
Temporary service	-	-	-	-
Total park and recreation commission	2,205	3,430	2,030	1,855
Legal services:				
Liquor License Investigation	100	100	-	-
Village attorney	58,000	58,000	64,428	69,479
Special counsel	6,000	10,000	10,268	19,225
Collective bargaining	50,000	90,000	84,317	43,754
Code prosecutions	1,500	1,000	800	1,644
Police prosecutions	5,000	5,000	1,200	2,075
Total legal services	120,600	164,100	161,013	136,177

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
General government: (continued)				
Other professional and contractual:				
Auditing service	\$ 72,000	\$ 72,000	\$ 64,255	\$ 95,040
Scavenger service	814,591	778,517	856,857	793,968
Programming costs	8,000	4,000	3,743	2,433
Telephone	195,432	176,750	176,259	203,102
Pagers	-	-	-	14
Subscriptions	-	30	327	-
Postage	5,000	10,500	8,106	4,032
Electricity	106,996	98,500	94,298	109,141
Heat	62,600	66,900	55,083	84,525
Copier rental	14,000	13,500	12,679	13,025
Postage machine rental	2,700	2,125	2,116	2,230
Payment to Southcom	455,092	444,519	444,519	392,437
Materials and supplies	24,000	25,000	21,302	30,779
Medical Supplies	-	12,317	12,317	-
Appraisal service	4,000	4,000	-	1,000
Wetland mitigation	13,000	13,000	-	-
Financial consulting	23,000	10,000	7,600	8,449
Total other professional and contractual	1,800,411	1,731,658	1,759,461	1,740,175
Taxes and employee benefits:				
Social Security	751,242	685,500	657,497	688,342
IMRF	403,301	431,500	447,193	420,501
IMRF Inclusive 125 Deductions	18,000	-	-	-
Health and other benefits	2,676,906	2,676,906	3,890,800	2,121,463
Employee health insurance payments	(714,544)	(464,567)	(1,709,759)	(366,225)
Unemployment compensation	67,694	67,694	59,662	80,101
Workers' compensation	312,090	233,620	538,052	521,606
Fire and police pension contribution	-	-	-	-
Compensated absences	12,600	12,600	88,042	19,996
Fire department salary incentive	75,000	75,000	2,500	102,500
General liability	315,101	315,101	438,041	1,805
Total taxes and employee benefits	3,917,390	4,033,354	4,412,028	3,590,089

(continued)

Village of Matteson, Illinois

**Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006**

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
General government: (continued)				
General maintenance and repair:				
Computer maintenance and repair	\$ 30,000	\$ 17,000	\$ 16,817	\$ 26,750
Equipment maintenance and repair	57,800	59,300	37,188	57,175
Vehicle maintenance and repair	149,000	145,375	133,822	131,953
Grounds maintenance	20,000	25,000	27,558	10,097
Restoration	-	-	-	1,598
Total general maintenance and repair	256,800	246,675	215,385	227,573
Building operations, maintenance and repair:				
Salaries	149,887	149,850	143,080	78,322
Uniforms	1,000	1,000	807	-
Janitorial services	60,000	55,000	55,094	52,810
Exterminating	1,000	1,000	308	224
Conference/Training	1,000	1,000	947	-
Travel	100	50	20	-
Building maintenance and repairs	133,885	151,295	127,768	88,464
Total building operations, maintenance and repair	346,872	359,195	328,024	219,820
Miscellaneous	3,300	5,900	2,802	2,706
Total general government	6,656,548	6,793,773	7,074,846	6,161,810

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Administration/finance/planning/ engineering services:				
Administrative services:				
Salaries	\$ 421,994	\$ 403,386	\$ 408,777	\$ 567,940
Office material and supplies	1,500	1,850	1,738	2,056
Books	750	500	246	259
Employee relations	11,000	12,000	10,597	16,343
Labor relations	3,000	7,000	8,931	-
EAP program	4,369	4,004	4,004	3,970
Recruitment expense	35,000	8,000	8,514	54,885
Printing	-	2,250	2,164	2,250
Postage	1,000	150	78	73
Dues	3,200	4,100	3,917	2,137
Subscriptions	300	500	509	127
Conferences and meetings	14,950	19,550	15,696	13,078
Travel	5,900	5,900	2,879	1,904
Other training	1,500	3,010	2,403	123
Total administrative services	504,463	472,200	470,453	665,145
Finance Information Technology:				
Salaries	-	160,075	153,174	-
Office supplies	-	200	-	-
Reference materials	-	200	-	-
Subscriptions	-	250	26	-
Conferences/Training	-	1,000	488	-
Travel	-	75	58	-
Total finance information technology	-	161,800	153,746	-
Finance customer service:				
Salaries	-	120,300	115,690	-
Overtime salaries	-	3,500	3,694	-
Office supplies	-	900	884	-
New Resident packet supplies	-	1,000	672	-
Conferences/Training	-	-	20	-
Total finance customer service	-	125,700	120,960	-

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Administration/finance/planning/ engineering services: (continued)				
Finance and budget management:				
Salaries	\$ 214,015	\$ 179,380	\$ 172,482	\$ 321,528
Treasurer	900	900	900	900
Office supplies	4,000	3,500	3,167	4,204
Books	400	200	92	156
Employee relations	100	100	477	192
Auditing service	400	400	1,481	168
Printing	550	850	384	518
Dues	400	500	672	739
Subscriptions	-	-	119	-
Conference/training	3,200	2,700	1,402	2,056
Travel	100	75	264	9
Temporary services	5,000	500	-	19,106
Total finance and budget management	229,065	189,105	181,440	349,576
Planning/economic development:				
Salaries	272,540	156,875	152,219	119,204
Office supplies	1,000	1,000	776	1,412
Books	500	250	378	197
Engineering	70,000	45,000	50,426	93,936
Consulting appraisal	-	1,000	(3,148)	10,900
Legal Notices	1,000	1,000	1,381	1,590
Printing	500	250	172	197
Postage	500	500	406	498
Dues	2,000	2,000	842	2,160
Conference and training	3,000	1,500	767	892
Travel	750	300	143	637
Total planning/economic development	351,790	209,675	204,362	231,623
Planning commission:				
Officials fees	7,650	8,370	4,905	4,410
Reference materials	115	50	-	88
Conferences/meetings	250	-	-	-
APA dues (7 members)	500	500	-	-
Total planning commission	8,515	8,920	4,905	4,498

