

Village of Matteson, Illinois

**Annual Financial Report
Year Ended April 30, 2013**

Village of Matteson, Illinois

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Village of Matteson, Illinois

Principal Officials

April 30, 2013

VILLAGE PRESIDENT

Andrè B. Ashmore

VILLAGE CLERK

Dorothy Grisco

TRUSTEES

Sam Brown

Sheila Chalmers-Currin

Veloid Cotton, Sr.

Bridget A. Dancy

Paula F. Farr

Kevin Little

Brian D. Mitchell, Village Administrator

Paul Jordan, Chief of Police

Edward Leeson, Chief of Fire

Anthony Burton, Director of Recreational Services

Barton Gilliam, Superintendent of Public Works

Deborah Howard, Treasurer



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements 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, ("Village") as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Matteson Public Library, a discretely presented component unit, or the Police and Firefighters' Pension funds, both fiduciary fund types, which statements represent 100% of the of the assets and revenues of the discretely presented component unit, and 71% and 49%, respectively, of the assets and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police and Firefighters' Pension Funds and the Matteson Public Library discretely presented component unit, is based solely on the report of the other auditors. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the 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, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis of Matter

As discussed further in Note 10, the Village has a significant deficit of \$8,036,993 in the General Fund.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that pension and OPEB related information and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Village of Matteson's basic financial statements. The combining and individual fund financial statements and other schedules 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

McGladrey LLP

Chicago, Illinois
April 22, 2014

Basic Financial Statements

Government-Wide Financial Statements

Village of Matteson, Illinois

Statement of Net Position
April 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Matteson Public Library
Assets				
Current assets				
Cash and cash equivalents	\$ 9,347,595	\$ 14,524	\$ 9,362,119	\$ 6,210,013
Restricted cash	4,545,012	4,301,817	8,846,829	-
Prepaid items	756,083	-	756,083	15,000
Receivables				
Property taxes	4,335,418	-	4,335,418	1,426,309
Other taxes	3,197,639	-	3,197,639	11,370
Accounts	274,882	937,441	1,212,323	-
Other	396,739	-	396,739	-
Inventories	22,597	-	22,597	-
Internal balances	(4,430,055)	4,430,055	-	-
Total current assets	18,445,910	9,683,837	28,129,747	7,662,692
Noncurrent assets				
Unamortized bond issuance costs	431,606	178,240	609,846	-
Capital assets, not being depreciated	16,702,472	246,013	16,948,485	300,000
Capital assets, net of accumulated depreciation	77,288,185	8,922,620	86,210,805	2,036,098
Total noncurrent assets	94,422,263	9,346,873	103,769,136	2,336,098
Total assets	\$ 112,868,173	\$ 19,030,710	\$ 131,898,883	\$ 9,998,790

See Notes to Basic Financial Statements.

(continued)

Village of Matteson, Illinois

Statement of Net Position - (Continued)
April 30, 2013

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
				Matteson
Activities	Activities		Public	
				Library
Liabilities				
Current liabilities				
Accounts payable	\$ 2,506,234	\$ 218,237	\$ 2,724,471	\$ 33,044
Accrued payroll and taxes	807,231	28,890	836,121	37,666
Deposits	34,673	-	34,673	-
Due to other governments	402,570	-	402,570	-
Accrued interest	311,900	97,100	409,000	-
Unearned revenue	3,453,442	-	3,453,442	1,406,300
General obligation/alternate revenue bonds	1,900,000	390,000	2,290,000	-
Compensated absences	502,938	30,405	533,343	42,047
Total current liabilities	9,918,988	764,632	10,683,620	1,519,057
Long-term liabilities, net of current maturities				
General obligation/alternate revenue bonds, net	16,553,849	6,405,861	22,959,710	-
Debt certificates, net	31,719,637	-	31,719,637	-
Compensated absences	213,650	4,178	217,828	-
Pension obligation	3,396,967	-	3,396,967	-
Other postemployment benefits	197,997	-	197,997	-
Total long-term liabilities	52,082,100	6,410,039	58,492,139	-
Total liabilities	62,001,088	7,174,671	69,175,759	1,519,057
Net Position				
Net investment in capital assets	45,717,171	6,674,589	52,391,760	2,336,098
Restricted for debt service	5,734,332	-	5,734,332	-
Restricted for community development	9,069,944	-	9,069,944	-
Restricted for public works	902,968	-	902,968	-
Restricted for sewer maintenance	519,384	-	519,384	-
Restricted for public safety	223,770	-	223,770	-
Restricted for tourism	1,452,054	-	1,452,054	-
Restricted for recreational services	553,810	-	553,810	63,313
Restricted for capital projects	197,135	-	197,135	-
Unrestricted	(13,503,483)	5,181,450	(8,322,033)	6,080,322
Total net position	\$ 50,867,085	\$ 11,856,039	\$ 62,723,124	\$ 8,479,733

