

# **Village of Matteson, Illinois**

**Annual Financial Report**

**Year Ended April 30, 2008**

## Village of Matteson, Illinois

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**Financial Section (Continued)**

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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, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 \$19,290,091, \$14,667,113 and \$6,129,268, respectively, as of April 30, 2008; total net assets of \$19,285,732, \$14,418,900 and \$6,048,951, respectively, as of April 30, 2008; and total additions to net assets/revenues of \$1,644,059, \$1,280,749 and \$2,011,480, respectively, for the year ended April 30, 2008. 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 and the reports of other auditors provide 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 the Firefighters' Pension Fund and the Notes to Basic 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 the Firefighters' Pension 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, 2008.

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 Firefighters' Pension Fund, 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, 2008, 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 and note (pages 72-73) 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  
July 29, 2009

**Required Supplementary Information**

**Management's Discussion and Analysis (MD&A)**

## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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The Village of Matteson's (the "Village") management's 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 MD&A 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, 2008.



## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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#### **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 Activities 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 \$78.6 million as of April 30, 2008.

## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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A significant portion of the Village's net assets (71.3%) 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, 2008*

(in millions)

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
Current Assets	\$28.4	\$0.8	\$29.2
Non Current Assets	<u>83.5</u>	<u>7.1</u>	<u>90.5</u>
Total Assets	<u>111.9</u>	<u>7.9</u>	<u>119.8</u>
Current Liabilities	9.8	(0.0)	9.8
Non Current Liabilities	<u>28.3</u>	<u>3.1</u>	<u>31.4</u>
Total Liabilities	<u>38.1</u>	<u>3.1</u>	<u>41.2</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	52.3	3.7	56.1
Restricted	0.2	0.0	0.2
Unrestricted	<u>21.2</u>	<u>1.1</u>	<u>22.3</u>
Total Net Assets	<u>\$73.8</u>	<u>\$4.8</u>	<u>\$78.6</u>

## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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Table 1 (continued)

#### Statement of Net Assets

As of April 30, 2007

(in millions)

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
Current Assets	\$22.2	\$1.3	\$23.5
Non Current Assets	<u>85.8</u>	<u>6.7</u>	<u>92.5</u>
Total Assets	<u>108.0</u>	<u>8.0</u>	<u>116.0</u>
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	<u>31.3</u>	<u>3.4</u>	<u>34.7</u>
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>14.1</u>	<u>1.5</u>	<u>15.6</u>
Total Net Assets	<u>\$76.7</u>	<u>\$4.7</u>	<u>\$81.4</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) decreased to \$78.6 million from \$81.4 million primarily this year as a result of additional spending in public safety and capital projects, depreciation expense on governmental activities capital assets, an increase in the net pension obligation, and an increase in long-term debt due to the issuance of bonds. Net assets of the Village's governmental activities were \$73.8 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 \$21.2 million.

The net assets of business-type activities increased to \$4.8 million from \$4.7 million. The Village can use the unrestricted net assets of \$1.1 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, 2008

**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 decreased \$2.8 million and can be attributed to several things, including additional capital spending related to various Village construction and special projects and due to depreciation expense on capital assets. Revenues decreased approximately \$2.5 million, primarily due to a decrease in property tax revenues from the prior year.

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, 2008  
(in millions)*

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
<b>REVENUES</b>			
Program Revenues			
Charges for Services	\$5.7	\$3.7	\$9.4
Operating Grants & Contributions	0.6	0.0	0.6
General Revenues			
Property Taxes	6.5	0.0	6.5
Other Taxes	9.3	0.0	9.3
Transfers	1.5	(1.5)	0.0
Miscellaneous	<u>1.1</u>	<u>0.0</u>	<u>1.1</u>
Total Revenues	<u>24.7</u>	<u>2.2</u>	<u>27.0</u>
<b>EXPENSES</b>			
General Government	11.6	0.0	11.6
Community Development	2.1	0.0	2.1
Public Safety	10.2	0.0	10.2
Public Works	2.1	2.1	4.2
Parks and Recreation	0.8	0.0	0.8
Interest & Expense	<u>1.0</u>	<u>0.0</u>	<u>1.0</u>
Total Expenses	<u>27.7</u>	<u>2.1</u>	<u>29.8</u>
CHANGE IN NET ASSETS	(2.9)	0.1	(2.8)
BEGINNING NET ASSETS	<u>76.7</u>	<u>4.7</u>	<u>81.4</u>
ENDING NET ASSETS	<u>\$73.8</u>	<u>\$4.8</u>	<u>\$78.6</u>

# Village of Matteson, Illinois

## Management's Discussion and Analysis

April 30, 2008

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**Table 2 (continued)**

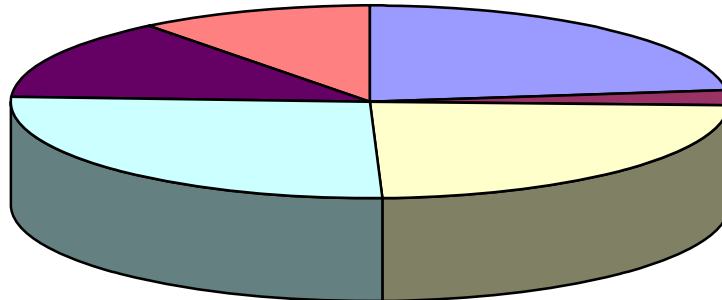
### Changes in Net Assets

*For the Fiscal Year Ended April 30, 2007*

(in millions)

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
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	8.3	0.0	8.3
Other Taxes	9.2	0.0	9.2
Transfers	0.6	(0.6)	0.0
Miscellaneous	<u>0.9</u>	<u>0.0</u>	<u>0.9</u>
Total Revenues	<u>26.4</u>	<u>3.1</u>	<u>29.5</u>
EXPENSES			
General Government	12.4	0.0	12.4
Public Safety	8.2	0.0	8.2
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	<u>23.8</u>	<u>2.5</u>	<u>26.3</u>
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>

## 2008 Governmental Activities Revenue



■ Charges for Services

■ Operating Grants and Contributions

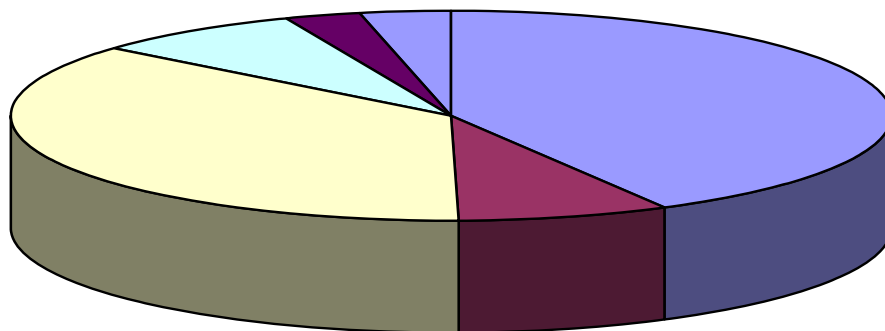
■ Sales Tax

■ Property Tax

■ Other Taxes

■ Other

## 2008 Governmental Activities Expense



■ General Government

■ Community Development

■ Public Safety

■ Public Works

■ Parks and Recreation

## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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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.

## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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#### *Current Year Impacts*

##### **Revenues:**

For the fiscal year ended April 30, 2008, revenues from all activities totaled \$27.0 million. The Village has a very diversified revenue structure and depends on several key revenue sources to help pay for the services we provide.

In addition to the Village increasing its property tax levy slightly in 2007 compared to previous years, we saw the tax rate per \$100 of equalized assessed valuation (EAV) rise as well. The 2007 EAV (used by the County in calculating 2008 tax bills) increased to \$558 million from \$514 million in 2006. Property tax revenue decreased by approximately \$1.8 million from the prior year, mostly due to a lower collection rate on the 2007 levy.

##### **Expenses:**

The Village's total expenses for all activities for the year ended April 30, 2008 were \$29.8 million. This amount is an increase from total expenses of \$26.3 million for the year ended April 30, 2007. This increase is primarily a result of increased spending in the general government and public safety departments, as well as an increase in spending related to capital and special projects within the Village. There was also an increase in the net pension obligation of approximately \$0.3 million from the prior year.

#### **Financial Analysis of the Village's Funds**

##### **Governmental Funds**

At April 30, 2008, the governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$22.4 million. Expenditures exceeded revenues before other financing sources/(uses) by \$4.8 million. The primary reason for this was principal and interest expenditures for TIF IV debt being funded by an interfund transfer rather than revenues in that fund. In addition, the general fund incurred increases in expenditures such as scavenger service, some commodities, payments to dispatch service, public safety salaries, and capital and special projects. Transfers to the governmental funds from business-type funds were \$1.5 million during the year. In addition, alternate revenue bonds were issued in the amount of \$10 million. These factors contributed to an overall increase in fund balance of \$6.8 million for all governmental funds in 2008.

#### *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. The original and revised budget is approved at the board level.

*Table 3*  
*General Fund Budgetary Highlights*  
*For the Year Ended April 30, 2008*  
*(in millions)*

<b>General Fund</b>	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Revenues			
Taxes	\$14.3	\$12.6	\$(1.7)
Other	5.0	4.5	(0.5)
<b>Total</b>	<b>\$19.3</b>	<b>\$17.1</b>	<b>\$(2.2)</b>
Expenditures	\$19.7	\$20.7	\$(1.0)
Excess of revenues over (under) expenditures	<b>\$(0.4)</b>	<b>\$(3.6)</b>	<b>\$(3.2)</b>



## Village of Matteson, Illinois

### Management's Discussion and Analysis

April 30, 2008

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#### Capital Assets

At the end of the fiscal year 2008, the Village had a combined total of capital assets of \$90.1 million (after accumulated depreciation of \$46.7 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 decrease (including additions and deletions) of \$2.3 million.

*Table 4*  
*Total Capital Assets*  
**Net of Depreciation**  
*For the Year Ended April 30, 2008*  
**(in millions)**

	<b>Balance May 1, 2007</b>	<b>Net Additions / Deletions</b>	<b>Balance April 30, 2008</b>
Land	\$32.1	(\$0.6)	\$31.5
Buildings	8.4	(0.2)	8.2
Vehicles and Equipment	3.6	(0.7)	2.9
Streets and Bridges	23.2	(0.3)	22.9
Storm Sewers	16.5	(0.7)	15.8
Water Mains	4.4	0.4	4.8
Sanitary Sewers	<u>4.2</u>	<u>(0.2)</u>	<u>4.0</u>
Total Capital Assets	<u>\$92.4</u>	<u>(\$2.3)</u>	<u>\$90.1</u>

#### Debt Outstanding

At year-end, the Village had \$33.8 million in general obligation bonds and certificates and \$0.3 million in capital leases 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 \$3.0 million of outstanding bonds and \$0.3 million of capital leases.
- The Village issued \$10 million in new Utility Tax Alternate Revenue Tax bonds to begin construction of the new community center.
- 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 \$48.1 million.

## **Village of Matteson, Illinois**

### **Management's Discussion and Analysis**

**April 30, 2008**

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#### **Economic Factors**

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Matteson during 2008 and is expected to continue into 2009. 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 10.5%.

Home values and permit revenue have decreased significantly over the past few years due to the current economic state of the nation.

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.

The automobile dealerships in the Village have been impacted by the recent downturn of the economy. The Village has incurred a drop in sales tax revenues in fiscal year 2009 and expects fiscal year 2010 to be less than budget as well. This would be offset by a decrease in the sales tax rebates that the Village is required to remit to dealerships per incentive agreements. There was one dealership that closed during fiscal year 2009 (none during fiscal 2008). One dealership is scheduled to return to the auto mall during fiscal 2010. There were no dealerships within the Village or the Matteson Auto Mall affected by the recent dealership closings and mass layoffs.

#### **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 Napoleon Haney, Village Administrator, Village of Matteson, 4900 Village Commons, Matteson, Illinois 60443.

## **Basic Financial Statements**

**Government-Wide Financial Statements**

Village of Matteson, Illinois

Statement of Net Assets  
April 30, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Matteson Public Library
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 21,297,261	\$ 71,521	\$ 21,368,782	\$ 1,894,031
Investments	66,206	-	66,206	-
Prepaid	247,728	-	247,728	-
Receivables				
Property taxes	3,338,683	-	3,338,683	1,360,211
Accounts	196,261	741,519	937,780	-
Intergovernmental	2,758,672	-	2,758,672	9,819
Accrued interest	1,194	-	1,194	-
Component unit	34,443	-	34,443	(34,443)
Miscellaneous	163,007	-	163,007	-
Employer contribution receivable	247,558	-	247,558	-
Inventories	80,828	-	80,828	-
<b>Total current assets</b>	<b>28,431,841</b>	<b>813,040</b>	<b>29,244,881</b>	<b>3,229,618</b>
Noncurrent assets				
Unamortized bond issuance costs	360,642	60,139	420,781	-
Capital assets, not being depreciated	29,832,055	29,780	29,861,835	300,000
Capital assets, net of accumulated depreciation	53,267,348	6,994,644	60,261,992	2,599,650
<b>Total noncurrent assets</b>	<b>83,460,045</b>	<b>7,084,563</b>	<b>90,544,608</b>	<b>2,899,650</b>
<b>Total assets</b>	<b>\$ 111,891,886</b>	<b>\$ 7,897,603</b>	<b>\$ 119,789,489</b>	<b>\$ 6,129,268</b>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Net Assets - (Continued)  
April 30, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Matteson Public Library
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 956,383	\$ 147,283	\$ 1,103,666	\$ 51,442
Accrued payroll	1,134,577	12,503	1,147,080	8,698
Accrued interest	310,900	51,900	362,800	-
Internal balances	449,090	(449,090)	-	-
Employer contribution payable	91,236	-	91,236	-
Unearned revenue	3,377,529	-	3,377,529	-
General obligation bonds	2,605,000	195,000	2,800,000	-
Capital lease	285,046	-	285,046	-
Compensated absences	620,732	795	621,527	20,177
<b>Total current liabilities</b>	<b>9,830,493</b>	<b>(41,609)</b>	<b>9,788,884</b>	<b>80,317</b>
Long-term liabilities, net of current maturities				
General obligation bonds, including premium of \$184,854 and net of losses on refunding \$240,517	27,859,337	3,115,000	30,974,337	-
Capital lease	5,152	-	5,152	-
Pension obligation	316,458	-	316,458	-
Compensated absences	97,698	-	97,698	-
<b>Total long-term liabilities</b>	<b>28,278,645</b>	<b>3,115,000</b>	<b>31,393,645</b>	<b>-</b>
<b>Total liabilities</b>	<b>38,109,138</b>	<b>3,073,391</b>	<b>41,182,529</b>	<b>80,317</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	52,344,868	3,714,424	56,059,292	2,899,650
Restricted for MFT allotments	221,798	-	221,798	-
Unrestricted	21,216,082	1,109,788	22,325,870	3,149,301
<b>Total net assets</b>	<b>\$ 73,782,748</b>	<b>\$ 4,824,212</b>	<b>\$ 78,606,960</b>	<b>\$ 6,048,951</b>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Activities  
Year Ended April 30, 2008

Functions/Programs	Primary Government						Component Unit Matteson Public Library
	Program Revenues			Net (Expense), Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental activities							
General government	\$ 11,569,144	\$ 5,188,435	\$ 184,606	\$ (6,196,103)	\$ -	\$ (6,196,103)	\$ -
Community development	2,085,826	-	-	(2,085,826)	-	(2,085,826)	-
Public safety	10,180,430	-	-	(10,180,430)	-	(10,180,430)	-
Public works	2,066,683	290,741	454,656	(1,321,286)	-	(1,321,286)	-
Recreational services	803,158	211,215	-	(591,943)	-	(591,943)	-
Interest, amortization and fees	963,519	-	-	(963,519)	-	(963,519)	-
<b>Total governmental activities</b>	<b>27,668,760</b>	<b>5,690,391</b>	<b>639,262</b>	<b>(21,339,107)</b>	<b>-</b>	<b>(21,339,107)</b>	<b>-</b>
Business-type activities							
Water	2,147,084	3,759,634	-	-	1,612,550	1,612,550	-
Total primary government	\$ 29,815,844	\$ 9,450,025	\$ 639,262	(21,339,107)	1,612,550	(19,726,557)	-
Component unit, Library	\$ 1,517,539	\$ 20,059	\$ 21,055	-	-	-	(1,476,425)
			General revenues				
			Taxes:				
			Sales	5,914,923	-	5,914,923	-
			Property	6,534,258	-	6,534,258	1,873,359
			Other	3,367,391	-	3,367,391	32,159
			Interest	443,180	1,976	445,156	60,506
			Miscellaneous	701,691	-	701,691	4,342
			Net transfers	1,455,000	(1,455,000)	-	-
			Total general revenues	18,416,443	(1,453,024)	16,963,419	1,970,366
			Change in net assets	(2,922,664)	159,526	(2,763,138)	493,941
			Net assets:				
			May 1, 2007	76,705,412	4,664,686	81,370,098	5,555,010
			April 30, 2008	\$ 73,782,748	\$ 4,824,212	\$ 78,606,960	\$ 6,048,951

See Notes to Basic Financial Statements.