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Administration/finance/planning/ engineering services: (continued)				
Building inspection services:				
Salaries	\$ 662,135	\$ 522,135	\$ 538,709	\$ 509,465
Salaries - overtime	-	63	63	23,866
Part time inspectors	40,000	45,000	43,525	44,775
Office supplies	1,200	2,400	2,461	1,253
Tools and equipment	1,300	2,700	1,808	1,315
Books	1,000	1,500	775	592
Motor fuel and lubrication	5,000	5,000	5,867	6,637
Uniforms	1,000	1,500	1,042	1,441
Printing	1,600	2,000	1,020	1,831
Postage	800	1,500	1,348	983
Dues	675	675	305	530
Subscriptions	5,200	5,200	1,250	56
Conference and training	30,003	3,500	3,077	4,719
Total building inspection services	749,913	593,173	601,250	597,463
Total administration, finance, planning, engineering services	1,843,746	1,760,573	1,737,116	1,848,305
Community relations:				
Administration:				
Salaries	159,980	92,725	89,138	210,092
Office supplies	1,500	1,200	1,124	1,771
Film and processing	200	100	-	46
Consulting - marketing	-	10,000	10,000	-
Residential marketing	-	-	-	37,168
Printing	22,000	22,000	22,308	17,362
Postage	9,000	9,000	8,663	6,441
Dues	500	500	355	385
Subscriptions	500	525	514	517
Conference and training	1,500	1,500	1,487	628
Travel	800	800	778	1,692
Community relations program	11,900	13,307	12,674	15,180
Economic development	12,000	17,000	15,716	-
Total community relations	219,880	168,657	162,757	291,282

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Housing and human relations commission:				
Official fees	\$ 3,000	\$ 5,390	\$ 4,655	\$ 2,835
Supplies	100	50	100	103
Printing	200	340	279	-
Conferences/training	100	200	100	44
Total housing and human relations commission	3,400	5,980	5,134	2,982
Public safety services:				
Police department:				
Police administration:				
Salaries	363,260	363,260	361,886	382,688
Office supplies	300	400	340	311
Materials and supplies	300	300	268	237
Books	300	300	299	250
Inoculations	750	500	40	125
Prisoner meals	2,600	2,850	3,009	2,397
Uniforms	3,000	3,000	2,339	3,388
Parking ticket collection services	12,000	19,000	17,983	10,146
Animal control	2,200	2,200	925	2,295
Dues	550	550	528	510
Subscriptions	800	1,100	967	762
Conferences	4,000	3,500	2,890	2,853
Travel	500	500	219	150
Senior programs	1,600	2,000	1,988	-
Total police administration	392,160	399,460	393,681	406,112
Police uniform division:				
Salaries	2,166,790	1,804,100	1,810,046	1,867,024
Salaries - overtime	235,000	261,350	250,407	251,017
Leave coverage	107,000	142,525	145,969	116,011
Reimbursed overtime salaries	6,000	7,650	6,760	8,501
Equipment supplies	2,200	2,200	555	2,175
Tools and equipment	3,000	3,000	1,949	2,993
Protective clothing	500	500	-	-
Uniforms	30,000	25,000	19,887	28,654
Total police uniform division	2,550,490	2,246,325	2,235,573	2,276,375

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public safety services: (continued)				
Police department: (continued)				
Police support services:				
Office supplies	\$ 18,000	\$ 19,000	\$ 19,334	\$ 17,525
Materials and supplies	400	600	551	1,052
Equipment supplies	1,500	1,500	1,408	1,704
Film and film processing	1,500	1,500	1,260	1,272
Tools and equipment	1,200	1,200	965	303
Vehicle license fees	850	850	631	767
Motor fuel and lubricants	97,000	121,000	109,485	93,054
Cleaning supplies	1,800	2,500	2,365	1,763
Postage	4,600	5,500	6,930	5,842
Copy machine rental	9,800	9,800	9,852	9,852
Total police support services	136,650	163,450	152,781	133,134
Police training:				
Training	42,000	50,000	48,596	46,592
Office supplies	300	300	211	237
Materials and supplies	400	400	390	420
Equipment supplies	1,500	1,500	1,339	1,833
Tools and equipment	4,200	4,200	3,102	1,618
Ammunition	8,000	7,000	4,145	8,317
Cleaning supplies	100	100	-	185
Dues	200	200	190	200
Subscriptions	300	325	312	266
Conferences and training	18,000	18,000	20,219	20,581
Travel	1,300	1,300	973	916
Other training	5,000	5,000	915	-
Total police training	81,300	88,325	80,392	81,165
Police communications/records:				
Salaries	186,471	186,471	178,754	177,279
Salaries - overtime	16,500	15,500	14,296	14,168
Uniforms	2,500	1,500	738	1,150
Total police communications/records	205,471	203,471	193,788	192,597