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Activities
Year Ended April 30, 2013

Functions/Programs	Primary Government						Component Unit
	Program Revenues			Net (Expense), Revenue and Changes in Net Position			Matteson Public Library
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental activities							
General government	\$ 7,880,830	\$ 1,307,648	\$ -	\$ (6,573,182)	\$ -	\$ (6,573,182)	\$ -
Community development	1,375,342	-	-	(1,375,342)	-	(1,375,342)	-
Public safety	13,653,963	788,287	210,072	(12,655,604)	-	(12,655,604)	-
Public works	2,693,574	1,504,783	556,520	(632,271)	-	(632,271)	-
Recreational services	2,172,861	1,336,625	-	(836,236)	-	(836,236)	-
Interest, amortization and fees	3,355,792	-	-	(3,355,792)	-	(3,355,792)	-
Total governmental activities	31,132,362	4,937,343	766,592	(25,428,427)	-	(25,428,427)	-
Business-type activities							
Water	3,517,834	5,601,438	-	-	2,083,604	2,083,604	-
Total primary government	<u>\$ 34,650,196</u>	<u>\$ 10,538,781</u>	<u>\$ 766,592</u>	<u>(25,428,427)</u>	<u>2,083,604</u>	<u>(23,344,823)</u>	<u>-</u>
Component unit, Library	<u>\$ 2,252,566</u>	<u>\$ 58,735</u>	<u>\$ 20,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,173,826)</u>
			General revenues				
			Taxes:				
			Property	7,666,711	-	7,666,711	2,466,453
			Other	5,572,859	-	5,572,859	26,911
			Unrestricted intergovernmental:				
			Sales tax	4,914,671	-	4,914,671	-
			Interest	27,905	10,885	38,790	10,419
			Miscellaneous	133,496	-	133,496	-
			Transfers	1,500,000	(1,500,000)	-	-
			Total general revenues	<u>19,815,642</u>	<u>(1,489,115)</u>	<u>18,326,527</u>	<u>2,503,783</u>
			Change in net position	(5,612,785)	594,489	(5,018,296)	329,957
			Net position:				
			May 1, 2012	<u>56,479,870</u>	<u>11,261,550</u>	<u>67,741,420</u>	<u>8,149,776</u>
			April 30, 2013	<u>\$ 50,867,085</u>	<u>\$ 11,856,039</u>	<u>\$ 62,723,124</u>	<u>\$ 8,479,733</u>

See Notes to Basic Financial Statements.

Fund Financial Statements

Village of Matteson, Illinois

Balance Sheet - Governmental Funds
April 30, 2013

	General Fund	Tax Incremental Finance District II Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ -	\$ 5,198,669	\$ 4,148,926	\$ 9,347,595
Restricted cash	-	-	4,545,012	4,545,012
Receivables:				
Property taxes	3,106,199	-	1,229,219	4,335,418
Other taxes	2,501,550	-	696,089	3,197,639
Accounts	243,524	-	31,358	274,882
Miscellaneous	396,739	-	-	396,739
Prepays	687,395	-	68,688	756,083
Advances to other funds	-	592,397	5,040,204	5,632,601
Inventories	22,597	-	-	22,597
Total assets	\$ 6,958,004	\$ 5,791,066	\$ 15,759,496	\$ 28,508,566
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,070,808	\$ -	\$ 435,426	\$ 2,506,234
Accrued payroll and taxes	786,234	-	20,997	807,231
Deposits	34,673	-	-	34,673
Due to other governments	11,370	32,124	359,076	402,570
Advances from other funds	9,003,620	-	1,059,036	10,062,656
Deferred revenue - taxes	3,088,292	-	1,229,814	4,318,106
Total liabilities	14,994,997	32,124	3,104,349	18,131,470
Fund Balances (Deficits):				
Nonspendable - prepaids	687,395	-	68,688	756,083
Nonspendable - inventories	22,597	-	-	22,597
Restricted for debt service	-	-	6,046,232	6,046,232
Restricted for community development	-	5,758,942	3,311,002	9,069,944
Restricted for public works	-	-	902,968	902,968
Restricted for sewer maintenance	-	-	519,384	519,384
Restricted for public safety	-	-	223,770	223,770
Restricted for tourism	-	-	1,452,054	1,452,054
Restricted for recreational services	-	-	553,810	553,810
Restricted for capital outlay	-	-	197,135	197,135
Unassigned	(8,746,985)	-	(619,896)	(9,366,881)
Total fund balances (deficits)	(8,036,993)	5,758,942	12,655,147	10,377,096
Total liabilities and fund balances	\$ 6,958,004	\$ 5,791,066	\$ 15,759,496	\$ 28,508,566