## **Fund Financial Statements**



Village of Matteson, Illinois

Balance Sheet - Governmental Funds  
April 30, 2008

	General Fund	Tax Incremental Finance District IV Debt Service Fund	2008 General Obligation Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 1,311,456	\$ 3,965,260	\$ 9,915,840	\$ 6,104,705	\$ 21,297,261
Investments	-	-	-	66,206	66,206
Prepaid	184,135	-	-	63,593	247,728
Receivables:					
Property taxes	2,702,145	-	-	636,538	3,338,683
Accounts	151,380	-	-	44,881	196,261
Intergovernmental	2,542,161	-	-	216,511	2,758,672
Accrued interest	-	-	-	1,194	1,194
Component unit	34,443	-	-	-	34,443
Miscellaneous	161,961	-	-	1,046	163,007
Due from other funds	247,558	-	-	-	247,558
Advances to other funds	657,798	-	-	1,018,230	1,676,028
Inventories	80,828	-	-	-	80,828
<b>Total assets</b>	<b>\$ 8,073,865</b>	<b>\$ 3,965,260</b>	<b>\$ 9,915,840</b>	<b>\$ 8,152,904</b>	<b>\$ 30,107,869</b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 635,635	\$ -	\$ -	\$ 320,748	\$ 956,383
Accrued payroll and taxes	1,130,268	-	-	4,309	1,134,577
Due to other funds	91,236	-	-	-	91,236
Advances from other funds	550,447	-	-	1,574,671	2,125,118
Unearned revenue	2,729,312	-	-	648,217	3,377,529
Compensated absences	29,624	-	-	-	29,624
<b>Total liabilities</b>	<b>5,166,522</b>	<b>-</b>	<b>-</b>	<b>2,547,945</b>	<b>7,714,467</b>
Fund Balances:					
Reserved for inventories	80,828	-	-	-	80,828
Reserved for prepaids	184,135	-	-	-	184,135
Reserved for debt service	-	3,965,260	9,915,840	300,576	14,181,676
Unreserved					
General fund	2,642,380	-	-	-	2,642,380
Special revenue funds	-	-	-	3,345,517	3,345,517
Capital projects funds	-	-	-	1,958,866	1,958,866
<b>Total fund balances</b>	<b>2,907,343</b>	<b>3,965,260</b>	<b>9,915,840</b>	<b>5,604,959</b>	<b>22,393,402</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,073,865</b>	<b>\$ 3,965,260</b>	<b>\$ 9,915,840</b>	<b>\$ 8,152,904</b>	<b>\$ 30,107,869</b>

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, 2008**

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Total fund balances-governmental funds	\$ 22,393,402
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.	83,099,403
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.	360,642
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.	55,663
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	(310,900)
General obligation bonds	(30,520,000)
Capital lease	(290,198)
Pension obligation	(316,458)
Compensated absences	(688,806)
Net assets of governmental activities	<u>\$ 73,782,748</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, 2008

	General Fund	Tax Incremental Finance District IV Debt Service Fund	2008 General Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Sales taxes, net	\$ 5,914,923	\$ -	\$ -	\$ -	\$ 5,914,923
Property taxes	3,367,530	-	-	3,166,728	6,534,258
Developer contributions	-	-	-	84,765	84,765
Other taxes	3,367,391	-	-	-	3,367,391
Licenses and permits	1,029,201	-	-	290,831	1,320,032
Charges for services	2,598,514	-	-	1,149,513	3,748,027
Intergovernmental	31,697	-	-	454,656	486,353
Fines and forfeitures	326,352	-	-	-	326,352
Interest	101,442	2,347	6,569	332,822	443,180
Recreation programs	211,215	-	-	-	211,215
Grants and reimbursements	152,909	-	-	-	152,909
Miscellaneous	14,248	-	-	669,805	684,053
<b>Total revenues</b>	<b>17,115,422</b>	<b>2,347</b>	<b>6,569</b>	<b>6,149,120</b>	<b>23,273,458</b>
<b>Expenditures:</b>					
Current:					
General government	200,757	-	-	-	200,757
General operations	7,573,482	-	-	-	7,573,482
Administrative services	287,797	-	-	187,650	475,447
Human resources	299,807	-	-	-	299,807
Finance	489,793	-	-	-	489,793
Community development	1,053,593	-	-	721,436	1,775,029
Public safety services	8,394,198	-	-	-	8,394,198
Public works	944,711	-	-	814,028	1,758,739
Recreational services	683,485	-	-	-	683,485
Capital	802,166	-	-	3,838	806,004
Debt service:					
Principal retirement	6,899	895,000	-	2,207,300	3,109,199
Interest and fees	1,017	336,856	-	622,162	960,035
Bond issuance costs	-	-	228,550	-	228,550
Capital outlay	-	-	-	1,293,588	1,293,588
<b>Total expenditures</b>	<b>20,737,705</b>	<b>1,231,856</b>	<b>228,550</b>	<b>5,850,002</b>	<b>28,048,113</b>
Excess (deficiency) of revenues over (under) expenditures	(3,622,283)	(1,229,509)	(221,981)	299,118	(4,774,655)
<b>Other financing sources (uses):</b>					
Bond issuance	-	-	10,000,000	-	10,000,000
Bond premium	-	-	152,821	-	152,821
Sale of capital assets	17,638	-	-	-	17,638
Transfers in	2,202,715	1,231,856	-	3,463,034	6,897,605
Transfers (out)	(1,176,396)	-	(15,000)	(4,251,209)	(5,442,605)
<b>Total other financing sources (uses)</b>	<b>1,043,957</b>	<b>1,231,856</b>	<b>10,137,821</b>	<b>(788,175)</b>	<b>11,625,459</b>
<b>Net change in fund balances</b>	<b>(2,578,326)</b>	<b>2,347</b>	<b>9,915,840</b>	<b>(489,057)</b>	<b>6,850,804</b>
<b>Fund balances:</b>					
May 1, 2007	5,485,669	3,962,913	-	6,094,016	15,542,598
April 30, 2008	\$ 2,907,343	\$ 3,965,260	\$ 9,915,840	\$ 5,604,959	\$ 22,393,402

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, 2008**

Net change in fund balances-total governmental funds	\$	6,850,804
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p>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.</p>		
Current year additions	588,027	
Depreciation expense	<u>(3,149,023)</u>	(2,560,996)
<p>Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.</p>		
General Obligation Bonds		2,515,000
General Obligation Debt Certificates		320,000
Capital Leases		274,199
<p>Issuance of general obligation bonds is an other financing source in the governmental funds, but increases long-term liabilities in the Statement of Net Assets</p>		
		(10,000,000)
<p>Bond premium is an other financing source in the governmental funds, but increases liabilities in the Statement of Net Assets.</p>		
		(152,821)
<p>Bond issuance costs are expenditures in the governmental funds and capitalized in the Statement of Net Assets. Amortization of bond issuance costs are recorded in the Statement of Activities but are not reflected in the funds.</p>		
Bond issuance costs incurred in the current year	228,550	
Amortization of bond issuance costs	<u>(18,500)</u>	210,050
<p>Amortization of bond premiums and losses on bond refunding are recorded in the Statement of Activities and are not reflected in the funds.</p>		
		(34,584)
<p>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:</p>		
Accrued interest		49,600
Change in pension assets/obligation		(316,458)
Change in compensated absences		<u>(77,458)</u>
Change in net assets of governmental activities	\$	<u>(2,922,664)</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Net Assets - Enterprise Fund  
April 30, 2008

	Business-Type Activities
	<u>Water Fund</u>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 71,521
Accounts receivable	741,519
Advances to other funds	456,039
<b>Total current assets</b>	<u>1,269,079</u>
Noncurrent assets	
Unamortized bond issue costs	60,139
Capital assets not being depreciated	29,780
Capital assets, net of accumulated depreciation	6,994,644
<b>Total noncurrent assets</b>	<u>7,084,563</u>
<b>Total assets</b>	<u>8,353,642</u>
<b>Liabilities</b>	
Current liabilities	
Accounts payable	147,283
Accrued payroll	12,503
Accrued interest payable	51,900
Advances from other funds	6,949
Compensated absences	795
Current maturities of general obligation bonds	195,000
<b>Total current liabilities</b>	<u>414,430</u>
Long-term liabilities, net of current maturities	
General obligation bonds	3,115,000
<b>Total liabilities</b>	<u>3,529,430</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	3,714,424
Unrestricted	1,109,788
<b>Total net assets</b>	<u>\$ 4,824,212</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, 2008

	Business-Type Activities
	Water Fund
<hr/>	
Operating revenues:	
Water sales	\$ 3,558,781
Water meter sales	44,634
Fines and forfeitures	101,469
Miscellaneous	54,750
<b>Total operating revenues</b>	<u>3,759,634</u>
Operating expenses:	
Operations	1,856,202
Depreciation	286,256
Amortization	4,626
<b>Total operating expenses</b>	<u>2,147,084</u>
<b>Operating income</b>	<u>1,612,550</u>
Non-operating income (expense):	
Interest income	131,512
Interest expense	(129,536)
<b>Total non-operating income</b>	<u>1,976</u>
<b>Income before transfers</b>	1,614,526
Transfer out	<u>(1,455,000)</u>
<b>Change in net assets</b>	159,526
Net assets:	
May 1, 2007	<u>4,664,686</u>
April 30, 2008	<u>\$ 4,824,212</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Cash Flows - Enterprise Fund  
Year Ended April 30, 2008

	Business-Type Activities
	<u>Water Fund</u>
Cash Flows from Operating Activities	
Cash received from customers	\$ 3,486,118
Payments to employees	(354,452)
Payments to suppliers	(1,612,023)
<b>Net cash provided by operating activities</b>	<u>1,519,643</u>
Cash Flows from Non-Capital Financing Activities	
Transfer out	(1,455,000)
<b>Net cash used in non-capital financing activities</b>	<u>(1,455,000)</u>
Cash Flows from Capital and Related Financing Activities	
Capital assets purchased	(614,167)
Debt payments	(190,000)
Cash payments for interest	(132,436)
<b>Net cash used in capital and related financing activities</b>	<u>(936,603)</u>
Cash Flows from Investing Activities	
Cash receipts from interest income	<u>131,512</u>
<b>Net decrease in cash and cash equivalents</b>	(740,448)
Cash and cash equivalents:	
May 1, 2007	<u>811,969</u>
April 30, 2008	<u>\$ 71,521</u>

Village of Matteson, Illinois

Statement of Cash Flows - Enterprise Fund - (Continued)  
Year Ended April 30, 2008

	<u>Business-Type Activities Water Fund</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 1,612,550
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	286,256
Amortization	4,626
Changes in assets and liabilities	
Accounts receivable	(273,516)
Accounts payable	(104,186)
Accrued payroll and compensated absences	(6,087)
Total adjustments	<u>(92,907)</u>
Net cash provided by operating activities	<u>\$ 1,519,643</u>

See Notes to Basic Financial Statements.



**Village of Matteson, Illinois**

**Statement of Fiduciary Net Assets  
Pension Trust Funds  
April 30, 2008**

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**Assets**

Cash and cash equivalents	\$	102,544
Investments		
U.S. government securities		17,079,925
Pooled investment accounts		3,688,437
Equity mutual funds		10,633,998
Money market mutual funds		2,187,942
Accrued interest receivable		160,007
Prepaid expense		13,115
Due from the Village		91,236
		<hr/>
<b>Total assets</b>	<b>\$</b>	<b>33,957,204</b>

**Liabilities and Net Assets**

Liabilities		
Due to the Village	\$	247,558
Accounts payable		5,014
		<hr/>
Net assets held in trust for employees' benefits		33,704,632
		<hr/>
<b>Total liabilities and net assets</b>	<b>\$</b>	<b>33,957,204</b>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Changes in Fiduciary Net Assets  
Pension Trust Funds  
Year Ended April 30, 2008

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**Additions**

Contributions:

Employer	\$ 998,556
Participants	515,872
<b>Total contributions</b>	<u>1,514,428</u>

Investment income:

Net depreciation in fair value of investments	(316,123)
Interest earned	1,845,055
Less: Investment expenses	(118,552)
<b>Net investment income</b>	<u>1,410,380</u>

<b>Total additions</b>	<u>2,924,808</u>
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**Deductions**

Administration	47,315
Pension benefits and refunds	1,590,787
<b>Total deductions</b>	<u>1,638,102</u>

<b>Net increase</b>	1,286,706
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Net assets held in trust for employees' benefits:

May 1, 2007	<u>32,417,926</u>
April 30, 2008	<u>\$ 33,704,632</u>

See 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.

**2008 General Obligation Bond Fund** – This fund accounts for the bond proceeds of the Series 2008 General Obligation Bonds for the Community Center Project.

**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 and Advances**—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.

Notes to Basic Financial Statements

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**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 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

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**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. Eliminations and Reclassifications*

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.