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public safety services: (continued)				
Police department: (continued)				
Police youth investigations:				
Salaries	\$ 397,445	\$ 285,000	\$ 285,885	\$ 271,051
Salaries - overtime	45,000	52,650	53,994	63,693
Office supplies	500	500	509	63
Materials and supplies	-	-	-	521
Equipment supplies	-	-	-	650
Film and film processing	300	300	170	272
Tools and equipment	11,500	11,500	11,490	750
Uniforms	2,000	2,000	1,576	2,127
Investigative material	700	700	261	-
Dues	100	100	60	90
Conferences/training	50	500	290	-
Travel	100	100	-	2,647
Total police youth investigations	457,695	353,350	354,235	341,864
Total police department	3,823,766	3,454,381	3,410,450	3,431,247
Fire department:				
Fire administration:				
Salaries	138,232	135,775	130,554	136,525
Salaries - overtime	-	4,075	3,470	-
Office supplies	2,700	2,650	3,123	2,126
Emergency management	1,000	-	72	-
Motor fuel and lubricants	5,000	5,000	4,549	4,565
Printing	500	250	37	96
Postage	900	900	854	906
Dues	1,585	1,585	581	1,705
Subscriptions	100	100	62	85
Conference and training	3,500	5,600	5,500	4,353
Equipment rental	5,345	5,345	5,320	5,444
Total fire administration	158,862	161,280	154,122	155,805

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public safety services: (continued)				
Fire department: (continued)				
Fire inspection services:				
Salary	\$ 152,801	\$ 155,500	\$ 149,527	\$ 146,948
Salaries - overtime	-	112	112	-
Books	1,050	1,050	1,045	626
Printing	200	200	153	103
Training	750	750	1,093	861
Total fire inspection services	154,801	157,612	151,930	148,538
Emergency medical services:				
Salaries	725,034	675,634	682,260	668,073
Salaries - overtime	71,000	114,500	110,342	85,771
Tools and equipment	5,300	5,300	(2,532)	1,165
Inoculations	3,380	3,380	666	434
Vehicle license fees	175	175	140	143
Motor fuel and lubricants	10,652	12,500	12,066	10,031
Medical supplies	8,000	12,000	12,399	9,171
Printing	1,200	1,200	899	611
Conference/training	11,160	11,160	6,820	1,852
Total emergency medical services	835,901	835,849	823,060	777,251

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006
	Original Budget	Final Budget	Actual	Actual
Expenditures: (continued)				
Public safety services: (continued)				
Fire department: (continued)				
Fire department suppression:				
Salaries	\$ 725,034	\$ 664,075	\$ 670,159	\$ 661,547
Salaries - overtime	119,025	144,688	136,045	101,998
Materials and supplies	750	800	737	738
Equipment supplies	500	500	21	-
Tools and equipment	2,200	10,000	6,829	8,502
Motor fuel and lubricants	15,840	20,840	18,536	15,190
Protective clothing	12,500	19,500	16,137	2,450
Uniforms	16,000	16,000	11,251	16,122
M.A.B.A.S.	200	200	100	-
Physical examinations	3,000	3,250	3,454	3,191
Hazard material membership	2,750	2,750	1,000	1,500
Training	11,450	11,450	10,881	10,245
Total fire department suppression	909,249	894,053	875,150	821,483
Fire education, training and investigation:				
Salaries	414,305	379,463	382,949	375,128
Salaries - overtime	100,000	69,553	67,780	49,749
Training	40,000	53,380	51,103	46,335
Training materials	3,620	3,620	189	1,429
Photo supplies/processing	300	300	222	110
Investigative materials	450	450	48	387
Public education	3,203	3,203	3,584	2,102
Total fire education, training and investigation	561,878	509,969	505,875	475,240

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public safety services: (continued)				
Fire department: (continued)				
Fire support services:				
Salaries	\$ 207,153	\$ 189,732	\$ 183,171	\$ 187,564
Salaries - overtime	24,000	43,136	36,675	62,987
Equipment supplies	650	650	385	554
Tools and equipment	9,000	9,000	3,620	9,675
Cleaning supplies	6,478	6,478	6,272	6,013
Opticom maintenance	6,400	6,400	3,900	-
Total fire support services	253,681	255,396	234,023	266,793
Fire part-time:				
POC/station duty pay	69,487	60,234	57,353	65,839
Training	1,500	2,500	400	2,400
Total fire part-time	70,987	62,734	57,753	68,239
Total fire department	2,945,359	2,876,893	2,801,913	2,713,349
Total public safety services	6,769,125	6,331,274	6,212,363	6,144,596

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public works:				
Public works administration:				
Salaries	\$ 78,527	\$ 41,880	\$ 40,268	\$ 60,926
Salaries - overtime	12,000	900	595	11,839
Office supplies	1,000	1,000	800	1,138
Materials and supplies	1,200	1,500	1,123	1,233
Uniforms	1,500	1,500	1,097	1,438
Postage	100	100	52	88
Dues and subscriptions	650	650	182	493
Conference and training	2,000	2,000	975	631
Travel	350	350	257	169
Equipment rental	3,600	3,600	3,300	3,300
Outdoor siren maintenance	4,000	4,000	2,850	2,850
Total public works administration	104,927	57,480	51,499	84,105
Public works vehicle/equipment:				
Salaries	93,082	93,920	90,231	86,148
Salaries - overtime	1,000	2,280	1,380	683
Materials and supplies	3,000	4,500	4,249	3,006
Tools and equipment	13,500	10,000	9,780	13,072
Motor fuel and lubrication	31,200	41,590	38,615	32,921
Uniforms	1,400	1,000	220	-
Conferences/training	1,000	500	50	-
Total public works vehicle/equipment	144,182	153,790	144,525	135,830