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
April 30, 2013**

Total fund balances-governmental funds	\$ 10,377,096
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	93,990,657
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.	431,606
Revenues in the Statement of Activities that do not provide current financial resources are deferred in the funds.	864,664
Premiums, discounts 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.	276,638
Some liabilities reported in the Statement of Net Position 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	(311,900)
General obligation bonds and debt certificates	(50,450,124)
Compensated absences	(716,588)
Pension obligation	(3,396,967)
Other postemployment benefits	(197,997)
	<hr/>
Net position of governmental activities	<u>\$ 50,867,085</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, 2013

	General Fund	Tax Incremental Finance District II Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Sales taxes, net	\$ 4,914,671	\$ -	\$ -	\$ 4,914,671
Property taxes	4,322,459	111,491	2,368,097	6,802,047
Other taxes	4,327,721	-	1,962,317	6,290,038
Licenses and permits	379,039	-	342,402	721,441
Charges for services	2,256,859	-	182,997	2,439,856
Intergovernmental	191,984	-	96,809	288,793
Fines and forfeitures	395,786	-	-	395,786
Interest	10,839	433	16,633	27,905
Recreation programs	1,311,428	-	-	1,311,428
Miscellaneous	138,535	-	63,266	201,801
Total revenues	18,249,321	111,924	5,032,521	23,393,766
Expenditures:				
Current:				
General government	306,747	-	-	306,747
General operations	3,922,725	-	-	3,922,725
Administrative services	388,839	142,077	262,985	793,901
Human resources	227,245	-	-	227,245
Finance	476,907	-	-	476,907
Community development	1,047,298	-	288,875	1,336,173
Public safety services	11,729,563	-	62,116	11,791,679
Public works	1,478,214	-	769,643	2,247,857
Recreational services	2,015,549	-	139,915	2,155,464
Capital	467,095	-	-	467,095
Debt service:				
Principal retirement	58,275	-	3,063,626	3,121,901
Interest and fees	3,374	-	896,757	900,131
Capital outlay	-	-	1,057,571	1,057,571
Total expenditures	22,121,831	142,077	6,541,488	28,805,396
Excess (deficiency) of revenues over (under) expenditures	(3,872,510)	(30,153)	(1,508,967)	(5,411,630)
Other financing sources (uses):				
Transfers in	4,840,160	-	8,964,528	13,804,688
Transfers (out)	(2,600,883)	-	(9,703,805)	(12,304,688)
Total other financing sources (uses)	2,239,277	-	(739,277)	1,500,000
Net change in fund balances	(1,633,233)	(30,153)	(2,248,244)	(3,911,630)
Fund balances (deficits):				
May 1, 2012	(6,403,760)	5,789,095	14,903,391	14,288,726
April 30, 2013	\$ (8,036,993)	\$ 5,758,942	\$ 12,655,147	\$ 10,377,096

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, 2013**

Net change in fund balances-total governmental funds	\$	(3,911,630)
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Current year additions	\$ 1,067,496		
Depreciation expense	<u>(2,930,823)</u>		(1,863,327)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. These transactions however, have no effect on net position.

Principal paid on general obligation bonds	3,025,000		
Principal paid on capital lease	<u>96,901</u>		3,121,901

Bond issuance costs are recorded as expenditures in the fund financial statements when incurred but are capitalized and amortized in the Statement of Net Position.

Amortization of bond issuance costs			(32,939)
-------------------------------------	--	--	----------

Amortization of bond premiums, discounts and losses on bond refunding are recorded in the Statement of Activities and are not reflected in the funds.