*14. New Accounting Pronouncements*

Effective May 1, 2007, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 48, *Sales and Pledging of Receivables and Intra-Entity Transfers of Assets and Future Revenues*. This Statement establishes criteria that governments will use to ascertain whether proceeds received should be reported as revenue or as a liability.

**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

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**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) Budget Overexpenditures**

The following funds overexpended its budget for the year ended April 30, 2008 by the following approximate amounts:

General	\$	957,000
Vehicle License		19,000
Hotel/Motel Tax		5,000
Sewer		13,000
Motor Fuel Tax		10,000
Community Center		186,000
2001 General Obligation Bonds		3,000
2002B General Obligation Refunding Bonds		23,000

**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, 2008, the carrying amount of the Village's deposits was \$5,986,853 with bank balances of \$7,789,047. Of these bank balances, \$6,912,032 was uninsured and uncollateralized.

## Village of Matteson, Illinois

### Notes to Basic Financial Statements

#### Note 3. Deposits and Investments (Continued)

As of April 30, 2008, the carrying amount of the Police and Firefighters' Pension deposits were \$95,000 and \$7,544 with bank balances of \$115,574 and \$11,031, respectively. Of these bank balances, \$15,574 of the police pension funds were uninsured and uncollateralized.

As of April 30, 2008, the carrying amount of the Library's deposits was \$7,158. 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, 2008.

#### Investments

As of April 30, 2008, 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	\$ 3,295,322	\$ 1,160,868	\$ 672,363	\$ 1,462,091	\$ -
U.S. Treasury Bonds	1,341,118	-	-	-	1,341,118
U.S. Treasury Strips	61,865	-	-	-	61,865
U.S. agencies - GNMA	1,866,862	-	1,984	2,963	1,861,915
U.S. agencies - FHLMC	1,139,430	82,125	482,438	574,867	-
U.S. agencies - FHLB	8,050,602	1,627,464	4,627,035	1,796,103	-
U.S. agencies - FNMA	1,324,726	451,594	442,688	366,162	64,282
Illinois Funds *	15,443,066	15,443,066	-	-	-
Money Market Funds *	2,187,942	2,187,942	-	-	-
Illinois Metropolitan Investment Fund *	5,069	5,069	-	-	-
	<u>\$34,716,002</u>	<u>\$20,958,128</u>	<u>\$ 6,226,508</u>	<u>\$ 4,202,186</u>	<u>\$ 3,329,180</u>

In addition, the Library had Illinois Funds investments of \$1,886,773 as of April 30, 2008, 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 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.

Notes to Basic Financial Statements

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**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, 2008, 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 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 amount 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%
Federal Home Loan Bank	16%

*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**

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**Note 3. Deposits and Investments (Continued)**

As of April 30, 2008, the Village's fair values of investments that are not included in the totals above are as follows:

Stock equities	\$ 3,688,437
Equity mutual funds	<u>10,633,998</u>
	<u>\$ 14,322,435</u>

The above cash and investments totaling \$57,021,865 are reported in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Component Unit-Library	Fiduciary Funds	Total
Cash and cash equivalents	\$ 21,297,261	\$ 71,521	\$ 1,894,031	\$ 102,544	\$ 23,365,357
Investments	66,206	-	-	33,590,302	33,656,508
Total	<u>\$ 21,363,467</u>	<u>\$ 71,521</u>	<u>\$ 1,894,031</u>	<u>\$ 33,692,846</u>	<u>\$ 57,021,865</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, 2008 is as follows:

	Balance May 1, 2007	Additions	Retirements	Balance April 30, 2008
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,199,413	\$ -	\$ -	\$ 6,199,413
Rights of way	23,632,642	-	-	23,632,642
Total capital assets not being depreciated	<u>29,832,055</u>	-	-	<u>29,832,055</u>
Capital assets being depreciated:				
Land improvements	3,842,517	133,152	-	3,975,669
Buildings and improvements	11,127,981	17,500	-	11,145,481
Machinery and equipment	7,975,277	405,671	20,825	8,360,123
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	31,704	-	3,884,254
Traffic signals	309,500	-	-	309,500
Bridges	3,372,914	-	-	3,372,914
Total capital assets being depreciated	<u>95,879,695</u>	<u>588,027</u>	<u>20,825</u>	<u>96,446,897</u>
Less accumulated depreciation for:				
Land improvements	1,648,857	198,783	-	1,847,640
Buildings and improvements	3,251,128	222,910	-	3,474,038
Machinery and equipment	6,070,585	1,088,043	20,825	7,137,803
Streets	6,529,991	376,481	-	6,906,472
Sidewalks	4,477,984	248,541	-	4,726,525
Storm sewers	11,739,388	654,164	-	12,393,552
Sanitary sewers	3,108,112	169,893	-	3,278,005
Streetlights	2,461,892	115,290	-	2,577,182
Traffic signals	231,722	7,460	-	239,182
Bridges	531,692	67,458	-	599,150
Total accumulated depreciation	<u>40,051,351</u>	<u>3,149,023</u>	<u>20,825</u>	<u>43,179,549</u>
Total capital assets being depreciated, net	<u>55,828,344</u>	<u>(2,560,996)</u>	<u>-</u>	<u>53,267,348</u>
Governmental activities capital assets, net	<u>\$ 85,660,399</u>	<u>\$ (2,560,996)</u>	<u>\$ -</u>	<u>\$ 83,099,403</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, 2008 is as follows:

	Balance May 1, 2007	Additions	Retirements	Balance April 30, 2008
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	111,186	-	2,958,222
Water distribution system	5,639,861	502,981	-	6,142,842
Total capital assets being depreciated	9,981,962	614,167	-	10,596,129
Less accumulated depreciation for:				
Buildings and improvements	969,684	40,407	-	1,010,091
Machinery, furniture and equipment	1,151,435	115,589	-	1,267,024
Water distribution system	1,194,110	130,260	-	1,324,370
Total accumulated depreciation	3,315,229	286,256	-	3,601,485
Total capital assets being depreciated, net	6,666,733	327,911	-	6,994,644
Business-type activities capital assets, net	\$ 6,696,513	\$ 327,911	\$ -	\$ 7,024,424

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, 2008 is as follows:

	Balance May 1, 2007	Additions	Retirements	Balance April 30, 2008
Capital assets not being depreciated:				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Capital assets being depreciated:				
Building	3,302,344	248,959	-	3,551,303
Furniture and fixtures	566,627	28,014	-	594,641
Site improvement	178,710	6,590	-	185,300
Equipment	6,083	6,005	-	12,088
Library collection	668,037	257,657	91,197	834,497
Total capital assets being depreciated	<u>4,721,801</u>	<u>547,225</u>	<u>91,197</u>	<u>5,177,829</u>
Less accumulated depreciation for:				
Building	1,568,775	12,728	-	1,581,503
Furniture and fixtures	499,067	1,258	-	500,325
Site improvements	149,798	591	-	150,389
Equipment	3,871	299	-	4,170
Library collection	282,714	150,275	91,197	341,792
Total accumulated depreciation	<u>2,504,225</u>	<u>165,151</u>	<u>91,197</u>	<u>2,578,179</u>
Total capital assets being depreciated, net	<u>2,217,576</u>	<u>382,074</u>	<u>-</u>	<u>2,599,650</u>
Capital assets, net	<u>\$ 2,517,576</u>	<u>\$ 382,074</u>	<u>\$ -</u>	<u>\$ 2,899,650</u>



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	\$ 1,380,568	\$ -
Community development	248,906	-
Public safety	1,177,086	-
Public works	246,621	-
Recreational services	95,842	-
Water	-	286,256
	<u>\$ 3,149,023</u>	<u>\$ 286,256</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, 2008:

	Outstanding Debt as of May 1, 2007	Additions	Reductions	Outstanding Debt as of April 30, 2008	Due within one year
General obligation bonds:					
Series 1997B	\$ 350,000	\$ -	\$ -	\$ 350,000	\$ -
Series 2001	200,000	-	95,000	105,000	105,000
Series 2002B	1,565,000	-	175,000	1,390,000	185,000
Series 2003A	2,005,000	-	85,000	1,920,000	90,000
Series 2003B	4,195,000	-	430,000	3,765,000	450,000
Series 2004	615,000	-	200,000	415,000	205,000
Series 2004A	2,150,000	-	405,000	1,745,000	415,000
Series 2004B	2,465,000	-	215,000	2,250,000	220,000
Series 2004C	7,150,000	-	895,000	6,255,000	925,000
Series 2006A	2,340,000	-	15,000	2,325,000	10,000
Series 2008	-	10,000,000	-	10,000,000	-
General obligation debt certificates, Series 2002	320,000	-	320,000	-	-
Premium on general obligation bonds	35,405	152,821	3,372	184,854	-
Losses on refunding of general obligation bonds	(278,473)	-	(37,956)	(240,517)	-
Capital lease	564,397	-	274,199	290,198	285,046
Pension obligation	-	316,458	-	316,458	-
Compensated absences	640,972	77,458	-	718,430	620,732
	<u>\$ 24,317,301</u>	<u>\$ 10,546,737</u>	<u>\$ 3,074,615</u>	<u>\$ 31,789,423</u>	<u>\$ 3,510,778</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, 2008:

	Outstanding Debt As of May 1, 2007			Outstanding Debt as of April 30, 2008		Due within one year
		Additions	Reductions			
General obligation bonds, Series 2006	\$ 3,500,000	\$ -	\$ 190,000	\$ 3,310,000	\$ 195,000	
Compensated absences	8,121	-	7,326	795	795	
	<u>\$ 3,508,121</u>	<u>\$ -</u>	<u>\$ 197,326</u>	<u>\$ 3,310,795</u>	<u>\$ 195,795</u>	

*Component Unit*

The Library has compensated absences outstanding of \$20,177, all of which is due within one year.

*Pledged Revenue and Payments*

Details relating to pledged revenues on the Village's debt as of April 30, 2008 is as follows:

Debt Issue	Pledged Revenue Source	Pledged Revenue	Principal and Interest Retired	Pledged Remaining	Commitment End Date	Principal and Interest as a Percentage of Pledged Revenue
<b>Governmental Activities</b>						
Series 1997B	TIF III Property Taxes	\$ 13,808	\$ 17,813	\$ 350,000	12/2/2018	129%
Series 2001	Property Taxes	87,005	106,250	105,000	12/2/2012	122%
Series 2002B	Property Taxes	91,430	249,385	1,390,000	12/2/2018	273%
Series 2003A	Utility Taxes	3,367,391	166,268	1,920,000	12/2/2027	5%
Series 2003B	Property Taxes	230,628	570,635	3,765,000	12/2/2020	247%
Series 2004	Sales Taxes and Property Taxes	84,732	218,783	415,000	12/2/2014	258%
Series 2004A	Property Taxes	195,198	470,638	1,745,000	12/2/2015	241%
Series 2004B	Sales Taxes	5,914,923	300,428	2,250,000	12/2/2020	5%
Series 2004C	TIF IV Property Taxes	-	1,231,856	6,255,000	12/2/2022	0%
Series 2006A	Property Taxes	-	103,400	2,325,000	12/2/2024	0%
Series 2008	Utility Taxes	3,367,391	-	10,000,000	12/2/2031	N/A
<b>Business-Type Activities</b>						
Series 2006	Waterworks Service Charges	3,759,634	321,404	3,310,000	12/2/2024	9%

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**Note 6. Long-Term Obligations (Continued)**

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>
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>\$ 108,284</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
2009	\$ 105,000	\$ 5,906

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>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
2009	\$ 185,000	\$ 23,045
2010	185,000	40,540
2011	200,000	34,805
2012	200,000	28,305
2013	205,000	21,705
2014	205,000	14,735
2015	210,000	7,560
	<u>\$ 1,390,000</u>	<u>\$ 170,695</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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>
2009	\$ 90,000	\$ 78,506
2010	90,000	75,581
2011	95,000	72,656
2012	95,000	69,569
2013	100,000	66,363
2014	105,000	62,763
2015	110,000	58,878
2016	115,000	54,588
2017	120,000	50,103
2018	125,000	45,003
2019	130,000	39,690
2020	135,000	34,165
2021	140,000	28,090
2022	150,000	21,790
2023	155,000	15,040
2024	165,000	7,755
	<u>\$ 1,920,000</u>	<u>\$ 780,537</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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>
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>\$ 3,765,000</u>	<u>\$ 597,345</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>
2009	\$ 205,000	\$ 13,283
2010	210,000	6,825
	<u>\$ 415,000</u>	<u>\$ 20,108</u>

## Village of Matteson, Illinois

### Notes to Basic Financial Statements

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#### 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 2.5% 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>
2009	\$ 415,000	\$ 55,514
2010	425,000	44,931
2011	445,000	31,119
2012	460,000	16,100
	<u>\$ 1,745,000</u>	<u>\$ 147,664</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 2.375% 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>
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>\$ 2,250,000</u>	<u>\$ 438,934</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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>
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>\$ 6,255,000</u>	<u>\$ 1,289,494</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>
2009	\$ 10,000	\$ 93,000
2010	125,000	92,600
2011	140,000	87,600
2012	150,000	82,000
2013	165,000	76,000
2014	180,000	69,400
2015	195,000	62,200
2016	205,000	54,400
2017	210,000	46,200
2018	215,000	37,800
2019	230,000	29,200
2020	245,000	20,000
2021	255,000	10,200
	<u>\$ 2,325,000</u>	<u>\$ 760,600</u>



**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**Note 6. Long-Term Obligations (Continued)**

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%.

<u>Year ending April 30:</u>	Principal	Interest
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
	\$ 3,310,000	\$ 961,690

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

**Note 6. Long-Term Obligations (Continued)**

General Obligation Bonds (Utility Tax Alternate Revenue Source) Series 2008

The Village issued general obligation bonds on April 7, 2008 to finance the new construction of a community center within the Village. The bonds are due semiannually on June 1 and December 1 through 2027, bearing interest at 3.00% to 4.00%.

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ -	\$ 229,704
2010	350,000	381,076
2011	360,000	370,576
2012	375,000	359,776
2013	385,000	348,526
2014	395,000	335,050
2015	410,000	321,226
2016	425,000	306,876
2017	435,000	292,000
2018	455,000	274,600
2019	475,000	256,400
2020	495,000	237,400
2021	515,000	217,600
2022	530,000	197,000
2023	555,000	175,800
2024	575,000	153,600
2025	770,000	130,600
2026	800,000	99,800
2027	830,000	67,800
2028	865,000	34,600
	<u>\$ 10,000,000</u>	<u>\$ 4,790,010</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 \$503,898 at April 30, 2008.

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 277,725	\$ 10,192

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 15<sup>th</sup> of every month in annual amounts of \$7,321 in 2009 and \$5,512 in 2010. Interest is due on the 15<sup>th</sup> of every month at 6.5%. The lease is collateralized by a vehicle with a net book value of \$11,659 at April 30, 2008.