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Public works: (continued)				
Public works roadway maintenance:				
Salaries	\$ 324,809	\$ 311,100	\$ 310,734	\$ 292,682
Salaries - overtime	25,099	30,500	27,520	22,620
Streetlight maintenance and repair	-	-	-	9
Total public works roadway maintenance	349,908	341,600	338,254	315,311
Total public works	599,017	552,870	534,278	535,246
Parks and recreation:				
Park administration:				
Salaries	268,080	273,777	274,814	254,057
Salaries - overtime	7,000	1,716	1,502	7,195
Office supplies	5,000	5,000	4,932	4,570
Materials and supplies	5,000	5,000	3,841	2,734
Film and film processing	200	200	42	36
Tools and equipment	-	-	-	130
Motor fuel and lubricants	2,500	4,500	2,241	5,067
Cleaning supplies	-	-	-	1,154
Paint	-	-	-	168
Uniforms	700	700	697	292
Vending	-	-	-	432
Program guide	18,000	20,000	18,643	12,576
Printing	3,700	3,700	3,799	3,154
Postage	2,500	2,250	50	2,278
Dues	1,500	1,500	1,374	86
Subscriptions	300	300	164	281
Advertising	500	500	-	210
Conference	3,000	3,100	3,103	1,677
Travel	1,000	1,000	774	805
Equipment rental	12,000	15,000	14,748	14,522
Copier rental	3,800	3,800	2,580	-
Postage machine rental	600	600	279	-
Total park administration	335,380	342,643	333,583	311,424

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Parks and recreation (continued)				
Park and ground maintenance:				
Salaries	\$ 229,319	\$ 229,800	\$ 230,906	\$ 215,548
Salaries - overtime	14,980	24,075	24,007	32,732
Part-time seasonal	17,000	27,415	26,663	20,304
Materials and supplies	4,000	4,000	3,713	6,126
Office supplies	300	100	-	597
Small tools and equipment	2,500	2,500	2,488	1,947
Motor fuel and lubricants	14,000	22,000	20,139	12,001
Cleaning supplies	1,000	1,200	1,097	669
Paint	1,200	1,200	1,221	1,459
Protective clothing	150	250	226	18
Uniforms	1,000	1,000	1,502	936
Dues	500	500	440	258
Grounds maintenance	20,000	15,000	15,749	17,347
Equipment rental	500	250	176	732
Travel	-	100	-	-
Conferences and training	800	800	614	610
Total park and grounds maintenance	307,249	330,190	328,941	311,284
Seasonal programs:				
Summer programs - regular	23,358	17,892	17,892	23,810
Fall programs - regular	31,534	20,150	19,902	15,835
Winter/Spring - regular	32,369	32,369	18,113	23,426
Total seasonal programs	87,261	70,411	55,907	63,071

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
Budget and Actual (Continued)
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006
	Original Budget	Final Budget	Actual	Actual
Expenditures: (continued)				
Parks and recreation: (continued)				
Other programs:				
Film & film processing	\$ 100	\$ 100	\$ -	\$ -
Matteson youth baseball	22,000	22,000	20,518	20,982
Matteson festivals	121,000	159,080	159,080	117,394
Concerts	6,000	5,366	5,366	5,251
Teen nights	1,500	700	710	675
Open gym	18,000	18,000	13,227	15,167
Kiddy Kamp	4,200	5,817	5,945	3,058
Day camp	7,000	10,135	10,135	6,499
Teen action room	1,500	1,000	174	-
Community special event	5,000	3,950	4,003	5,331
Matteson community theatre	-	-	-	109
Total other programs	186,300	226,148	219,158	174,466
Total parks and recreation	916,190	969,392	937,589	860,245
Special projects:				
2005 census	-	200	200	105,929
ITEP Grant -bike path	61,870	-	-	-
Economic development alert	-	-	-	22,681
Banner program	12,000	22,000	26,325	6,780
Village Message Sign	40,000	40,000	-	690
Preservation bike path	74,000	74,000	36,267	35,167
ADA Playground	-	-	-	37,958
Playground Improvement	-	-	-	32,415
Ridgeland Manor	-	-	-	1,622
Travel	-	-	-	1,670
Cicero avenue streetlights	155,560	155,560	-	-
Facility remodeling/improvements	21,500	25,500	-	-
Cicero & 207th traffic light match	27,025	27,025	-	-
Kimco Infrastructure costs	-	-	(11,632)	74,918
Total special projects	391,955	344,285	51,160	319,830

(continued)

Village of Matteson, Illinois

Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Expenditures: (continued)				
Debt service:				
Principal retirement	\$ -	\$ (2,186)	\$ 2,745	\$ -
Interest and fees	-	-	553	-
Total debt service	-	(2,186)	3,298	-
Capital equipment:				
Computer equipment/system	100,595	100,595	82,761	114,814
GIS reconcile prcl/address	75,000	75,000	6,090	-
Tools & equipment	-	62,000	37,662	-
Squad cars, trucks and other licensed vehicles	310,888	338,388	293,341	974,084
Consulting-IT	-	-	-	3,150
Community center improvements/carpet	-	-	-	58,038
Street Salt Spreader	-	-	-	3,860
Facility remodel/improvement	-	-	25,154	-
GIS maintenance	4,500	4,500	5,979	4,087
Furniture and equipment	2,000	5,300	3,899	4,285
Total capital equipment	492,983	585,783	454,886	1,162,318
Total general fund expenditures	\$ 17,892,844	\$ 17,510,401	\$ 17,173,427	\$ 17,326,614

Village of Matteson, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2007

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 2,848,334	\$ 1,367,311	\$ 280,145	\$ 4,495,790
Investments	63,146	-	-	63,146
Prepaid	-	-	29,255	29,255
Receivables				
Property taxes	93,964	487,933	-	581,897
Accounts	168,562	-	-	168,562
Intergovernmental	67,501	-	-	67,501
Miscellaneous	8,749	-	1,201	9,950
Due from other funds	802,960	163,973	-	966,933
Total assets	\$ 4,053,216	\$ 2,019,217	\$ 310,601	\$ 6,383,034
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 58,804	\$ -	\$ -	\$ 58,804
Accrued payroll	9,779	-	-	9,779
Due to other funds	197,530	245,090	116,169	558,789
Unearned revenue	105,644	487,933	-	593,577
Total liabilities	371,757	733,023	116,169	1,220,949
Fund Balances:				
Reserved for debt service	-	1,286,194	-	1,286,194
Unreserved	3,681,459	-	194,432	3,875,891
Total fund balances	3,681,459	1,286,194	194,432	5,162,085
Total liabilities and fund balances	\$ 4,053,216	\$ 2,019,217	\$ 310,601	\$ 6,383,034