Amortization of premiums, discounts and losses on bond refundings			(26,341)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in deferred revenues			625,811
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Accrued interest			20,860
Bond accretion			(2,417,241)
Change in pension assets/obligation			(1,082,774)
Change in other postemployment benefits			(114,057)
Change in compensated absences			<u>66,952</u>

Change in net position of governmental activities	\$	<u><u>(5,612,785)</u></u>
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See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Net Position
Enterprise Fund
April 30, 2013

	Business-Type Activities
	<u>Water Fund</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 14,524
Restricted cash	4,301,817
Accounts receivable, net of allowance of \$58,891	937,441
Total current assets	<u>5,253,782</u>
Noncurrent assets	
Advances to other funds	4,430,055
Unamortized bond issue costs	178,240
Capital assets not being depreciated	246,013
Capital assets, net of accumulated depreciation	8,922,620
Total noncurrent assets	<u>13,776,928</u>
Total assets	<u>19,030,710</u>
Liabilities	
Current liabilities	
Accounts payable	218,237
Accrued payroll and taxes	28,890
Accrued interest	97,100
General obligation bonds	390,000
Compensated absences	30,405
Total current liabilities	<u>764,632</u>
Long-term liabilities, net of current maturities	
General obligation bonds, net	6,405,861
Compensated absences	4,178
Total current liabilities	<u>6,410,039</u>
Total liabilities	<u>7,174,671</u>
Net Position	
Net investment in capital assets	6,674,589
Unrestricted	5,181,450
Total net position	<u>\$ 11,856,039</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Revenues, Expenses and Changes in Net Position -
Enterprise Fund
Year Ended April 30, 2013

	Business-Type Activities
	Water Fund
Operating revenues:	
Water sales	\$ 5,400,256
Water meter sales	8,744
Fines and forfeitures	176,269
Miscellaneous	16,169
Total operating revenues	<u>5,601,438</u>
Operating expenses:	
Operations	2,906,259
Depreciation	346,332
Amortization	16,677
Total operating expenses	<u>3,269,268</u>
Operating income	<u>2,332,170</u>
Non-operating income (expense):	
Interest income	10,885
Interest expense	(248,566)
Total non-operating expense	<u>(237,681)</u>
Income before transfers	2,094,489
Other financing (uses):	
Transfers (out)	<u>(1,500,000)</u>
Change in net position	594,489
Net position:	
May 1, 2012	<u>11,261,550</u>
April 30, 2013	<u><u>\$ 11,856,039</u></u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Enterprise Fund
Water Fund
Statement of Cash Flows
Year Ended April 30, 2013

	Business-Type Activities <u>Water Fund</u>
Cash Flows from Operating Activities	
Cash received from customers	\$ 5,613,620
Payments to employees	(613,188)
Payments to suppliers	(2,217,879)
Net cash provided by operating activities	<u>2,782,553</u>
Cash Flows from Non-Capital Financing Activities	
Increase in advance to other funds	(2,740,336)
Transfers out	(1,500,000)
Net cash used in non-capital financing activities	<u>(4,240,336)</u>
Cash Flows from Capital and Related Financing Activities	
Capital assets purchased	(72,540)
Principal payments	(315,000)
Cash payments for interest	(271,935)
Net cash used in capital and related financing activities	<u>(659,475)</u>
Cash flows from investing activities	
Cash receipts from interest income	<u>10,885</u>
Net decrease in cash and cash equivalents	(2,106,373)
Cash and cash equivalents:	
May 1, 2012	<u>6,422,714</u>
April 30, 2013	<u>\$ 4,316,341</u>

See Notes to Basic Financial Statements.