Year ending April 30:	Principal	Interest
2009	\$ 7,321	\$ 595
2010	5,152	126
	\$ 12,473	\$ 721

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

Year ending April 30,	Governmental Activities		Business Type Activities	
	General Obligation Bonds and Capital Leases		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2009	\$ 2,890,046	\$ 1,038,049	\$ 195,000	\$ 124,516
2010	3,045,152	1,110,220	205,000	117,448
2011	2,960,000	1,002,093	215,000	110,016
2012	3,075,000	888,810	220,000	102,222
2013	2,725,000	768,505	230,000	94,248
2014-2018	8,100,000	2,536,284	1,315,000	337,640
2019-2023	4,010,000	1,282,375	930,000	75,600
2024-2028	4,005,000	494,155	-	-
Totals	\$ 30,810,198	\$ 9,120,490	\$ 3,310,000	\$ 961,690

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**Note 6. Long-Term Obligations (Continued)**

*Legal Debt Margin*

Equalized Assessed Valuation (2007 Tax Year)		<u>\$ 557,780,580</u>
Bond debt limit - 8.625% of assessed value		\$ 48,108,575
Amount of debt applicable to debt limit -		
Series 1997B general obligation TIF III bonds	\$ 350,000	
Series 2001 general obligation bonds	105,000	
Series 2002B refunding general obligation bonds (sales tax alternate revenue)	1,390,000	
Series 2003A general obligation bonds (utility tax alternate revenue)	1,920,000	
Series 2003B general obligation refunding bonds (alternate revenue)	3,765,000	
Series 2004 general obligation bonds (sales tax alternate revenue)	415,000	
Series 2004A refunding general obligation bonds (alternate revenue)	1,745,000	
Series 2004B refunding general obligation bonds ( sales tax alternate revenue)	2,250,000	
Series 2004C TIF IV bonds (alternate revenue)	6,255,000	
Series 2006 refunding general obligation bonds	2,325,000	
Series 2008 general obligation bonds (utility tax alternate revenue)	10,000,000	
Less alternate revenue source bonds	<u>(25,935,000)</u>	
Total amount of debt applicable to debt limit		<u>4,585,000</u>
Legal debt margin		<u>\$ 43,523,575</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 an agent 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](http://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.

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 2008 was 11.77 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, 2007, was 25 years.

For April 30, 2008, the Village's annual pension cost of \$622,886 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2005, actuarial valuation 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 10.0% 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 2007 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
4/30/2008	\$ 622,886	100 %
4/30/2007	561,911	100
4/30/2006	420,501	100

**Police Pension Plan**

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 and employee and employer contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan's most recent actuarial valuation was as of April 30, 2007.

Costs of administering the Plan are financed through employee and employer contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2008 was 35% of covered payroll.

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

**Note 7. Pension and Retirement Plan Commitments (Continued)**

The Police Pension Fund issues a financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Budget Officer at the Village of Matteson, 4900 Village Commons, Matteson, Illinois 60443.

The Village's annual pension cost and net pension (asset) obligation to the Plan for the current year were as follows:

Annual required contribution	\$ 734,090
Interest on net pension obligation	29,340
Adjustment to annual requirement contribution	<u>387,577</u>
Annual pension cost	1,151,007
Contributions made	<u>834,549</u>
Increase in net pension obligation	316,458
Net pension obligation, beginning of year	<u>-</u>
Net pension obligation, end of year	<u><u>\$ 316,458</u></u>

The annual required contribution for the year ended April 30, 2008, was determined as part of the April 30, 2007, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return, (b) projected salary increases of 1.12% to 4.86%, (c) 3.0% per year cost of living adjustments, and (d) inflation of 2.50% per year. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2007, was 29 years.

Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
4/30/2007	\$ 731,862	\$ 834,549	114.03%	\$ 316,458
4/30/2006	N/A	N/A	N/A	N/A
4/30/2005	664,494	611,065	91.96%	105,592

Membership in the plan consisted of the following as of April 30, 2007:

Retirees and beneficiaries receiving benefits	23
Terminated plan members entitled to but not yet receiving benefits	1
Active plan members	<u>38</u>
<b>Total</b>	<u><u>62</u></u>

**Note 7. Pension and Retirement Plan Commitments (Continued)**

**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.

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, 2008 was \$2,345,343 of a total payroll of \$10,438,871. At April 30, 2008 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	32
<b>Total</b>	45

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.

Notes to Basic Financial Statements

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**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 <hr/> April 30, 2008
Actuarial valuation date	
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.



**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	\$ 9,048,119
Terminated employees not yet receiving benefits	-
Current employees:	
Unallocated	-
Accumulated employee contributions including allocated investment earnings	10,462,109
Employer - financed vested	*
Employer - financed nonvested	*
<b>Total pension benefit obligation</b>	<b>19,510,228</b>
Net assets available for benefits, at market**	<u>14,120,724</u>
Unfunded (assets in excess of) pension benefit obligation***	<u><u>\$ 5,389,504</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 Firefighters' Pension Fund.

\*\* Net assets available for benefits, at fair value, at April 30, 2008, for the Firefighters' Pension Plan were \$14,418,900.

\*\*\* 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**

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**Note 7. Pension and Retirement Plan Commitments (Continued)**

The following contributions to the Plan for the year ended April 30, 2008, 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, 2008</u>
Actuarial valuation date	
Contribution requirements:	
As a dollar amount:	
Normal cost	\$ 488,417
Amortization of unfunded actuarial accrued liability (credit for surplus)	256,231
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>\$ 744,648</u>
As a % of covered payroll:	
Normal cost	20.82 %
Amortization of unfunded actuarial accrued liability	10.93
Death and disability cost	-
Cost of supplemental retirement benefit	-
	<u>31.75 %</u>
Contributions made:	
As a dollar amount:	
Employer	\$ 462,672
Employee	211,250
	<u>\$ 673,922</u>
As a % of covered payroll:	
Employer	19.73 %
Employee	9.01
	<u>28.74 %</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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	2006	74.27 %
	2007	79.86
	2008	72.38
Unfunded (assets in excess of) pension benefit obligation as a percentage of annual covered payroll	2006	186.37
	2007	161.93
	2008	229.80
Total employer contributions as a percentage of annual covered payroll	2006	20.13
	2007	25.45
	2008	19.73

\* 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, 2008**

	Police Pension	Firefighters' Pension	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 95,000	\$ 7,544	\$ 102,544
Investments:			
U.S. government securities	9,880,386	7,199,539	17,079,925
Pooled investment accounts	-	3,688,437	3,688,437
Equity mutual funds	8,489,570	2,144,428	10,633,998
Money market mutual funds	640,149	1,547,793	2,187,942
Accrued interest receivable	93,312	66,695	160,007
Prepaid expense	438	12,677	13,115
Due from the Village	91,236	-	91,236
	<u>\$ 19,290,091</u>	<u>\$ 14,667,113</u>	<u>\$ 33,957,204</u>
<b>Liabilities and Net Assets</b>			
Liabilities			
Due to the Village	\$ -	\$ 247,558	\$ 247,558
Accounts payable	4,359	655	5,014
Net assets held in trust for employees' benefits	<u>19,285,732</u>	<u>14,418,900</u>	<u>33,704,632</u>
	<u>\$ 19,290,091</u>	<u>\$ 14,667,113</u>	<u>\$ 33,957,204</u>

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, 2008**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions:			
Employer	\$ 535,884	\$ 462,672	\$ 998,556
Participants	304,622	211,250	515,872
<b>Total contributions</b>	<u>840,506</u>	<u>673,922</u>	<u>1,514,428</u>
Investment income:			
Net appreciation (depreciation) in fair value of investments	(380,686)	64,563	(316,123)
Interest earned	1,223,301	621,754	1,845,055
Less: Investment expenses	(39,062)	(79,490)	(118,552)
<b>Net investment income</b>	<u>803,553</u>	<u>606,827</u>	<u>1,410,380</u>
<b>Total additions</b>	<u>1,644,059</u>	<u>1,280,749</u>	<u>2,924,808</u>
<b>Deductions</b>			
Administration	25,616	21,699	47,315
Pension benefits and refunds	1,066,745	524,042	1,590,787
<b>Total deductions</b>	<u>1,092,361</u>	<u>545,741</u>	<u>1,638,102</u>
<b>Net increase</b>	551,698	735,008	1,286,706
Net assets held in trust for employees' benefits:			
May 1, 2007	<u>18,734,034</u>	<u>13,683,892</u>	<u>32,417,926</u>
April 30, 2008	<u>\$ 19,285,732</u>	<u>\$ 14,418,900</u>	<u>\$ 33,704,632</u>

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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 \$60,000 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, 2008, 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, 2008, 2007 or 2006.

Changes in aggregated claims payable for the years ended April 30, 2008 and 2007 were as follows:

	2008	2007
Beginning balance	\$ 332,704	\$ 164,536
Provision for claims	2,396,255	2,166,232
Claims paid	(2,519,867)	(1,998,064)
Ending balance	<u>\$ 209,092</u>	<u>\$ 332,704</u>

Claims payable of \$209,092 are included in accounts payable of \$635,635 in the Village's general fund at April 30, 2008. 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, 2008.

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**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:

2009	\$	275,908
2010		249,632
2011		250,471
2012		279,279
	\$	<u>1,055,290</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, 2008, this additional amount totaled \$1,024,890.

**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**Note 10. Interfund Balances**

**a) Advances To/From Other Funds**

Interfund advances for the Village at April 30, 2008, are shown as follows:

<b>Fund</b>	<b>Advances To Other Funds</b>
General	
Nonmajor Governmental	\$ 657,798
Nonmajor Governmental	
General	291,938
Water	6,949
Other Nonmajor Governmental	719,343
Water Fund	
General	258,509
Nonmajor Governmental	197,530
Total	\$ 2,132,067

<b>Fund</b>	<b>Advances From Other Funds</b>
General	
Nonmajor Governmental	\$ 291,938
Water	258,509
Nonmajor Governmental	
General	657,798
Other Nonmajor Governmental	719,343
Water	197,530
Water Fund	
Nonmajor Governmental	6,949
Total	\$ 2,132,067

Advances between funds represent loans that are not expected to be repaid in the following fiscal year.



**Village of Matteson, Illinois**

**Notes to Basic Financial Statements**

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**Note 10. Interfund Balances (Continued)**

**b) Due To/From Other Funds**

Individual interfund balances for the Village at April 30, 2008, are shown as follows:

<b>Fund</b>	Due From Other Funds
General	
Fiduciary	\$ 247,558
Fiduciary	
General	91,236
Total	<u>\$ 338,794</u>

<b>Fund</b>	Due To Other Funds
General	
Fiduciary	\$ 91,236
Fiduciary	
General	247,558
Total	<u>\$ 338,794</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)**

**c) Transfers In/Out**

The interfund transfers in and out for the year ended April 30, 2008, are as follows:

Fund	Transfers In
General	
Water	\$ 1,450,000
Nonmajor Governmental	752,715
TIF IV Debt Service	
Other Nonmajor Governmental	1,231,856
Nonmajor Governmental	
General	1,176,396
2008 General Obligation Bond	15,000
Water	5,000
Other Nonmajor Governmental	2,266,638
Total	<u>\$ 6,897,605</u>

Fund	Transfers Out
General	
Nonmajor Governmental	\$ 1,176,396
Water	
General	1,450,000
Other Nonmajor Governmental	5,000
2008 General Obligation Bond	
Other Nonmajor Governmental	15,000
Nonmajor Governmental	
General	752,715
TIF IV Debt Service	1,231,856
Other Nonmajor Governmental	2,266,638
Total	<u>\$ 6,897,605</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.

**d) Deficit Fund Balances**

As of April 30, 2008, the following funds had deficit fund balances:

South Suburban Special Recreation	\$ 13,199
1997B Village Hall/Village Green TIF III Bonds	2,893
2001 General Obligation Bonds	17,298
2002B General Obligation Refunding Bonds	189,859
2004A General Obligation Refunding Bonds	255,351
2004B General Obligation Refunding Bonds	299,796

Notes to Basic Financial Statements

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**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, 2008.

**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, 2008, the Village expended \$1,632,625 under these agreements.

**Note 13. Pronouncements Issued But Not Yet Adopted**

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. 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.

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the Village beginning with its year ending April 30, 2010. This Statement establishes consistent standards for the reporting of land and other real estate held as investments. Endowments were previously required to report their land and other real estate held for investment purposes at historical cost. However, such investments are reported at fair value by similar entities, such as pension plans. The Statement requires endowments to report land and other real estate investments at fair value. The changes in the fair value are to be reported as investment income.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement addresses recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

**Notes to Basic Financial Statements**

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**Note 13. Pronouncements Issued But Not Yet Adopted (Continued)**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2012. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

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

**Note 14. Subsequent Events**

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, 2008. As a result, it is likely that funding requirements related to the Village's pension plans in the future will be higher.

**Required Supplementary Information**

**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)
12/31/2007	\$ 9,378,732	\$ 12,411,637	\$ 3,032,905	75.56 %	\$ 5,261,682	57.64 %
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

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$10,044,374. On a market basis, the funded ratio would be 80.93%.

The actuarial assumptions used to determine the actuarial accrued liability for 2007 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 and Employer Contributions  
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	\$ 19,579,638	\$ 25,046,992	\$ 5,467,354	78.17 %	\$ 2,379,780	229.74 %
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	2,477,780	203.13
4/30/2004	17,520,234	21,185,282	3,665,048	82.70	2,341,774	156.51
4/30/2003	16,575,350	19,780,307	3,204,957	83.80	2,147,984	149.21
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	\$ 734,090	113.68 %
2006	N/A	N/A
2005	664,697	91.93
2004	547,940	44.06
2003	483,429	74.86
2002	375,076	92.53

Information presented for as many years as available.

**Village of Matteson, Illinois**

**Schedule of Funding Progress and Employer Contributions  
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)
4/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
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

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

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
2008	N/A	N/A
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

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, 2008**

	Original and Final Budget	Actual	Variance
Revenues:			
Sales taxes, net	\$ 7,284,143	\$ 5,914,923	\$ (1,369,220)
Property taxes	3,725,000	3,367,530	(357,470)
Other taxes	3,319,253	3,367,391	48,138
Licenses and permits	1,103,804	1,029,201	(74,603)
Charges for services	2,683,746	2,598,514	(85,232)
Intergovernmental	32,680	31,697	(983)
Fines and forfeitures	276,911	326,352	49,441
Interest	120,000	101,442	(18,558)
Recreation programs	224,978	211,215	(13,763)
Grants and reimbursements	152,909	152,909	-
Miscellaneous	404,361	14,248	(390,113)
<b>Total revenues</b>	<u>19,327,785</u>	<u>17,115,422</u>	<u>(2,212,363)</u>
Expenditures:			
Current:			
General government	271,920	200,757	71,163
General operations	6,620,866	7,573,482	(952,616)
Administrative services	260,010	287,797	(27,787)
Human resources	966,410	299,807	666,603
Finance	536,250	489,793	46,457
Community development	1,298,440	1,053,593	244,847
Public safety services	6,940,535	8,394,198	(1,453,663)
Public works	942,770	944,711	(1,941)
Recreational services	652,650	683,485	(30,835)
Capital	1,283,050	802,166	480,884
Debt service:			
Principal retirement	7,920	6,899	1,021
Interest and fees	-	1,017	(1,017)
<b>Total expenditures</b>	<u>19,780,821</u>	<u>20,737,705</u>	<u>(956,884)</u>
Deficiency of revenue under expenditures	<u>(453,036)</u>	<u>(3,622,283)</u>	<u>(3,169,247)</u>
Other financing sources (uses):			
Sale of capital assets	17,638	17,638	-
Transfers in	2,002,715	2,202,715	200,000
Transfers out	(1,176,396)	(1,176,396)	-
<b>Total other financing sources (uses)</b>	<u>843,957</u>	<u>1,043,957</u>	<u>200,000</u>
<b>Change in fund balance</b>	<u>\$ 390,921</u>	<u>(2,578,326)</u>	<u>\$ (2,969,247)</u>
Fund balance:			
May 1, 2007		<u>5,485,669</u>	
April 30, 2008		<u>\$ 2,907,343</u>	

See Note to Required Supplementary Information.