Village of Matteson, Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2007**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 180,050	\$ 1,839,207	\$ 1,803,521	\$ 3,822,778
Developer contributions	-	338,160	-	338,160
Licenses and permits	309,515	-	-	309,515
Charges for services	1,134,869	-	-	1,134,869
Intergovernmental	472,541	-	-	472,541
Fines and forfeitures	-	-	-	-
Interest	80,199	63,849	68,090	212,138
Special projects	1,063,024	-	-	1,063,024
Miscellaneous	390,546	-	-	390,546
Total revenues	3,630,744	2,241,216	1,871,611	7,743,571
Expenditures:				
Current:				
Administrative services	177,793	-	-	177,793
Public works	344,206	-	-	344,206
Special projects	1,359,077	-	-	1,359,077
Reimbursements and refunds	-	-	75,279	75,279
Debt service:				
Principal retirement	-	1,860,000	264,383	2,124,383
Interest and fees	-	656,641	24,781	681,422
Bond issuance costs	-	66,599	-	66,599
Capital outlay	456,822	-	-	456,822
Total expenditures	2,337,898	2,583,240	364,443	5,285,581
Excess (deficiency) of revenues over (under) expenditures	1,292,846	(342,024)	1,507,168	2,457,990
Other financing sources (uses):				
Bond issuance	-	2,340,000	-	2,340,000
Bond premium	-	38,129	-	38,129
Payment to escrow agent	-	(2,311,530)	-	(2,311,530)
Transfers in	126,293	1,860,024	369,849	2,356,166
Transfers (out)	(377,649)	(551,626)	(3,708,573)	(4,637,848)
Total other financing sources (uses)	(251,356)	1,374,997	(3,338,724)	(2,215,083)
Change in fund balance	1,041,490	1,032,973	(1,831,556)	242,907
Fund balances:				
May 1, 2006	2,639,969	253,221	2,025,988	4,919,178
April 30, 2007	\$ 3,681,459	\$ 1,286,194	\$ 194,432	\$ 5,162,085

Village of Matteson, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2007

	Motor Fuel Tax	South Suburban Special Recreation	Sewer	Vehicle License	Drug Forfeiture	Special Purpose	Hotel/Motel Tax	Quality of Life	Totals
Assets									
Cash and cash equivalents	\$ 199,382	\$ -	\$ 629,050	\$ 129,912	\$ 210,639	\$ 686,085	\$ 70,382	\$ 922,884	\$ 2,848,334
Investments	63,146	-	-	-	-	-	-	-	63,146
Receivables									
Property taxes	-	58,089	35,875	-	-	-	-	-	93,964
Accounts	-	-	30,787	-	107	8,472	-	129,196	168,562
Intergovernmental	38,056	-	-	-	-	-	29,445	-	67,501
Miscellaneous	1,055	-	-	6,737	957	-	-	-	8,749
Due from other funds	650	-	6,906	90,408	-	200,544	-	504,452	802,960
Total assets	\$ 302,289	\$ 58,089	\$ 702,618	\$ 227,057	\$ 211,703	\$ 895,101	\$ 99,827	\$ 1,556,532	\$ 4,053,216
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ 13,046	\$ -	\$ 745	\$ 4,698	\$ -	\$ 23,020	\$ 5,595	\$ 11,700	\$ 58,804
Accrued payroll	-	-	9,779	-	-	-	-	-	9,779
Due to other funds	-	-	-	171,869	-	25,661	-	-	197,530
Unearned revenue	-	58,089	35,875	540	-	11,140	-	-	105,644
Total liabilities	13,046	58,089	46,399	177,107	-	59,821	5,595	11,700	371,757
Fund Balances, Unreserved	289,243	-	656,219	49,950	211,703	835,280	94,232	1,544,832	3,681,459
Total liabilities and fund balances	\$ 302,289	\$ 58,089	\$ 702,618	\$ 227,057	\$ 211,703	\$ 895,101	\$ 99,827	\$ 1,556,532	\$ 4,053,216

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended April 30, 2007

	Motor Fuel Tax	South Suburban Special Revenue	Sewer	Vehicle License	Drug Forfeiture	Special Purpose	Hotel/Motel Tax	Quality of Life	Totals
Revenues:									
Property taxes	\$ -	\$ 107,524	\$ 72,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,050
Licenses and permits	-	-	-	309,515	-	-	-	-	309,515
Charges for services	-	-	346,250	-	-	-	-	788,619	1,134,869
Intergovernmental	472,541	-	-	-	-	-	-	-	472,541
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Interest	11,687	364	16,398	2,712	9,036	18,592	-	21,410	80,199
Special projects	-	-	-	-	-	1,063,024	-	-	1,063,024
Miscellaneous	-	-	-	7,350	600	-	382,596	-	390,546
Total revenues	484,228	107,888	435,174	319,577	9,636	1,081,616	382,596	810,029	3,630,744
Expenditures:									
Current:									
Administrative services	-	106,492	-	15,859	55,442	-	-	-	177,793
Public works	-	-	147,416	196,790	-	-	-	-	344,206
Special projects	-	-	-	-	-	1,079,058	66,962	213,057	1,359,077
Capital outlay	456,822	-	-	-	-	-	-	-	456,822
Total expenditures	456,822	106,492	147,416	212,649	55,442	1,079,058	66,962	213,057	2,337,898
Excess (deficiency) of revenues over (under) expenditures	27,406	1,396	287,758	106,928	(45,806)	2,558	315,634	596,972	1,292,846
Other financing sources (uses):									
Transfers in	100,000	26,293	-	-	-	-	-	-	126,293
Transfers (out)	-	-	(77,595)	(150,000)	-	-	(89,809)	(60,245)	(377,649)
Total other financing sources (uses)	100,000	26,293	(77,595)	(150,000)	-	-	(89,809)	(60,245)	(251,356)
Change in fund balance	127,406	27,689	210,163	(43,072)	(45,806)	2,558	225,825	536,727	1,041,490
Fund balances (deficits):									
May 1, 2006	161,837	(27,689)	446,056	93,022	257,509	832,722	(131,593)	1,008,105	2,639,969
April 30, 2007	\$ 289,243	\$ -	\$ 656,219	\$ 49,950	\$ 211,703	\$ 835,280	\$ 94,232	\$ 1,544,832	\$ 3,681,459