(Continued)

Village of Matteson, Illinois

Enterprise Fund

Water Fund

Statement of Cash Flows (Continued)

Year Ended April 30, 2013

	Business-Type Activities
	<u>Water Fund</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 2,332,170</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	346,332
Amortization	16,677
Changes in assets and liabilities:	
Accounts receivable	12,182
Accounts payable	46,480
Accrued payroll and compensated absences	<u>28,712</u>
Total adjustments	<u>450,383</u>
Net cash provided by operating activities	<u><u>\$ 2,782,553</u></u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Fiduciary Net Position
Pension Trust Funds
April 30, 2013

Assets

Cash and cash equivalents	\$ 111,904
Investments	
Municipal securities	628,867
U.S. government and agency securities	9,833,259
Corporate bonds	6,992,286
Equity securities	3,117,630
Equity mutual funds	16,098,980
Money market mutual funds	1,364,057
Accrued interest receivable	94,945
Prepaid expense	10,859
Due from the Village	11,538
Reserve Uncollectible - Interfund	(11,538)
Total assets	<u>38,252,787</u>

Liabilities

Accounts payable	<u>12,415</u>
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Net Position

Held in trust for employees' benefits	<u>\$ 38,240,372</u>
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See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2013

Additions

Contributions:

Employer	\$ 1,509,141
Participants	<u>572,884</u>
Total contributions	<u>2,082,025</u>

Investment income:

Net appreciation in fair value of investments	1,901,306
Interest earned	948,507
Less: Investment expenses	<u>(128,516)</u>
Net investment income	<u>2,721,297</u>

Total additions	<u>4,803,322</u>
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Deductions

Administration	100,851
Pension benefits and refunds	<u>2,913,982</u>
Total deductions	<u>3,014,833</u>

Net increase	1,788,489
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Net position held in trust for employees' benefits:

May 1, 2012	<u>36,451,883</u>
April 30, 2013	<u>\$ 38,240,372</u>

See Notes to Basic Financial Statements.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

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

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

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.

The Matteson Public Library issues a financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Finance Director at the Village of Matteson, 4900 Village Commons, Matteson, Illinois 60443.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements: The government-wide Statement of Net Position 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 Position presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

Net investment in capital assets 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.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is generally the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed. See page 22 for the Village's policy for the use of restricted resources by governmental funds other than the General Fund.

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 II Capital Fund – This capital projects fund accounts for the activities relating to Tax Incremental Finance District II.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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.

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.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Fund Balance

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.

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.

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 position.

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.

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 nonspendable 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. These amounts are reported as expenditures/expenses during the periods benefitted using the consumption method.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Capital Assets

Capital assets which include land, land improvements, buildings and improvements, machinery, furniture, and equipment, software, streets, sidewalks, storm sewers, sanitary sewers, water distribution system, traffic signals, streetlights, right of ways, easements 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 of business-type activities 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 Position 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, equipment and software	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.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Unearned/Deferred Revenue

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

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.

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 Position. 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.

Restricted Net Position

For the government-wide Statement of Net Position, net position 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; or

Imposed by law through constitutional provisions or enabling legislation.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Fund Equity

Within the governmental fund types, the Village's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village's highest level of decision-making authority rests with the Village Board of Trustees. The Village passes formal resolutions to commit their fund balances.

Assigned – includes amounts that are constrained by the Village's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village Board itself; or b) a body or official to which the Village Board has delegated the authority to assign amounts to be used for specific purposes. The Village Board has not delegated this authority to anyone at this time. Within the governmental fund types other than the General Fund, (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

It is the Village's policy for the General Fund to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

In other governmental funds (special revenue, capital projects and debt service fund types), it is the Village's policy to consider restricted resources to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Village first utilizes any assigned amounts, followed by committed and then restricted amounts.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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.

Capital Contributions

Capital contributions reported in the government wide and proprietary fund financial statements, if any, represent capital assets donated from outside parties, principally developers.

Note 2. 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, 2013, the carrying amount of the Village's deposits was \$13,940,489 with bank balances of \$13,783,982. All amounts were fully insured or collateralized.

As of April 30, 2013, the carrying amount of the Police and Firefighters' Pension deposits were \$107,587 and \$4,317 with bank balances of \$107,587 and \$4,317, respectively. The Pension Funds' investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Pension Funds' deposits with financial institutions. The Police and Firefighters' Pension deposits were entirely covered by federal depository insurance or collateralized with securities held by the pension funds or their respective agents in the pension funds' names.