**Village of Matteson, Illinois**

**Note to Required Supplementary Information**

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**Note 1. Budget Information**

**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.

**Budget Overexpenditures**

The General Fund overexpended its budget by approximately \$957,000 for the year ended April 30, 2008.

## Supplementary Information

Village of Matteson, Illinois

Schedule of General Fund Revenues  
 Budget and Actual  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Sales tax, net	\$ 7,284,143	\$ 5,914,923	\$ 6,071,228
Property taxes	3,550,000	3,236,043	4,374,365
Road and bridge taxes	175,000	131,487	132,365
	<u>3,725,000</u>	<u>3,367,530</u>	<u>4,506,730</u>
Other taxes:			
Income taxes	1,400,000	1,508,969	1,381,387
Replacement taxes	120,000	172,725	142,515
Utility tax	1,375,000	1,423,984	1,307,659
Sales use taxes	240,000	224,562	207,312
Hotel/motel	35,000	-	-
Miscellaneous taxes	149,253	37,151	27,864
<b>Total other taxes</b>	<u>3,319,253</u>	<u>3,367,391</u>	<u>3,066,737</u>
Licenses and permits:			
Business licenses	65,000	58,300	61,525
Liquor licenses	33,900	31,600	44,900
Vending machine licenses	8,000	7,244	17,922
Miscellaneous licenses	2,350	1,979	2,477
Contractor licenses	58,900	62,600	69,300
Payroll processing	3,659	3,659	3,274
Building permits	550,000	491,036	553,675
Electric permits	100,900	99,216	109,284
Plumbing permits	105,500	98,273	113,422
Mechanical permits	96,600	91,908	103,264
Alarm permits	53,384	57,425	53,318
Fire services	25,611	25,961	21,625
<b>Total licenses and permits</b>	<u>1,103,804</u>	<u>1,029,201</u>	<u>1,153,986</u>

Village of Matteson, Illinois

Schedule of General Fund Revenues  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues: (continued)			
Charges for services:			
Existing structure inspection	\$ 38,064	\$ 38,814	\$ 39,425
Inspections and re-inspections	21,500	8,525	12,356
Construction inspection	112,500	170,754	53,031
Engineering review	106,372	132,863	40,354
Plan review income	290,400	152,714	88,295
Scavenger services	975,000	1,022,163	977,003
Police reports	5,000	4,470	4,815
Senior Project	500	50	-
Fire reports	2,500	765	1,600
Fire protection agreement	497,880	490,742	494,296
Ambulance service	360,335	357,665	293,213
Planning/review	25,000	25,695	35,092
Health inspections	13,000	11,200	11,700
Building rent	11,695	12,848	13,331
Cable franchise fee	190,000	134,382	164,002
Gas franchise fee	32,000	33,689	29,560
Fire and police applications	2,000	1,175	380
<b>Total charges for services</b>	<b>2,683,746</b>	<b>2,598,514</b>	<b>2,258,453</b>
Intergovernmental:			
Police reimbursement	2,000	-	8,122
Other reimbursed salaries	28,880	30,237	28,881
Fire training grant	1,800	1,460	2,555
<b>Total intergovernmental</b>	<b>32,680</b>	<b>31,697</b>	<b>39,558</b>
Fines and forfeitures:			
Traffic and parking	127,500	163,606	164,332
Court fines	62,000	80,931	90,113
Other fines and penalties	87,411	81,815	80,575
<b>Total fines and forfeitures</b>	<b>276,911</b>	<b>326,352</b>	<b>335,020</b>

Village of Matteson, Illinois

Schedule of General Fund Revenues  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues: (continued)			
Interest:			
Investments	\$ 120,000	\$ 101,442	\$ 143,397
<b>Total interest</b>	<u>120,000</u>	<u>101,442</u>	<u>143,397</u>
Recreation programs:			
Summer	37,814	38,374	41,114
Fall	20,549	20,549	20,395
Winter/Spring	21,928	22,942	29,932
Preschool	11,181	11,181	10,471
Matteson festival	81,496	81,001	68,458
Miscellaneous	52,010	37,168	32,802
<b>Total recreation programs</b>	<u>224,978</u>	<u>211,215</u>	<u>203,172</u>
Grants and Reimbursements:			
Parks & recreation grant	152,909	152,909	-
<b>Total grants and reimbursements</b>	<u>152,909</u>	<u>152,909</u>	<u>-</u>
Miscellaneous:			
S.R.O.	300,000	-	-
Southcom utility payments	2,400	2,400	2,400
Tower rent	58,833	63,840	53,948
Vending machines	189	189	126
Miscellaneous revenues (expenses)	42,939	(52,181)	87,348
<b>Total miscellaneous</b>	<u>404,361</u>	<u>14,248</u>	<u>143,822</u>
<b>Total general fund revenues</b>	<u>\$ 19,327,785</u>	<u>\$ 17,115,422</u>	<u>\$ 17,922,103</u>

**Village of Matteson, Illinois**

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007
	Final Budget	Actual	Actual
Expenditures:			
General government:			
Executive/legislative department:			
Salaries - Board trustees	\$ 48,000	\$ 47,077	\$ 34,616
Salaries - Village president	10,500	10,509	10,105
Salaries - Liquor commissioner	5,000	4,991	4,799
Workmen's compensation	150	144	-
Supplies	1,500	1,084	625
Liquor license investigation	200	39	78
Conference/expenses	9,000	4,177	5,502
Travel	200	156	-
Legislative contact	1,000	484	150
Commissioner recognition	4,500	4,395	5,192
Public education	500	-	-
Trustee expense	14,000	19,028	6,128
Strategic planning	5,000	10,315	-
<b>Total executive/legislative department</b>	<b>99,550</b>	<b>102,399</b>	<b>67,195</b>
Office of the Village clerk:			
Officials fees	49,990	11,647	48,327
Books and materials	1,000	191	40
Ordinance codification	3,500	-	3,216
Legal notices	2,000	487	608
Dues	100	100	80
Training/conference	500	414	547
	2,000	1,149	1,962
<b>Total office of the Village clerk</b>	<b>59,090</b>	<b>13,988</b>	<b>54,780</b>
Memberships and contributions:			
NIPC	1,870	2,162	-
Municipal league	1,200	1,130	1,108
SSMMA	17,000	16,995	16,527
South Suburban Chamber of Commerce	740	540	540
Chicago Southland Alliance	5,000	-	5,000
South Suburban Housing Center	1,500	-	1,500
MACC	3,100	-	3,100
Local school incentives	2,500	300	-
Contribution - CIA escrow	3,500	-	5,500
Miscellaneous	6,160	7,772	5,847
<b>Total memberships and contributions</b>	<b>42,570</b>	<b>28,899</b>	<b>39,122</b>

Village of Matteson, Illinois

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
General government: (continued)			
Fire and police commission:			
Commissioner salary	\$ 7,500	\$ 7,500	\$ 7,500
Workmen's compensation	-	18	-
Office supplies	150	52	11
Testing costs	35,000	20,410	16,987
Legal services	3,500	956	488
Recruitment	4,000	10,399	3,552
Postage	150	264	98
Dues	380	375	375
Conferences	2,500	3,761	3,885
Travel	200	709	110
<b>Total fire and police commission</b>	<b>53,380</b>	<b>44,444</b>	<b>33,006</b>
Plan commission:			
Officials fees	7,560	4,950	4,905
Reference materials	100	34	-
APA dues (7 members)	500	-	-
<b>Total plan commission</b>	<b>8,160</b>	<b>4,984</b>	<b>4,905</b>
Community affairs commission:			
Official fees	5,880	3,010	4,655
Supplies	50	50	100
Printing	100	123	279
Conferences/training	200	200	100
<b>Total community affairs commission</b>	<b>6,230</b>	<b>3,383</b>	<b>5,134</b>
Recreational services - advisory commission:			
Officials fees	2,940	2,660	2,030
<b>Total general government</b>	<b>271,920</b>	<b>200,757</b>	<b>206,172</b>
General operations:			
Legal services:			
Village attorney	50,000	66,872	64,428
Special counsel	6,000	1,175	10,268
Collective bargaining	-	-	84,317
Code prosecutions	1,500	1,400	800
Police prosecutions	6,000	1,200	1,200
<b>Total legal services</b>	<b>63,500</b>	<b>70,647</b>	<b>161,013</b>



Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007
	Final Budget	Actual	Actual
Expenditures: (continued)			
General operations (continued)			
Professional and contractual services:			
Auditing service	\$ 65,000	\$ 98,703	\$ 64,255
Scavenger service	814,000	1,046,046	856,857
Programming costs	300	176	3,743
Telephone	195,000	186,508	176,259
Subscriptions	30	-	327
Postage	7,000	3,793	8,106
Electricity	115,000	228,240	94,298
Heat	62,600	87,179	55,083
Copier rental	14,000	15,341	12,679
Postage machine rental	2,700	2,848	2,116
Payment to Southcom	645,000	749,943	444,519
Materials and supplies	17,000	20,059	21,302
Medical Supplies	-	3,190	12,317
Appraisal service	4,000	2,900	-
Insurance - general liability	341,320	387,545	438,041
Financial consulting	5,000	38,695	7,600
<b>Total professional and contractual services</b>	<b>2,287,950</b>	<b>2,871,166</b>	<b>2,197,502</b>
Taxes and employee benefits:			
Social Security	794,720	735,666	657,497
IMRF	440,730	545,910	447,193
Health and other benefits	2,676,910	4,778,343	3,890,800
Employee health insurance payments	(714,544)	(2,258,476)	(1,709,759)
Unemployment compensation	67,700	42,892	59,662
Workers' compensation	341,310	108,460	538,052
Compensated absences	12,600	41,931	88,042
Fire department salary incentive	75,000	-	2,500
<b>Total taxes and employee benefits</b>	<b>3,694,426</b>	<b>3,994,726</b>	<b>3,973,987</b>

Village of Matteson, Illinois

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
General operations: (continued)			
Equipment/vehicle maintenance and repairs:			
Computer maintenance and repair	\$ 30,000	\$ 21,333	\$ 16,817
Equipment maintenance and repair	49,620	49,757	37,188
Vehicle maintenance and repair	132,150	152,245	133,822
<b>Total equipment/vehicle maintenance       and repairs</b>	<b>211,770</b>	<b>223,335</b>	<b>187,827</b>
Building maintenance services:			
Salaries	152,790	173,722	143,080
Building materials and supplies	5,130	-	-
Uniforms	1,000	857	807
Janitorial services	60,000	48,818	55,094
Exterminating	1,000	581	308
Conference/Training	2,000	1,151	947
Travel	100	-	20
Building maintenance and repairs	113,000	135,530	127,768
Grounds maintenance	25,000	23,507	27,558
<b>Total building maintenance services</b>	<b>360,020</b>	<b>384,166</b>	<b>355,582</b>
<b>Miscellaneous</b>	<b>3,200</b>	<b>29,442</b>	<b>2,802</b>
<b>Total general operations</b>	<b>6,620,866</b>	<b>7,573,482</b>	<b>6,878,713</b>

**Village of Matteson, Illinois**

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Administration:			
Administrative services:			
Salaries	\$ 223,870	\$ 253,110	\$ 408,777
Workmen's compensation	520	535	-
Office material and supplies	980	1,669	1,738
Books	250	1,606	246
Employee relations	7,750	6,507	10,597
Labor relations	-	-	8,931
EAP program	-	-	4,004
Recruitment expense	-	-	8,514
Printing	-	-	2,164
Postage	-	-	78
Dues	2,740	2,335	3,917
Subscriptions	400	309	509
Conferences and meetings	13,500	14,016	15,696
Travel	3,900	3,245	2,879
Other training	6,100	4,465	2,403
<b>Total administrative services</b>	<b>260,010</b>	<b>287,797</b>	<b>470,453</b>
Human Resources:			
Full time-salaries	175,310	109,763	-
Pooled wage adjustments	691,030	10	-
Workmen's compensation	450	252	-
Office supplies	500	1,666	-
Reference materials	500	116	-
Physical exams	3,500	8,443	-
Collective bargaining	60,000	120,700	-
Meeting costs	500	90	-
Labor relations	4,000	20,558	-
Labor management cooperation	500	-	-
EAP program	4,370	4,004	-
Recruitment expense	20,000	32,201	-
Printing	2,000	-	-
Postage	500	162	-
Dues	500	564	-
Conference/training	1,500	1,032	-
Staff development	1,000	116	-
Travel	250	130	-
<b>Total human resources</b>	<b>966,410</b>	<b>299,807</b>	<b>-</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Finance:			
Finance Information Technology:			
Salaries	\$ 198,120	\$ 170,620	\$ 153,174
Office supplies	250	105	-
Workmen's compensation	410	392	-
Reference materials	200	41	-
Subscriptions	250	119	26
Conferences/Training	1,000	-	488
Travel	100	41	58
<b>Total finance information technology</b>	<b>200,330</b>	<b>171,318</b>	<b>153,746</b>
Finance customer service:			
Salaries	110,420	107,373	115,690
Overtime salaries	-	2,599	3,694
Office supplies	400	1,867	884
Workmen's compensation	300	250	-
New resident packet supplies	700	-	672
Conferences/Training	200	-	20
Travel	30	-	-
<b>Total finance customer service</b>	<b>112,050</b>	<b>112,089</b>	<b>120,960</b>
Finance and budget management:			
Salaries	214,020	196,690	172,482
Treasurer	900	900	900
Office supplies	2,600	3,625	3,167
Workmen's compensation	450	454	-
Books	400	70	92
Employee relations	100	488	477
Auditing service	500	587	1,481
Printing	850	338	384
Legal Notices	-	474	-
Dues	750	603	672
Subscriptions	-	-	119
Conference/training	2,000	1,842	1,402
Travel	100	265	264
Temporary services	1,200	50	-
<b>Total finance and budget management</b>	<b>223,870</b>	<b>206,386</b>	<b>181,440</b>
<b>Total finance</b>	<b>536,250</b>	<b>489,793</b>	<b>456,146</b>