Village of Matteson, Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds
 Year Ended April 30, 2007

	1997B Village Hall/ Village Green TIF III Bonds	2001 General Obligation Bonds	2002B General Obligation Refunding Bonds	2002 General Obligation Debt Certificates	2003A Community Center Utility Bonds	2003B Refunding Bonds	2004 General Obligation Capital Equipment Bonds	2006 A General Obligation Bonds	Totals
Assets									
Cash and cash equivalents	\$ 30,221	\$ 31,943	\$ 52,451	\$ 165,923	\$ 145,319	\$ 253,436	\$ 582,803	\$ 105,215	\$ 1,367,311
Receivables, Property taxes	10,023	59,251	-	-	-	301,964	-	116,695	487,933
Due from other funds	-	-	163,973	-	-	-	-	-	163,973
Total assets	\$ 40,244	\$ 91,194	\$ 216,424	\$ 165,923	\$ 145,319	\$ 555,400	\$ 582,803	\$ 221,910	\$ 2,019,217
Liabilities and Fund Balances									
Liabilities:									
Due to other funds	\$ 27,619	\$ 31,943	\$ 21,555	\$ 163,973	\$ -	\$ -	\$ -	\$ -	\$ 245,090
Unearned revenue	10,023	59,251	-	-	-	301,964	-	116,695	487,933
Total liabilities	37,642	91,194	21,555	163,973	-	301,964	-	116,695	733,023
Fund Balances,									
Reserved for debt service	2,602	-	194,869	1,950	145,319	253,436	582,803	105,215	1,286,194
Total liabilities and fund balances	\$ 40,244	\$ 91,194	\$ 216,424	\$ 165,923	\$ 145,319	\$ 555,400	\$ 582,803	\$ 221,910	\$ 2,019,217

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended April 30, 2007

	19%	1997B	2001	2002B	2002	2003A	2003B	2004	2004A	2004B	2006 A	Totals
	Village Hall/ Village Green TIF III Bonds	Village Hall/ Village Green TIF III Bonds	General Obligation Bonds	General Obligation Refunding Bonds	General Obligation Debt Certificates	Community Center Utility Bonds	Refunding Bonds	General Obligation Capital Equipment Bonds	General Obligation Refunding Bonds	General Obligation Refunding Bonds	General Obligation Bonds	
Revenues:												
Property taxes	\$ 241,945	\$ 20,064	\$ 184,981	\$ 144,730	\$ -	\$ 108,009	\$ 404,006	\$ 139,755	\$ 300,099	\$ 192,180	\$ 103,438	\$ 1,839,207
Developer contributions	-	-	-	338,160	-	-	-	-	-	-	-	338,160
Interest	7,674	1,238	586	32,561	343	1,219	3,489	12,783	-	2,179	1,777	63,849
Total revenues	249,619	21,302	185,567	515,451	343	109,228	407,495	152,538	300,099	194,359	105,215	2,241,216
Expenditures:												
Debt service:												
Principal retirement	360,000	-	85,000	170,000	310,000	85,000	50,000	195,000	395,000	210,000	-	1,860,000
Interest and fees	19,991	18,413	123,040	56,925	20,162	84,473	142,720	24,142	75,611	91,164	-	656,641
Bond issuance costs	-	-	-	-	-	-	-	-	-	-	66,599	66,599
Total expenditures	379,991	18,413	208,040	226,925	330,162	169,473	192,720	219,142	470,611	301,164	66,599	2,583,240
Excess (deficiency) of revenues over (under) expenditures	(130,372)	2,889	(22,473)	288,526	(329,819)	(60,245)	214,775	(66,604)	(170,512)	(106,805)	38,616	(342,024)
Other financing sources (uses):												
Bond issuance	-	-	-	-	-	-	-	-	-	-	2,340,000	2,340,000
Bond premium	-	-	-	-	-	-	-	-	-	-	38,129	38,129
Payment to escrow agent	-	-	-	-	-	-	-	-	-	-	(2,311,530)	(2,311,530)
Transfer in	106,044	-	71,445	-	330,183	60,245	-	66,604	924,930	300,573	-	1,860,024
Transfer (out)	-	-	-	(551,626)	-	-	-	-	-	-	-	(551,626)
Total other financing sources (uses)	106,044	-	71,445	(551,626)	330,183	60,245	-	66,604	924,930	300,573	66,599	1,374,997
Change in fund balance	(24,328)	2,889	48,972	(263,100)	364	-	214,775	-	754,418	193,768	105,215	1,032,973
Fund balances (deficits):												
May 1, 2006	24,328	(287)	(48,972)	457,969	1,586	145,319	38,661	582,803	(754,418)	(193,768)	-	253,221
April 30, 2007	\$ -	\$ 2,602	\$ -	\$ 194,869	\$ 1,950	\$ 145,319	\$ 253,436	\$ 582,803	\$ -	\$ -	\$ 105,215	\$ 1,286,194