As of April 30, 2013, the carrying amount of the Library's deposits was \$6,208,866. The Library's policy requires no collateral for investments in Federally Insured or Licensed Institutions permitted to hold public funds, provided that such investments shall not exceed federal insurance limits. Uninsured investments shall be collateralized by securities or mortgages in an amount equal to at least fair market value of the uninsured amount. 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 \$650 in petty cash on hand at April 30, 2013.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Investments

As of April 30, 2013, the Village had the following investments in debt securities:

Pension Trust Funds: Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 2,486,653	\$ 404,236	\$ 771,773	\$ 816,689	\$ 493,955
U.S. Treasury Bonds	-	-	-	-	-
U.S. agencies - GNMA	803,449	-	4,003	796,769	2,677
U.S. agencies - FFCB	1,143,075	-	1,143,075	-	-
U.S. agencies - FHLMC	173,249	-	173,249	-	-
U.S. agencies - FHLB	3,080,065	1,270,044	1,810,021	-	-
U.S. agencies - FNMA	880,239	-	770,830	-	109,409
Tennessee Valley Authority Bonds	1,266,529	-	-	1,266,529	-
Corporate bonds	6,992,286	-	4,262,403	2,418,339	311,544
Money market mutual funds	1,364,057	1,364,057	-	-	-
Municipal securities	628,867	-	135,392	112,238	381,237
	<u>\$ 18,818,469</u>	<u>\$ 3,038,337</u>	<u>\$ 9,070,746</u>	<u>\$ 5,410,564</u>	<u>\$ 1,298,822</u>

In addition, the Village held \$2,005,648 in money market accounts and \$2,262,811 in the Illinois Funds investment pool. These investments are 2a7 or 2a7-like pools that operate in conformity with the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, information on interest rate risk is not required.

The Library also had Illinois Funds investments of \$497 as of April 30, 2013.

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 Police and Firefighters' Pension Fund investment policies limit each fund's exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

The Illinois Funds Investment Pool is not registered with the SEC, but is a 2a7-like pool. The Pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Credit Risk. State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, 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 invest as allowed by the Illinois Pension Code. It is the Village's policy to limit its investments to the top rating issued by nationally recognized standard rating organizations (NRSROs). As of April 30, 2013, the Village's and Library's investments in the Illinois Funds were rated AAA by Standard & Poor's.

The Police and Firefighters' Pension Funds' investments in the securities of U.S. agencies were rated AAA by Standard & Poor's and Moody's Investors Service. The Firefighters' Pension Fund's investments in municipal securities were rated AA or higher as of April 30, 2013. The Police and Firefighter's Pension Funds' investments in money market mutual funds were not rated and corporate bonds were rated from Baa3 to AAA.

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.

At April 30, 2013, the Police Pension Fund has over 5% of plan net position invested in the Federal Farm Credit Bank (5.75%) and Federal Home Loan Bank (15.50%) and Tennessee Valley Authority Bonds 6.37%. The Police Pension Fund's investment policy specifies "the Board of Trustees consciously diversified the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio."

The Firefighters' Pension Fund does not have a formal written policy with regards to concentration of credit risk for investments. At April 30, 2013, the Firefighters' Pension Fund has over 5% of plan net position invested in the U.S. Treasury Notes 13.54%.

The Library's policy states that if funds invested in one of the securities exceeds federal deposit insurance limits, unless collateralized by securities or mortgages, the excess funds shall be moved to another federally insured institution.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Custodial Credit Risk. For an investment, this is the risk that, in the event of failure of the counterparty, the Village (Pension Funds/Library) will not be able to recover the value of investments or collateral securities that are in possession of an outside party. All investments are held by the Village's (Pension Funds/Library's) agent in their name. The Village's (Pension Funds') investment policy does not address custodial credit risk for investments.

As of April 30, 2013, the Pension Funds' investments that are not included in the totals include:

Equity securities	\$ 3,117,630
Equity mutual funds	<u>16,098,980</u>
	<u><u>\$ 19,216,610</u></u>

The above cash and investments totaling \$62,565,944 are reported in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Component Unit-Library	Fiduciary Funds	Total
Cash and cash equivalents	\$ 9,347,595	\$ 14,524	\$ 6,210,013	\$ 111,904	\$ 15,684,036
Restricted cash	4,545,012	4,301,817	-	-	8,846,829
Investments	-	-	-	38,035,079	38,035,079
Total	<u>\$ 13,892,607</u>	<u>\$ 4,316,341</u>	<u>\$ 6,210,013</u>	<u>\$ 38,146,983</u>	<u>\$ 62,565,944</u>

Note 3. 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.