**Village of Matteson, Illinois**

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Community development:			
Administration, planning, engineering, and capital projects:			
Salaries	\$ 272,540	\$ 163,974	\$ 152,219
Office supplies	1,000	1,275	776
Workmen's compensation	600	377	-
Tools and Equipment	500	-	-
Books	500	920	378
Uniforms	400	366	-
Engineering	50,000	44,160	50,426
Consulting appraisal	-	29,871	(3,148)
Legal notices	1,000	1,992	1,381
Printing	500	26	172
Postage	500	817	406
Dues	2,000	1,250	842
Conference and training	2,000	2,266	767
Travel	400	187	143
<b>Total administration, planning, engineering, and capital projects</b>	<b>331,940</b>	<b>247,481</b>	<b>204,362</b>
Building services:			
Salaries	662,140	601,359	538,709
Salaries - overtime	-	-	63
Part time inspectors	40,000	32,946	43,525
Office supplies	2,000	1,456	2,461
Workmen's compensation	4,050	2,773	-
Tools and equipment	1,500	306	1,808
Books	900	263	775
Motor fuel and lubrication	6,000	6,681	5,867
Uniforms	2,500	1,168	1,042
Telephone			
Printing	2,000	1,899	1,020
Postage	1,100	2,204	1,348
Dues	750	298	305
Subscriptions	500	3,966	1,250
Conference and training	3,000	3,096	3,077
<b>Total building services</b>	<b>726,440</b>	<b>658,415</b>	<b>601,250</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Community development: (continued)			
Community affairs/economic development:			
Salaries	\$ 159,980	\$ 92,704	\$ 89,138
Office supplies	1,200	1,389	1,124
Workmen's compensation	380	213	-
Film and processing	200	58	-
Consulting-marketing	-	-	10,000
Residential marketing	14,000	148	-
Printing	20,000	21,442	22,308
Postage	10,000	7,579	8,663
Dues	500	625	355
Subscriptions	500	572	514
Conference and training	1,000	270	1,487
Travel	700	23	778
Community relations program	14,600	8,229	12,674
Economic development	17,000	14,445	15,716
<b>Total community relations</b>	<b>240,060</b>	<b>147,697</b>	<b>162,757</b>
<b>Total community development</b>	<b>1,298,440</b>	<b>1,053,593</b>	<b>968,369</b>
Police:			
Police administration:			
Salaries	363,260	409,796	361,886
Salaries-overtime	-	1,322	-
Office supplies	350	308	340
Workmen's compensation	5,970	20,880	-
Materials and supplies	300	219	268
Books	300	408	299
Inoculations	500	-	40
Prisoner meals	2,600	1,535	3,009
Uniforms	3,300	2,547	2,339
Parking ticket collection services	19,000	18,658	17,983
Animal control	2,200	1,020	925
Dues	550	565	528
Subscriptions	800	805	967
Conferences	3,500	3,248	2,890
Travel	500	521	219
National Night Out	-	9,368	-
Senior programs	3,200	846	1,988
<b>Total police administration</b>	<b>406,330</b>	<b>472,046</b>	<b>393,681</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Police: (continued)			
Police uniform division:			
Salaries	\$ 2,166,790	\$ 2,307,333	\$ 1,810,046
Salaries - overtime	235,000	269,080	250,407
Leave coverage	107,000	145,734	145,969
Reimbursed overtime salaries	2,000	156	6,760
Workmen's compensation	54,020	49,088	-
Equipment supplies	2,200	1,620	555
Tools and equipment	8,000	8,604	1,949
Protective clothing	1,500	-	-
Uniforms	33,000	23,564	19,887
<b>Total police uniform division</b>	<b>2,609,510</b>	<b>2,805,179</b>	<b>2,235,573</b>
Police support services:			
Office supplies	18,000	18,006	19,334
Materials and supplies	600	604	551
Equipment supplies	1,500	1,551	1,408
Film and film processing	1,500	10	1,260
Tools and equipment	1,200	1,183	965
Vehicle license fees	900	779	631
Motor fuel and lubricants	121,000	130,502	109,485
Cleaning supplies	1,800	1,982	2,365
Postage	4,800	7,258	6,930
Copy machine rental	9,800	9,297	9,852
<b>Total police support services</b>	<b>161,100</b>	<b>171,172</b>	<b>152,781</b>
Police training:			
Training	42,000	43,550	48,596
Office supplies	300	255	211
Workmen's compensation	1,060	740	-
Materials and supplies	400	380	390
Equipment supplies	1,500	1,457	1,339
Tools and equipment	10,000	9,735	3,102
Ammunition	7,000	6,320	4,145
Cleaning supplies	100	100	-
Dues	200	75	190
Subscriptions	300	136	312
Conferences and training	18,000	14,976	20,219
Travel	1,300	1,376	973
Other training	6,000	6,000	915
<b>Total police training</b>	<b>88,160</b>	<b>85,100</b>	<b>80,392</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Police: (continued)			
Police records:			
Salaries	\$ 186,470	\$ 187,262	\$ 178,754
Salaries - overtime	16,500	21,739	14,296
Workmen's compensation	930	464	-
Uniforms	2,000	323	738
<b>Total police records</b>	<b>205,900</b>	<b>209,788</b>	<b>193,788</b>
Salaries	297,450	354,084	285,885
Salaries - overtime	4,500	67,455	53,994
Office supplies	500	483	509
Workmen's compensation	7,320	7,117	-
Film and film processing	300	284	170
Tools and equipment	2,000	1,975	11,490
Uniforms	2,200	2,167	1,576
Investigative material	500	579	261
Dues	100	60	60
Conferences/training	500	28	290
Travel	100	157	-
<b>Total police investigation division</b>	<b>315,470</b>	<b>434,389</b>	<b>354,235</b>
Police pension contribution	-	535,884	675,873
<b>Total police</b>	<b>3,786,470</b>	<b>4,713,558</b>	<b>4,086,323</b>
Fire:			
Fire administration:			
Salaries	138,230	214,161	130,554
Salaries - overtime	2,700	2,664	3,470
Office supplies	2,300	2,732	3,123
Workmen's compensation	6,160	9,469	-
Emergency management	500	-	72
Motor fuel and lubricants	5,000	5,706	4,549
Consulting - I.T.			
Printing	250	250	37
Postage	800	1,499	854
Dues	2,360	1,790	581
Subscriptions	150	30	62
Conference and training	5,600	6,103	5,500
Equipment rental	5,350	6,059	5,320
<b>Total fire administration</b>	<b>169,400</b>	<b>250,463</b>	<b>154,122</b>



Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Fire: (continued)			
Fire inspection services:			
Salary	\$ 152,800	\$ 151,746	\$ 149,527
Salaries - overtime	-	280	112
Workmen's compensation	5,020	7,309	-
Books	600	87	1,045
Printing	200	340	153
Training	750	805	1,093
<b>Total fire inspection services</b>	<b>159,370</b>	<b>160,567</b>	<b>151,930</b>
Fire emergency medical services:			
Salaries	725,030	729,366	682,260
Salaries - overtime	71,000	128,318	110,342
Workmen's compensation	48,800	43,308	-
Tools and equipment	11,600	4,338	(2,532)
Inoculations	8,330	1,100	666
Vehicle license fees	180	75	140
Motor fuel and lubricants	12,500	12,817	12,066
Medical supplies	11,000	12,923	12,399
Printing	800	1,224	899
Conference/training	10,820	4,367	6,820
<b>Total fire emergency medical services</b>	<b>900,060</b>	<b>937,836</b>	<b>823,060</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007
	Final Budget	Actual	Actual
Expenditures: (continued)			
Fire: (continued)			
Fire department suppression:			
Salaries	\$ 725,030	\$ 716,592	\$ 670,159
Salaries - overtime	119,030	144,839	136,045
Workmen's compensation	50,830	43,131	-
Materials and supplies	1,000	449	737
Equipment supplies	500	35	21
Tools and equipment	10,000	10,078	6,829
Motor fuel and lubricants	18,000	19,744	18,536
Protective clothing	17,000	23,883	16,137
Uniforms	16,000	15,628	11,251
M.A.B.A.S.	200	-	100
Physical examinations	3,000	2,992	3,454
Hazard material membership	2,750	-	1,000
Continuing education	5,000	424	-
Training	14,335	16,450	10,881
<b>Total fire department suppression</b>	<b>982,675</b>	<b>994,245</b>	<b>875,150</b>
Fire education, training and investigation:			
Salaries	414,300	409,481	382,949
Salaries - overtime	100,000	77,086	67,780
Training	50,000	45,864	51,103
Workmen's compensation	31,820	26,515	-
Training materials	3,600	1,505	189
Photo supplies/processing	300	91	222
Investigative materials	450	128	48
Public education	3,200	2,465	3,584
<b>Total fire education, training and investigation</b>	<b>603,670</b>	<b>563,135</b>	<b>505,875</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Fire: (continued)			
Fire support services:			
Salaries	\$ 207,150	\$ 192,247	\$ 183,171
Salaries - overtime	24,000	35,141	36,675
Reimbursed overtime salaries	-	670	-
Workmen's compensation	13,810	12,398	-
Equipment supplies	650	1,479	385
Tools and equipment	8,000	7,438	3,620
Cleaning supplies	6,300	6,124	6,272
Opticom maintenance	3,000	-	3,900
<b>Total fire support services</b>	<b>262,910</b>	<b>255,497</b>	<b>234,023</b>
Fire part-time support services:			
POC/station duty pay	69,490	51,361	57,353
Workmen's compensation	3,990	2,948	-
Training	2,500	1,916	400
<b>Total fire part-time support services</b>	<b>75,980</b>	<b>56,225</b>	<b>57,753</b>
Firefighters' pension contribution	-	462,672	557,659
<b>Total fire</b>	<b>3,154,065</b>	<b>3,680,640</b>	<b>3,359,572</b>
<b>Total public safety services</b>	<b>6,940,535</b>	<b>8,394,198</b>	<b>7,445,895</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Public works:			
Public works administration:			
Salaries	\$ 78,530	\$ 70,367	\$ 40,268
Salaries - overtime	12,000	316	595
Office supplies	1,500	1,507	800
Workmen's compensation	2,770	1,554	-
Materials and supplies	1,000	751	1,123
Uniforms	1,100	1,587	1,097
Postage	50	72	52
Dues and subscriptions	400	160	182
Conference and training	1,500	1,088	975
Travel	350	327	257
Equipment rental	3,600	3,572	3,300
Outdoor siren maintenance	3,000	2,850	2,850
<b>Total public works administration</b>	<b>105,800</b>	<b>84,151</b>	<b>51,499</b>
Public works vehicles and equipment:			
Salaries	93,080	99,730	90,231
Salaries - overtime	1,000	680	1,380
Workmen's compensation	2,050	2,029	-
Materials and supplies	4,500	4,992	4,249
Tools and equipment	15,000	19,079	9,780
Motor fuel and lubrication	31,200	47,059	38,615
Uniforms	1,000	356	220
Conferences/training	1,000	260	50
<b>Total public works vehicles and equipment</b>	<b>148,830</b>	<b>174,185</b>	<b>144,525</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007
	Final Budget	Actual	Actual
Expenditures: (continued)			
Public works: (continued)			
Public works roadway maintenance:			
Salaries	\$ 324,810	\$ 271,347	\$ 310,734
Salaries - overtime	26,000	44,164	27,520
Workmen's compensation	13,340	13,088	-
<b>Total public works       roadway maintenance</b>	<b>364,150</b>	<b>328,599</b>	<b>338,254</b>
Park and ground maintenance:			
Salaries	229,320	247,545	230,906
Salaries - overtime	14,980	28,114	24,007
Part-time seasonal	21,000	14,955	26,663
Youth summer jobs program	-	6,475	-
Workmen's compensation	4,740	4,629	-
Materials and supplies	3,200	3,519	3,713
Office supplies	50	87	-
Small tools and equipment	1,500	2,526	2,488
Motor fuel and lubricants	20,000	23,928	20,139
Cleaning supplies	1,200	508	1,097
Paint	1,000	2,298	1,221
Protective clothing	150	21	226
Uniforms	1,000	557	1,502
Dues	300	267	440
Grounds maintenance	24,000	20,641	15,749
Equipment rental	250	227	176
Travel	100	221	-
Continuing education	200	55	-
Conferences and training	1,000	1,203	614
<b>Total park and grounds maintenance</b>	<b>323,990</b>	<b>357,776</b>	<b>328,941</b>
<b>Total public works</b>	<b>942,770</b>	<b>944,711</b>	<b>863,219</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Recreational services:			
Recreational services administration:			
Salaries	\$ 268,080	\$ 312,814	\$ 274,814
Salaries - overtime	7,000	499	1,502
Office supplies	4,250	4,439	4,932
Workmen's compensation	860	776	-
Materials and supplies	3,000	5,169	3,841
Film and film processing	200	-	42
Motor fuel and lubricants	2,100	1,266	2,241
Uniforms	700	674	697
Employee relations	1,000	897	-
Program guide	23,000	22,500	18,643
Printing	3,700	3,417	3,799
Postage	1,500	2,143	50
Dues	2,000	1,993	1,374
Subscriptions	300	269	164
Advertising	500	385	-
Conference	3,000	3,034	3,103
Travel	500	474	774
Equipment rental	15,000	12,010	14,748
Copier rental	3,800	2,912	2,580
Postage machine rental	600	869	279
<b>Total recreational services administration</b>	<b>341,090</b>	<b>376,540</b>	<b>333,583</b>
Seasonal programs:			
Summer programs - regular	20,700	17,381	17,892
Workmen's compensation	-	590	-
Fall programs - regular	21,500	17,822	19,902
Winter/Spring - regular	30,130	23,247	18,113
<b>Total seasonal programs</b>	<b>72,330</b>	<b>59,040</b>	<b>55,907</b>

**Village of Matteson, Illinois**

**Schedule of General Fund Expenditures  
Budget and Actual (Continued)  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007
	Final Budget	Actual	Actual
Expenditures: (continued)			
Recreational services: (continued)			
Other programs:			
Workmen's compensation	\$ -	\$ 996	\$ -
Matteson youth baseball	26,800	23,902	20,518
Matteson festivals	159,380	173,415	159,080
Concerts	5,500	5,309	5,366
Teen nights	3,000	1,371	710
Open gym	20,000	20,415	13,227
Kiddy Kamp	6,100	5,312	5,945
Day camp	11,700	10,525	10,135
Teen action room	2,750	1,706	174
Community special event	4,000	4,500	4,003
Engineering review	-	454	-
<b>Total other programs</b>	<b>239,230</b>	<b>247,905</b>	<b>219,158</b>
<b>Total recreational services</b>	<b>652,650</b>	<b>683,485</b>	<b>608,648</b>
Capital:			
Capital improvements:			
Computer equipment/system	195,960	157,711	82,761
GIS reconcile prcl/address	68,910	1,500	6,090
GIS maintenance	4,500	1,525	5,979
<b>Total capital improvements</b>	<b>269,370</b>	<b>160,736</b>	<b>94,830</b>
Special projects:			
2005 census	1,000	74,334	200
Asphalt sealcoation	40,000	-	-
Banner program	15,000	20,479	26,325
Preservation bike path	150,410	69,876	36,267
Cicero avenue streetlights	155,560	24,456	-
Facility remodeling/improvements	104,500	29,658	-
Providence manor drive ext	-	37,085	-
Cicero & 207th traffic light match	27,030	12,858	-
211th street metra station study	-	1,000	-
Central avenue/ph 1 match	97,000	61,987	-
Kimco Infrastructure costs	-	-	(11,632)
<b>Total special projects</b>	<b>590,500</b>	<b>331,733</b>	<b>51,160</b>