Village of Matteson, Illinois

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 Year Ended April 30, 2007

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Old Plank Road Trail	Auto Mall	Capital Equipment	Totals
Assets							
Cash and cash equivalents	\$ 5,028	\$ -	\$ 80,685	\$ 39,023	\$ 155,409	\$ -	\$ 280,145
Prepaid	-	-	-	-	-	29,255	29,255
Receivables, miscellaneous	823	223	155	-	-	-	1,201
Total assets	\$ 5,851	\$ 223	\$ 80,840	\$ 39,023	\$ 155,409	\$ 29,255	\$ 310,601
Liabilities and Fund Balances							
Liabilities,							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	5,851	223	80,840	-	-	29,255	116,169
Fund Balances, unreserved	-	-	-	39,023	155,409	-	194,432
Total liabilities and fund balances	\$ 5,851	\$ 223	\$ 80,840	\$ 39,023	\$ 155,409	\$ 29,255	\$ 310,601

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended April 30, 2007

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Old Plank Road Trail	Auto Mall	Capital Equipment	Totals
Revenues:							
Property taxes	\$ 1,355,518	\$ 448,003	\$ -	\$ -	\$ -	\$ -	\$ 1,803,521
Interest	34,619	28,411	-	1,016	4,044	-	68,090
Total revenues	1,390,137	476,414	-	1,016	4,044	-	1,871,611
Expenditures,							
Reimbursements and refunds	75,279	-	-	-	-	-	75,279
Debt service:							
Principal retirement	-	-	-	-	-	264,383	264,383
Interest and fees	-	-	-	-	-	24,781	24,781
Total expenditures	75,279	-	-	-	-	289,164	364,443
Excess of revenues over expenditures	1,314,858	476,414	-	1,016	4,044	(289,164)	1,507,168
Other financing (uses):							
Transfer in	-	-	80,685	-	-	289,164	369,849
Transfers (out)	(2,251,428)	(1,457,145)	-	-	-	-	(3,708,573)
Change in fund balance	(936,570)	(980,731)	80,685	1,016	4,044	-	(1,831,556)
Fund balances (deficit):							
May 1, 2006	936,570	980,731	(80,685)	38,007	151,365	-	2,025,988
April 30, 2007	\$ -	\$ -	\$ -	\$ 39,023	\$ 155,409	\$ -	\$ 194,432

Village of Matteson, Illinois

Schedule of Revenues, Expenses, and Changes in Net Assets -
 Budget and Actual
 Water Fund
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Operating revenues:				
Water sales	\$ 3,519,577	\$ 3,375,000	\$ 3,327,548	\$ 3,326,613
Water meter sales	92,000	84,000	84,631	105,178
Fines and forfeitures	97,008	106,700	101,474	95,180
Miscellaneous	184,000	142,925	82,194	176,010
Total operating revenues	3,892,585	3,708,625	3,595,847	3,702,981
Operating expenses:				
Operations	5,103,182	5,641,406	2,267,591	3,647,531
Depreciation	-	-	265,278	201,971
Amortization	-	-	4,626	-
Total operating expenses	5,103,182	5,641,406	2,537,495	3,849,502
Operating income (loss)	(1,210,597)	(1,932,781)	1,058,352	(146,521)
Non-operating income (expense):				
Interest income	5,000	24,900	161,510	17,002
Bond issuance	3,400,000	3,433,164	-	-
Principal payments	(190,000)	(190,000)	-	-
Interest expense	(65,702)	(97,863)	(151,008)	(1,654)
Total non-operating income (expense)	3,149,298	3,170,201	10,502	15,348
Income (loss) before transfers	1,938,701	1,237,420	1,068,854	(131,173)
Transfer (out)	(1,138,004)	(1,126,600)	(626,600)	(1,062,118)
Change in net assets	\$ 800,697	\$ 110,820	442,254	(1,193,291)
Net assets:				
Beginning of year			4,222,432	5,415,723
End of year			\$ 4,664,686	\$ 4,222,432