Village of Matteson, Illinois

Schedule of General Fund Expenditures  
 Budget and Actual (Continued)  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Expenditures: (continued)			
Capital: (continued)			
Tools & equipment	\$ 46,250	\$ 15,697	\$ 37,662
Squad cars, trucks and other licensed vehicles	340,100	224,480	293,341
Community center improvements/carpet	-	30,517	-
Facility remodel/improvement	-	-	25,154
Furniture and equipment	36,830	39,003	3,899
<b>Total capital equipment</b>	<b>423,180</b>	<b>309,697</b>	<b>360,056</b>
<b>Total capital</b>	<b>1,283,050</b>	<b>802,166</b>	<b>506,046</b>
Debt service:			
Principal retirement	7,920	6,899	2,745
Interest and fees	-	1,017	553
<b>Total debt service</b>	<b>7,920</b>	<b>7,916</b>	<b>3,298</b>
<b>Total general fund expenditures</b>	<b>\$ 19,780,821</b>	<b>\$ 20,737,705</b>	<b>\$ 18,406,959</b>



Village of Matteson, Illinois

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 April 30, 2008

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 3,145,702	\$ 1,205,679	\$ 1,753,324	\$ 6,104,705
Investments	66,206	-	-	66,206
Prepays	-	63,438	155	63,593
Receivables:				
Property taxes	120,040	516,498	-	636,538
Accounts	44,881	-	-	44,881
Intergovernmental	216,511	-	-	216,511
Accrued interest	1,194	-	-	1,194
Miscellaneous	-	-	1,046	1,046
Advances to other funds	298,887	163,973	555,370	1,018,230
<b>Total assets</b>	<b>\$ 3,893,421</b>	<b>\$ 1,949,588</b>	<b>\$ 2,309,895</b>	<b>\$ 8,152,904</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 119,712	\$ -	\$ 201,036	\$ 320,748
Accrued payroll and taxes	4,309	-	-	4,309
Advances from other funds	292,163	1,132,515	149,993	1,574,671
Unearned revenue	131,720	516,497	-	648,217
<b>Total liabilities</b>	<b>547,904</b>	<b>1,649,012</b>	<b>351,029</b>	<b>2,547,945</b>
Fund Balances:				
Reserved for debt service	-	300,576	-	300,576
Unreserved	3,345,517	-	1,958,866	5,304,383
<b>Total fund balances</b>	<b>3,345,517</b>	<b>300,576</b>	<b>1,958,866</b>	<b>5,604,959</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,893,421</b>	<b>\$ 1,949,588</b>	<b>\$ 2,309,895</b>	<b>\$ 8,152,904</b>

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended April 30, 2008

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 146,711	\$ 702,801	\$ 2,317,216	\$ 3,166,728
Developer contributions	-	84,765	-	84,765
Licenses and permits	290,831	-	-	290,831
Charges for services	1,149,513	-	-	1,149,513
Intergovernmental	454,656	-	-	454,656
Interest	63,648	98,036	171,138	332,822
Miscellaneous	669,805	-	-	669,805
<b>Total revenues</b>	<b>2,775,164</b>	<b>885,602</b>	<b>2,488,354</b>	<b>6,149,120</b>
Expenditures:				
Current:				
Administrative services	141,209	-	46,441	187,650
Community development	721,436	-	-	721,436
Public works	814,028	-	-	814,028
Capital	-	-	3,838	3,838
Debt service:				
Principal retirement	-	1,940,000	267,300	2,207,300
Interest and fees	-	601,545	20,617	622,162
Capital outlay	1,094,609	-	198,979	1,293,588
<b>Total expenditures</b>	<b>2,771,282</b>	<b>2,541,545</b>	<b>537,175</b>	<b>5,850,002</b>
Excess (deficiency) of revenues over (under) expenditures	3,882	(1,655,943)	1,951,179	299,118
Other financing sources (uses):				
Transfers in	38,978	1,015,040	2,409,016	3,463,034
Transfers (out)	(378,802)	(344,715)	(3,527,692)	(4,251,209)
<b>Total other financing sources (uses)</b>	<b>(339,824)</b>	<b>670,325</b>	<b>(1,118,676)</b>	<b>(788,175)</b>
<b>Net change in fund balance</b>	<b>(335,942)</b>	<b>(985,618)</b>	<b>832,503</b>	<b>(489,057)</b>
Fund balances:				
May 1, 2007	3,681,459	1,286,194	1,126,363	6,094,016
April 30, 2008	\$ 3,345,517	\$ 300,576	\$ 1,958,866	\$ 5,604,959

Village of Matteson, Illinois

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 April 30, 2008

	Motor Fuel Tax	South Suburban Special Recreation	Sewer	Vehicle License	Drug Forfeiture	Special Purpose	Hotel/Motel Tax	Quality of Life	Totals
<b>Assets</b>									
Cash and cash equivalents	\$ 129,240	\$ 52,911	\$ 565,965	\$ 92,031	\$ 206,975	\$ 317,647	\$ 214,187	\$ 1,566,746	\$ 3,145,702
Investments	66,206	-	-	-	-	-	-	-	66,206
Receivables:									
Property taxes	-	77,857	42,183	-	-	-	-	-	120,040
Accounts	-	-	44,881	-	-	-	-	-	44,881
Intergovernmental	35,853	-	-	6,737	-	-	30,583	143,338	216,511
Accrued Interest	1,194	-	-	-	-	-	-	-	1,194
Advances to other funds	650	-	6,906	91,187	-	200,144	-	-	298,887
<b>Total assets</b>	<b>\$ 233,143</b>	<b>\$ 130,768</b>	<b>\$ 659,935</b>	<b>\$ 189,955</b>	<b>\$ 206,975</b>	<b>\$ 517,791</b>	<b>\$ 244,770</b>	<b>\$ 1,710,084</b>	<b>\$ 3,893,421</b>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
Accounts payable	\$ 11,345	\$ -	\$ 83,887	\$ 8,216	\$ (3,108)	\$ 13,561	\$ 5,811	\$ -	\$ 119,712
Accrued payroll and taxes	-	-	4,309	-	-	-	-	-	4,309
Advances from other funds	-	66,110	-	171,869	-	25,661	28,523	-	292,163
Unearned revenue	-	77,857	42,183	540	-	11,140	-	-	131,720
<b>Total liabilities</b>	<b>11,345</b>	<b>143,967</b>	<b>130,379</b>	<b>180,625</b>	<b>(3,108)</b>	<b>50,362</b>	<b>34,334</b>	<b>-</b>	<b>547,904</b>
Fund Balances (Deficits), Unreserved	221,798	(13,199)	529,556	9,330	210,083	467,429	210,436	1,710,084	3,345,517
<b>Total liabilities and fund balances</b>	<b>\$ 233,143</b>	<b>\$ 130,768</b>	<b>\$ 659,935</b>	<b>\$ 189,955</b>	<b>\$ 206,975</b>	<b>\$ 517,791</b>	<b>\$ 244,770</b>	<b>\$ 1,710,084</b>	<b>\$ 3,893,421</b>

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
Year Ended April 30, 2008

	Motor Fuel Tax	South Suburban Special Recreation	Sewer	Vehicle License	Drug Forfeiture	Special Purpose	Hotel/Motel Tax	Quality of Life	Totals
Revenues:									
Property taxes	\$ -	\$ 93,113	\$ 53,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,711
Licenses and permits	-	-	-	290,831	-	-	-	-	290,831
Charges for services	-	-	290,741	-	-	-	-	858,772	1,149,513
Intergovernmental	454,656	-	-	-	-	-	-	-	454,656
Interest	17,033	180	9,736	3,021	6,812	8,780	329	17,757	63,648
Miscellaneous	-	-	-	1,125	-	272,795	395,885	-	669,805
<b>Total revenues</b>	<b>471,689</b>	<b>93,293</b>	<b>354,075</b>	<b>294,977</b>	<b>6,812</b>	<b>281,575</b>	<b>396,214</b>	<b>876,529</b>	<b>2,775,164</b>
Expenditures:									
Current:									
Administrative services	-	125,470	-	7,307	8,432	-	-	-	141,209
Community development	-	-	-	-	-	649,426	72,010	-	721,436
Public works	-	-	485,738	328,290	-	-	-	-	814,028
Capital outlay	539,134	-	-	-	-	-	-	555,475	1,094,609
<b>Total expenditures</b>	<b>539,134</b>	<b>125,470</b>	<b>485,738</b>	<b>335,597</b>	<b>8,432</b>	<b>649,426</b>	<b>72,010</b>	<b>555,475</b>	<b>2,771,282</b>
Excess (deficiency) of revenues over (under) expenditures	(67,445)	(32,177)	(131,663)	(40,620)	(1,620)	(367,851)	324,204	321,054	3,882
Other financing sources (uses):									
Transfers in	-	18,978	5,000	-	-	-	-	15,000	38,978
Transfers (out)	-	-	-	-	-	-	(208,000)	(170,802)	(378,802)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>18,978</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(208,000)</b>	<b>(155,802)</b>	<b>(339,824)</b>
<b>Net change in fund balance</b>	<b>(67,445)</b>	<b>(13,199)</b>	<b>(126,663)</b>	<b>(40,620)</b>	<b>(1,620)</b>	<b>(367,851)</b>	<b>116,204</b>	<b>165,252</b>	<b>(335,942)</b>
Fund balances (deficits):									
May 1, 2007	289,243	-	656,219	49,950	211,703	835,280	94,232	1,544,832	3,681,459
April 30, 2008	\$ 221,798	\$ (13,199)	\$ 529,556	\$ 9,330	\$ 210,083	\$ 467,429	\$ 210,436	\$ 1,710,084	\$ 3,345,517

Village of Matteson, Illinois

Combining Balance Sheet  
Nonmajor Debt Service Funds  
Year Ended April 30, 2008

	1997B Village Hall/ 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	2004A General Obligations Bonds	2004B General Obligation Refunding Bonds	2006A General Obligation Bonds	Totals
<b>Assets</b>											
Cash and cash equivalents	\$ 24,726	\$ 14,645	\$ -	\$ 166,702	\$ 150,354	\$ 177,557	\$ 669,810	\$ -	\$ -	\$ 1,885	\$ 1,205,679
Prepays	-	-	-	-	-	63,438	-	-	-	-	63,438
Property taxes receivable	10,244	67,500	139,781	-	-	-	-	298,973	-	-	516,498
Advances to other funds	-	-	163,973	-	-	-	-	-	-	-	163,973
<b>Total assets</b>	<b>\$ 34,970</b>	<b>\$ 82,145</b>	<b>\$ 303,754</b>	<b>\$ 166,702</b>	<b>\$ 150,354</b>	<b>\$ 240,995</b>	<b>\$ 669,810</b>	<b>\$ 298,973</b>	<b>\$ -</b>	<b>\$ 1,885</b>	<b>\$ 1,949,588</b>
<b>Liabilities and Fund Balances</b>											
Liabilities:											
Advances from other funds	\$ 27,619	\$ 31,943	\$ 353,833	\$ 163,973	\$ -	\$ -	\$ -	\$ 255,351	\$ 299,796	\$ -	\$ 1,132,515
Unearned revenue	10,244	67,500	139,780	-	-	-	-	298,973	-	-	516,497
<b>Total liabilities</b>	<b>37,863</b>	<b>99,443</b>	<b>493,613</b>	<b>163,973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>554,324</b>	<b>299,796</b>	<b>-</b>	<b>1,649,012</b>
Fund Balances (Deficits), Reserved for debt service	(2,893)	(17,298)	(189,859)	2,729	150,354	240,995	669,810	(255,351)	(299,796)	1,885	300,576
<b>Total liabilities and fund balances</b>	<b>\$ 34,970</b>	<b>\$ 82,145</b>	<b>\$ 303,754</b>	<b>\$ 166,702</b>	<b>\$ 150,354</b>	<b>\$ 240,995</b>	<b>\$ 669,810</b>	<b>\$ 298,973</b>	<b>\$ -</b>	<b>\$ 1,885</b>	<b>\$ 1,949,588</b>

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances

Nonmajor Debt Service Funds

Year Ended April 30, 2008

	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	2004A General Obligations Bonds	2004B General Obligation Refunding Bonds	2006A General Obligation Bonds	Totals
Revenues:											
Property taxes	\$ 13,808	\$ 87,005	\$ 91,430	\$ -	\$ -	\$ 230,628	\$ 84,732	\$ 195,198	\$ -	\$ -	\$ 702,801
Developer contributions	-	-	84,765	-	-	-	-	-	-	-	84,765
Interest	1,649	4,785	33,662	249	987	28,051	6,590	20,875	1,118	70	98,036
<b>Total revenues</b>	<b>15,457</b>	<b>91,790</b>	<b>209,857</b>	<b>249</b>	<b>987</b>	<b>258,679</b>	<b>91,322</b>	<b>216,073</b>	<b>1,118</b>	<b>70</b>	<b>885,602</b>
Expenditures:											
Debt service:											
Principal retirement	-	95,000	175,000	320,000	85,000	430,000	200,000	405,000	215,000	15,000	1,940,000
Interest and fees	20,952	14,688	74,870	8,640	81,754	141,120	18,783	66,424	85,914	88,400	601,545
<b>Total expenditures</b>	<b>20,952</b>	<b>109,688</b>	<b>249,870</b>	<b>328,640</b>	<b>166,754</b>	<b>571,120</b>	<b>218,783</b>	<b>471,424</b>	<b>300,914</b>	<b>103,400</b>	<b>2,541,545</b>
Deficiency of revenues under expenditures	(5,495)	(17,898)	(40,013)	(328,391)	(165,767)	(312,441)	(127,461)	(255,351)	(299,796)	(103,330)	(1,655,943)
Other financing sources (uses):											
Transfer in	-	600	-	329,170	170,802	300,000	214,468	-	-	-	1,015,040
Transfer (out)	-	-	(344,715)	-	-	-	-	-	-	-	(344,715)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>600</b>	<b>(344,715)</b>	<b>329,170</b>	<b>170,802</b>	<b>300,000</b>	<b>214,468</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>670,325</b>
<b>Net change in fund balance</b>	<b>(5,495)</b>	<b>(17,298)</b>	<b>(384,728)</b>	<b>779</b>	<b>5,035</b>	<b>(12,441)</b>	<b>87,007</b>	<b>(255,351)</b>	<b>(299,796)</b>	<b>(103,330)</b>	<b>(985,618)</b>
Fund balances (deficits):											
May 1, 2007	2,602	-	194,869	1,950	145,319	253,436	582,803	-	-	105,215	1,286,194
April 30, 2008	\$ (2,893)	\$ (17,298)	\$ (189,859)	\$ 2,729	\$ 150,354	\$ 240,995	\$ 669,810	\$ (255,351)	\$ (299,796)	\$ 1,885	\$ 300,576