Village of Matteson, Illinois

Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Motor Fuel Tax Fund
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 484,350	\$ 465,500	\$ 472,541	\$ 380,827
Interest	5,296	9,250	11,687	5,963
Total revenues	<u>489,646</u>	<u>474,750</u>	<u>484,228</u>	<u>386,790</u>
Expenditures:				
Capital outlay	<u>588,169</u>	<u>588,750</u>	<u>456,822</u>	<u>457,188</u>
Excess (deficiency) of revenues over (under) expenditures	(98,523)	(114,000)	27,406	(70,398)
Other financing sources:				
Transfer in	<u>100,000</u>	<u>125,000</u>	<u>100,000</u>	<u>115,000</u>
Change in fund balance	<u>\$ 1,477</u>	<u>\$ 11,000</u>	<u>127,406</u>	<u>44,602</u>
Fund balance:				
Beginning of year			<u>161,837</u>	<u>117,235</u>
End of year			<u>\$ 289,243</u>	<u>\$ 161,837</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Sewer Fund
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 64,914	\$ 64,914	\$ 72,526	\$ 59,704
Charges for services	391,533	348,000	346,250	391,773
Interest	3,500	13,850	16,398	6,093
Total revenues	<u>459,947</u>	<u>426,764</u>	<u>435,174</u>	<u>457,570</u>
Expenditures:				
Current:				
Administrative services	-	-	-	3,602
Public works	343,239	426,026	147,416	175,932
Total expenditures	<u>343,239</u>	<u>426,026</u>	<u>147,416</u>	<u>179,534</u>
Excess of revenues over expenditures	116,708	738	287,758	278,036
Other financing sources (uses):				
Transfers in	-	22,405	-	-
Transfers (out)	(77,595)	-	(77,595)	(73,900)
Change in fund balance	<u>\$ 39,113</u>	<u>\$ 23,143</u>	<u>210,163</u>	<u>204,136</u>
Fund balance:				
Beginning of year			<u>446,056</u>	<u>241,920</u>
End of year			<u>\$ 656,219</u>	<u>\$ 446,056</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Vehicle License Fund
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and permits	\$ 424,590	\$ 290,000	\$ 309,515	\$ 300,057
Interest income	350	1,898	2,712	986
Miscellaneous	13,000	7,250	7,350	16,425
Total revenues	<u>437,940</u>	<u>299,148</u>	<u>319,577</u>	<u>317,468</u>
Expenditures:				
Current				
Administrative services	13,533	9,000	15,859	14,235
Public works	222,450	217,400	196,790	190,818
Total expenditures	<u>235,983</u>	<u>226,400</u>	<u>212,649</u>	<u>205,053</u>
Excess of revenues over expenditures	201,957	72,748	106,928	112,415
Other financing sources (uses):				
Transfers in	50,000	55,000	-	-
Transfers (out)	(100,000)	(125,000)	(150,000)	(115,000)
Change in fund balance	<u>\$ 151,957</u>	<u>\$ 2,748</u>	<u>(43,072)</u>	<u>(2,585)</u>
Fund balance:				
Beginning of year			93,022	95,607
End of year			<u>\$ 49,950</u>	<u>\$ 93,022</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Hotel / Motel Tax Fund
Year Ended April 30, 2007
With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Miscellaneous, hotel/motel taxes	\$ 257,005	\$ 240,000	\$ 382,596	\$ 259,770
Expenditures:				
Current, general government	-	-	66,962	-
Excess of revenues over expenditures	257,005	240,000	315,634	259,770
Other financing (uses), Transfers (out)	(248,880)	(239,000)	(89,809)	(244,000)
Change in fund balance	<u>\$ 8,125</u>	<u>\$ 1,000</u>	225,825	15,770
Fund balance (deficit):				
Beginning of year			(131,593)	(147,363)
End of year			<u>\$ 94,232</u>	<u>\$ (131,593)</u>

Village of Matteson, Illinois

Schedule of Operating Expenses - Budget and Actual
 Water Fund
 Year Ended April 30, 2007
 With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Water billing:				
Salaries	\$ 56,616	\$ 74,284	\$ 83,131	\$ 75,215
Employee benefits	-	55	56	-
Office supplies	-	300	294	599
Bill printing/lock box	18,500	22,000	23,524	18,977
Postage	17,000	19,250	19,423	23,310
Conference/training	-	-	-	125
Computer maintenance	48,000	5,000	2,105	-
Total water billing	140,116	120,889	128,533	118,226
Water public works:				
Water purchase	854,873	1,065,000	1,053,925	1,069,963
Bad debt expense	1,300	20,000	39	1,057
Bank service charges/fees	-	-	131	-
Oak Lawn payment	-	-	-	83,429
Transmission line payment	253,243	253,243	248,320	246,164
Total water purchase and debt	1,109,416	1,338,243	1,302,415	1,400,613
Operations and maintenance:				
Salaries	357,749	265,453	251,711	246,761
Employee benefits	-	4,175	3,809	-
Salaries - overtime	37,000	50,200	47,525	46,545
Office supplies	1,500	1,500	850	2,558
Meters	90,500	120,000	127,341	115,511
Tools and equipment	10,000	10,000	9,458	7,120
Motor fuel and lubricants	14,500	14,500	14,083	11,761
Chemicals	2,500	2,500	1,512	2,429
Protective clothing	3,000	3,000	2,185	1,065
Uniforms	1,400	1,400	475	1,120
Dumping fees	5,000	5,000	-	3,200
Map upgrading	-	25,000	89	-
Legal fees	25,000	2,500	1,894	1,915
Water lab testing	8,500	8,500	9,265	5,976
Julie locator	1,500	1,500	1,496	1,488
Telephone	-	500	609	1,344

(continued)

Village of Matteson, Illinois

Schedule of Operating Expenses - Budget and Actual (Continued)

Water Fund

Year Ended April 30, 2007

With Comparative Amounts for 2006

	2007			2006 Actual
	Original Budget	Final Budget	Actual	
Operations and maintenance (continued):				
Legal notice	\$ 2,800	\$ 2,800	\$ 1,869	\$ 2,676
Postage	2,500	2,500	1,052	2,492
Dues	500	500	243	279
Conference/training	6,000	6,000	3,538	1,955
Travel	350	350	37	92
Electricity	24,500	61,000	38,116	25,807
Heat	1,000	1,000	480	1,971
Equipment rental	500	500	-	-
Vehicle M/R - PW	5,000	5,000	4,400	-
Main maintenance	15,000	25,000	23,375	8,715
Tower maintenance and paint	2,000	2,045	2,045	1,033
Pumping stations	15,000	7,500	1,529	14,430
Restoration	2,000	2,000	1,587	-
Total operations and maintenance	635,299	631,923	550,573	508,243
Capital improvements:				
Vehicles	168,351	150,351	242,990	92,307
Main replacement	3,050,000	3,400,000	2,927,492	1,734,200
	3,218,351	3,550,351	3,170,482	1,826,507
Total operations	\$ 5,103,182	\$ 5,641,406	5,152,003	3,853,589
Less equipment capitalized			(2,884,412)	(206,058)
Total operations			2,267,591	3,647,531
Plus depreciation			265,278	201,971
Plus amortization			4,626	-
Total water fund operating expenses			\$ 2,537,495	\$ 3,849,502