Village of Matteson, Illinois

Combining Balance Sheet  
 Nonmajor Capital Projects Funds  
 Year Ended April 30, 2008

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Tax Incremental Finance District IV	Old Plank Road Trail	Auto Mall	Capital Equipment	Community Center	Totals
<b>Assets</b>									
Cash and cash equivalents	\$ 4,805	\$ -	\$ 344,307	\$ 1,182,260	\$ 39,565	\$ 157,569	\$ 24,818	\$ -	\$ 1,753,324
Prepaid		-	155	-	-	-	-	-	155
Receivables, miscellaneous	823	223	-	-	-	-	-	-	1,046
Advances to other funds	223	-	-	555,147	-	-	-	-	555,370
<b>Total assets</b>	<b>\$ 5,851</b>	<b>\$ 223</b>	<b>\$ 344,462</b>	<b>\$ 1,737,407</b>	<b>\$ 39,565</b>	<b>\$ 157,569</b>	<b>\$ 24,818</b>	<b>\$ -</b>	<b>\$ 2,309,895</b>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ 15,236	\$ -	\$ -	\$ -	\$ 185,800	\$ 201,036
Advances from other funds	5,851	223	80,840	63,079	-	-	-	-	149,993
<b>Total liabilities</b>	<b>5,851</b>	<b>223</b>	<b>80,840</b>	<b>78,315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185,800</b>	<b>351,029</b>
Fund Balances (Deficits), unreserved	-	-	263,622	1,659,092	39,565	157,569	24,818	(185,800)	1,958,866
<b>Total liabilities and fund balances</b>	<b>\$ 5,851</b>	<b>\$ 223</b>	<b>\$ 344,462</b>	<b>\$ 1,737,407</b>	<b>\$ 39,565</b>	<b>\$ 157,569</b>	<b>\$ 24,818</b>	<b>\$ -</b>	<b>\$ 2,309,895</b>

Village of Matteson, Illinois

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Capital Projects Funds  
Year Ended April 30, 2008

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Tax Incremental Finance District IV	Old Plank Road Trail	Auto Mall	Capital Equipment	Community Center	Public Works Land and Facility	Totals
Revenues:										
Property taxes	\$ 1,846,963	\$ 206,631	\$ 263,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,317,216
Interest	28,404	17,676	-	122,201	542	2,160	155	-	-	171,138
<b>Total revenues</b>	<b>1,875,367</b>	<b>224,307</b>	<b>263,622</b>	<b>122,201</b>	<b>542</b>	<b>2,160</b>	<b>155</b>	<b>-</b>	<b>-</b>	<b>2,488,354</b>
Expenditures:										
Administrative services	-	-	-	46,441	-	-	-	-	-	46,441
Capital	3,838	-	-	-	-	-	-	-	-	3,838
Debt service:										
Principal retirement	-	-	-	-	-	-	267,300	-	-	267,300
Interest and fees	-	-	-	-	-	-	20,617	-	-	20,617
Capital Outlay	-	-	-	12,579	-	-	-	185,800	600	198,979
<b>Total expenditures</b>	<b>3,838</b>	<b>-</b>	<b>-</b>	<b>59,020</b>	<b>-</b>	<b>-</b>	<b>287,917</b>	<b>185,800</b>	<b>600</b>	<b>537,175</b>
Excess (deficiency) of revenues over (under) expenditures	1,871,529	224,307	263,622	63,181	542	2,160	(287,762)	(185,800)	(600)	1,951,179
Other financing sources (uses):										
Transfer in	-	-	-	2,095,836	-	-	312,580	-	600	2,409,016
Transfers (out)	(1,871,529)	(224,307)	-	(1,431,856)	-	-	-	-	-	(3,527,692)
<b>Total other financing sources (uses)</b>	<b>(1,871,529)</b>	<b>(224,307)</b>	<b>-</b>	<b>663,980</b>	<b>-</b>	<b>-</b>	<b>312,580</b>	<b>-</b>	<b>600</b>	<b>(1,118,676)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>263,622</b>	<b>727,161</b>	<b>542</b>	<b>2,160</b>	<b>24,818</b>	<b>(185,800)</b>	<b>-</b>	<b>832,503</b>
Fund balances (deficits):										
May 1, 2007	-	-	-	931,931	39,023	155,409	-	-	-	1,126,363
April 30, 2008	\$ -	\$ -	\$ 263,622	\$ 1,659,092	\$ 39,565	\$ 157,569	\$ 24,818	\$ (185,800)	\$ -	\$ 1,958,866



Village of Matteson, Illinois

**Schedule of Revenues, Expenses, and Changes in Net Assets -  
Budget and Actual  
Water Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007**

	2008		2007 Actual
	Final Budget	Actual	
Operating revenues:			
Water sales	\$ 3,800,000	\$ 3,558,781	\$ 3,327,548
Water meter sales	98,100	44,634	84,631
Fines and forfeitures	101,469	101,469	101,474
Miscellaneous	143,000	54,750	82,194
<b>Total operating revenues</b>	<u>4,142,569</u>	<u>3,759,634</u>	<u>3,595,847</u>
Operating expenses:			
Operations	4,058,246	1,856,202	2,267,591
Depreciation	-	286,256	265,278
Amortization	-	4,626	4,626
<b>Total operating expenses</b>	<u>4,058,246</u>	<u>2,147,084</u>	<u>2,537,495</u>
<b>Operating income</b>	<u>84,323</u>	<u>1,612,550</u>	<u>1,058,352</u>
Non-operating income (expense):			
Interest income	22,018	131,512	161,510
Principal payments	(190,000)	-	-
Interest expense	(132,434)	(129,536)	(151,008)
<b>Total non-operating income (expense)</b>	<u>(300,416)</u>	<u>1,976</u>	<u>10,502</u>
<b>Income (loss) before transfers</b>	<u>(216,093)</u>	<u>1,614,526</u>	<u>1,068,854</u>
Transfer in	1,900,000	-	-
Transfer (out)	(3,355,000)	(1,455,000)	(626,600)
<b>Change in net assets</b>	<u>\$ (1,671,093)</u>	<u>159,526</u>	<u>442,254</u>
Net assets:			
Beginning of year		<u>4,664,686</u>	<u>4,222,432</u>
End of year		<u>\$ 4,824,212</u>	<u>\$ 4,664,686</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual  
Motor Fuel Tax Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$ 525,000	\$ 454,656	\$ 472,541
Interest	15,580	17,033	11,687
<b>Total revenues</b>	<u>540,580</u>	<u>471,689</u>	<u>484,228</u>
Expenditures:			
Capital outlay	<u>529,000</u>	<u>539,134</u>	<u>456,822</u>
Excess (deficiency) of revenues over (under) expenditures	11,580	(67,445)	27,406
Other financing sources:			
Transfer in	-	-	<u>100,000</u>
<b>Net change in fund balance</b>	<u>\$ 11,580</u>	<u>(67,445)</u>	<u>127,406</u>
Fund balance:			
Beginning of year		<u>289,243</u>	<u>161,837</u>
End of year		<u>\$ 221,798</u>	<u>\$ 289,243</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual  
South Suburban Special Recreation Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Property taxes	\$ 106,492	\$ 93,113	\$ 107,524
Interest	-	180	364
<b>Total revenues</b>	<u>106,492</u>	<u>93,293</u>	<u>107,888</u>
Expenditures:			
Current, administrative services	<u>125,470</u>	<u>125,470</u>	<u>106,492</u>
Excess (deficiency) of revenues over (under) expenditures	(18,978)	(32,177)	1,396
Other financing sources:			
Transfer in	<u>18,978</u>	<u>18,978</u>	<u>26,293</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>(13,199)</u>	<u>27,689</u>
Fund balance:			
Beginning of year		-	<u>(27,689)</u>
End of year		<u>\$ (13,199)</u>	<u>\$ -</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual  
Sewer Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007
	Final Budget	Actual	Actual
Revenues:			
Property taxes	\$ 65,730	\$ 53,598	\$ 72,526
Charges for services	390,000	290,741	346,250
Interest	14,400	9,736	16,398
<b>Total revenues</b>	<u>470,130</u>	<u>354,075</u>	<u>435,174</u>
Expenditures:			
Current, public works	<u>473,230</u>	<u>485,738</u>	<u>147,416</u>
Excess (deficiency) of revenues over (under) expenditures	(3,100)	(131,663)	287,758
Other financing sources (uses):			
Transfers in	5,000	5,000	-
Transfers (out)	-	-	(77,595)
<b>Total other financing sources (uses)</b>	<u>5,000</u>	<u>5,000</u>	<u>(77,595)</u>
<b>Net change in fund balance</b>	<u>\$ 1,900</u>	(126,663)	210,163
Fund balance:			
Beginning of year		<u>656,219</u>	<u>446,056</u>
End of year		<u>\$ 529,556</u>	<u>\$ 656,219</u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual  
Vehicle License Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Licenses and permits	\$ 350,000	\$ 290,831	\$ 309,515
Interest income	2,200	3,021	2,712
Miscellaneous	13,000	1,125	7,350
<b>Total revenues</b>	<u>365,200</u>	<u>294,977</u>	<u>319,577</u>
Expenditures:			
Current:			
Administrative services	9,000	7,307	15,859
Public works	307,620	328,290	196,790
<b>Total expenditures</b>	<u>316,620</u>	<u>335,597</u>	<u>212,649</u>
Excess (deficiency) of revenues over (under) expenditures	48,580	(40,620)	106,928
Other financing uses, Transfers (out)	-	-	(150,000)
<b>Net change in fund balance</b>	<u>\$ 48,580</u>	<u>(40,620)</u>	<u>(43,072)</u>
Fund balance:			
Beginning of year		49,950	93,022
End of year		<u>\$ 9,330</u>	<u>\$ 49,950</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, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Interest	\$ -	\$ 329	\$ -
Miscellaneous, hotel/motel taxes	275,000	395,885	382,596
<b>Total revenues</b>	<u>275,000</u>	<u>396,214</u>	<u>382,596</u>
Expenditures:			
Current, community development	<u>66,837</u>	<u>72,010</u>	<u>66,962</u>
Excess of revenues over expenditures	208,163	324,204	315,634
Other financing (uses), Transfers (out)	<u>(208,000)</u>	<u>(208,000)</u>	<u>(89,809)</u>
<b>Net change in fund balance</b>	<u><u>163</u></u>	<u>116,204</u>	<u>225,825</u>
Fund balance (deficit):			
Beginning of year		<u>94,232</u>	<u>(131,593)</u>
End of year		<u><u>\$ 210,436</u></u>	<u><u>\$ 94,232</u></u>

Village of Matteson, Illinois

Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual  
Quality of Life Fund  
Year Ended April 30, 2008  
With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Revenues:			
Charges for services	\$ 761,900	\$ 858,772	\$ 788,619
Interest	24,000	17,757	21,410
<b>Total revenues</b>	<u>785,900</u>	<u>876,529</u>	<u>810,029</u>
Expenditures:			
Capital outlay	<u>629,880</u>	<u>555,475</u>	<u>213,057</u>
Excess of revenues over expenditures	156,020	321,054	596,972
Other financing sources (uses):			
Transfers in	15,000	15,000	-
Transfers (out)	(170,802)	(170,802)	(60,245)
<b>Total other financing sources (uses)</b>	<u>(155,802)</u>	<u>(155,802)</u>	<u>(60,245)</u>
<b>Net change in fund balance</b>	<u>\$ 218</u>	165,252	536,727
Fund balance:			
Beginning of year		<u>1,544,832</u>	<u>1,008,105</u>
End of year		<u>\$ 1,710,084</u>	<u>\$ 1,544,832</u>

Village of Matteson, Illinois

Schedule of Operating Expenses - Budget and Actual  
 Water Fund  
 Year Ended April 30, 2008  
 With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Water billing:			
Salaries	\$ 56,620	\$ 80,781	\$ 83,131
Salaries- overtime	-	373	-
Employee benefits	180	183	56
Office supplies	350	350	294
Bill printing/lock box	24,000	31,150	23,524
Postage	19,000	23,907	19,423
Conference/training	200	179	-
Bank service charges	-	679	-
Computer maintenance	2,500	-	2,105
<b>Total water billing</b>	<b>102,850</b>	<b>137,602</b>	<b>128,533</b>
Water public works:			
Water purchase	1,070,000	1,024,890	1,053,925
Bad debt expense	318	19,068	39
Bank service charges/fees	518	518	131
Transmission line payment	260,000	221,893	248,320
<b>Total water purchase and debt</b>	<b>1,330,836</b>	<b>1,266,369</b>	<b>1,302,415</b>
Operations and maintenance:			
Salaries	357,750	228,936	251,711
Employee benefits	13,080	11,262	3,809
Salaries - overtime	37,000	38,648	47,525
Office supplies	1,500	229	850
Meters	105,530	92,764	127,341
Tools and equipment	9,500	6,786	9,458
Motor fuel and lubricants	14,500	18,967	14,083
Chemicals	2,000	4,054	1,512
Protective clothing	2,500	1,666	2,185
Uniforms	750	744	475
Dumping fees	5,000	5,000	-
Map upgrading	25,000	25,531	89
Legal fees	-	-	1,894
Water lab testing	7,000	7,389	9,265
Julie locator	1,500	1,214	1,496
Telephone	-	1,151	609



Village of Matteson, Illinois

Schedule of Operating Expenses - Budget and Actual (Continued)

Water Fund

Year Ended April 30, 2008

With Comparative Amounts for 2007

	2008		2007 Actual
	Final Budget	Actual	
Operations and maintenance (continued):			
Legal notice	\$ 2,500	\$ 1,917	\$ 1,869
Postage	1,500	1,566	1,052
Dues	500	498	243
Conference/training	4,000	1,156	3,538
Travel	350	148	37
Electricity	45,000	9,406	38,116
Heat	1,000	999	480
Equipment rental	500	-	-
Vehicle M/R - PW	5,000	2,046	4,400
Main maintenance	25,000	19,841	23,375
Tower maintenance and paint	17,100	6,440	2,045
Pumping stations	7,500	10,372	1,529
Restoration	2,000	2,829	1,587
<b>Total operations and maintenance</b>	<u>694,560</u>	<u>501,559</u>	<u>550,573</u>
Capital improvements:			
Vehicles	30,000	18,502	242,990
Main replacement	1,900,000	546,337	2,927,492
<b>Total capital improvements</b>	<u>1,930,000</u>	<u>564,839</u>	<u>3,170,482</u>
<b>Total operations</b>	<u>\$ 4,058,246</u>	2,470,369	5,152,003
Less equipment capitalized		<u>(614,167)</u>	<u>(2,884,412)</u>
<b>Total operations</b>		1,856,202	2,267,591
Plus depreciation		286,256	265,278
Plus amortization		<u>4,626</u>	<u>4,626</u>
<b>Total water fund operating expenses</b>		<u>\$ 2,147,084</u>	<u>\$ 2,537,495</u>