The portion of the property taxes receivable which is earned, but 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 deferred unavailable revenue in the governmental funds. The Village considers 50 percent of the most recent tax levy (2012) to be earned in the current fiscal year (2013) with the remainder earned in the next fiscal year (2014) which is generally consistent with the dates each installment will be remitted by the County to the Village. The second portion of the 2012 tax levy is reported as deferred - unearned revenue in both the fund and government wide financial statements.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets

Governmental Activities

A summary of changes in capital assets for governmental activities of the Village for the year ended April 30, 2013 is as follows:

	Balance May 1, 2012	Additions	Retirements	Balance April 30, 2013
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,199,413	\$ -	\$ -	\$ 6,199,413
Rights of way	10,336,123	-	-	10,336,123
Construction in progress	345,328	1,860	180,252	166,936
Total capital assets not being depreciated	<u>16,880,864</u>	<u>1,860</u>	<u>180,252</u>	<u>16,702,472</u>
Capital assets being depreciated:				
Land improvements	4,794,004	-	-	4,794,004
Buildings and improvements	37,851,907	722,026	-	38,573,933
Machinery and equipment	10,208,590	523,862	-	10,732,452
Streets	22,709,582	-	-	22,709,582
Sidewalks	12,722,776	-	-	12,722,776
Storm sewers	29,730,366	-	-	29,730,366
Sanitary sewers	8,747,070	-	-	8,747,070
Streetlights	3,884,254	-	-	3,884,254
Traffic signals	309,500	-	-	309,500
Bridges	3,372,914	-	-	3,372,914
Total capital assets being depreciated	<u>134,330,963</u>	<u>1,245,888</u>	<u>-</u>	<u>135,576,851</u>
Less accumulated depreciation for:				
Land improvements	2,686,807	178,534	-	2,865,341
Buildings and improvements	5,472,002	758,785	-	6,230,787
Machinery and equipment	8,864,474	380,627	-	9,245,101
Streets	8,817,649	402,923	-	9,220,572
Sidewalks	6,004,054	262,985	-	6,267,039
Storm sewers	15,205,915	599,018	-	15,804,933
Sanitary sewers	4,155,988	179,714	-	4,335,702
Streetlights	3,012,950	97,098	-	3,110,048
Traffic signals	269,022	3,680	-	272,702
Bridges	868,982	67,459	-	936,441
Total accumulated depreciation	<u>55,357,843</u>	<u>2,930,823</u>	<u>-</u>	<u>58,288,666</u>
Total capital assets being depreciated, net	<u>78,973,120</u>	<u>(1,684,935)</u>	<u>-</u>	<u>77,288,185</u>
Governmental activities capital assets, net	<u>\$ 95,853,984</u>	<u>\$ (1,683,075)</u>	<u>\$ 180,252</u>	<u>\$ 93,990,657</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2013 is as follows:

	Balance, May 1, 2012	Additions	Retirements	Balance, April 30, 2013
<u>Business-type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 29,780	\$ -	\$ -	\$ 29,780
Contraction in progress	220,183	52,454	56,404	216,233
Total capital assets not being depreciated	<u>249,963</u>	<u>52,454</u>	<u>56,404</u>	<u>246,013</u>
Capital assets being depreciated:				
Buildings and improvements	1,495,065	-	-	1,495,065
Machinery, furniture and equipment	6,296,616	-	-	6,296,616
Water distribution system	7,112,986	76,489	-	7,189,475
Total capital assets being depreciated	<u>14,904,667</u>	<u>76,489</u>	<u>-</u>	<u>14,981,156</u>
Less accumulated depreciation for:				
Buildings and improvements	1,171,720	40,407	-	1,212,127
Machinery, furniture and equipment	2,702,113	172,990	-	2,875,103
Water distribution system	1,838,371	132,935	-	1,971,306
Total accumulated depreciation	<u>5,712,204</u>	<u>346,332</u>	<u>-</u>	<u>6,058,536</u>
Total capital assets being depreciated, net	<u>9,192,463</u>	<u>(269,843)</u>	<u>-</u>	<u>8,922,620</u>
Business-type activities capital assets, net	<u>\$ 9,442,426</u>	<u>\$ (217,389)</u>	<u>\$ 56,404</u>	<u>\$ 9,168,633</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Component Unit (Matteson Public Library)

A summary of changes in the capital assets for the Library during the year ended April 30, 2013 is as follows:

	Balance May 1, 2012	Additions	Retirements	Balance April 30, 2013
Capital assets not being depreciated:				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Capital assets being depreciated:				
Building	3,581,557	1,493	-	3,583,050
Furniture and fixtures	451,501	15,674	9,420	457,755
Site improvement	221,996	29,846	3,177	248,665
Equipment	75,642	4,822	-	80,464
Library collection	1,043,893	146,910	257,657	933,146
Total capital assets being depreciated	5,374,589	198,745	270,254	5,303,080
Less accumulated depreciation for:				
Building	2,063,218	121,033	-	2,184,251
Furniture and fixtures	405,955	11,232	9,420	407,767
Site improvements	124,220	8,376	3,177	129,419
Equipment	36,521	7,223	-	43,744
Library collection	580,308	179,150	257,657	501,801
Total accumulated depreciation	3,210,222	327,014	270,254	3,266,982
Total capital assets being depreciated, net	2,164,367	(128,269)	-	2,036,098
Capital assets, net	\$ 2,464,367	\$ (128,269)	\$ -	\$ 2,336,098

Depreciation Charged to Functions / Activities

Depreciation was charged to functions/activities as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 1,973,585	\$ -
Public safety	679,295	-
Public works	260,546	-
Recreational services	17,397	-
Water	-	346,332
	\$ 2,930,823	\$ 346,332

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. 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, 2013:

	May 1, 2012	Additions	Reductions	April 30, 2013	Due Within One Year
Alternate revenue / general obligation bonds:					
Series 1997B	\$ 350,000	\$ -	\$ 100,000	\$ 250,000	\$ 125,000
Series 2002B	620,000	-	205,000	415,000	205,000
Series 2003A	1,550,000	-	100,000	1,450,000	105,000
Series 2003B	1,865,000	-	415,000	1,450,000	415,000
Series 2004B	1,335,000	-	245,000	1,090,000	260,000
Series 2004C	2,305,000	-	1,110,000	1,195,000	215,000
Series 2006A	1,900,000	-	165,000	1,735,000	180,000
Series 2008	8,915,000	-	385,000	8,530,000	395,000
Series 2011B	2,295,000	-	-	2,295,000	-
Discount on general obligation bonds	(30,905)	-	(1,668)	(29,237)	-
Premium on general obligation bonds	142,854	-	10,500	132,354	-
Losses on refunding of general obligation bonds	(75,205)	-	(15,937)	(59,268)	-
Total alternate revenue / general obligation bonds	21,171,744	-	2,717,895	18,453,849	1,900,000
General obligation debt certificates:					
Series 2009	300,000	-	300,000	-	-
Series 2010	29,622,883	2,417,241 *	-	32,040,124	-
Discount on debt certificates	(339,723)	-	(19,236)	(320,487)	-
Total general obligation debt certificates	29,583,160	2,417,241	280,764	31,719,637	-
Capital leases	96,901	-	96,901	-	-
Compensated absences	783,540	559,948	626,900	716,588	502,938
Pension obligation	2,314,193	2,606,903	1,524,129	3,396,967	-
Other postemployment benefits obligation	83,940	319,390	205,333	197,997	-
	<u>\$ 54,033,478</u>	<u>\$ 5,903,482</u>	<u>\$ 5,451,922</u>	<u>\$ 54,485,038</u>	<u>\$ 2,402,938</u>

* Addition represents accreted interest on the bonds.

The General Fund is typically used to liquidate compensated absences, the pension obligation and other postemployment benefits obligation.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. 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, 2013:

	May 1, 2012	Additions	Reductions	April 30, 2013	Due Within One Year
Alternate revenue bonds:					
Series 2006	\$ 2,475,000	\$ -	\$ 230,000	\$ 2,245,000	\$ 240,000
Series 2011A	4,655,000	-	85,000	4,570,000	150,000
Discount on bonds	(20,575)	-	(1,436)	(19,139)	-
Total alternate revenue bonds	7,109,425	-	313,564	6,795,861	390,000
Compensated absences	17,114	46,758	29,289	34,583	30,405
	<u>\$ 7,126,539</u>	<u>\$ 46,758</u>	<u>\$ 342,853</u>	<u>\$ 6,830,444</u>	<u>\$ 420,405</u>

Component Unit

The Library has compensated absences outstanding of \$42,047, 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, 2013 is as follows:

Debt Issue	Pledged Revenue Source	Revenue	Principal and Interest Retired	Pledged Remaining	Commitment End Date	Principal and Interest as a Percentage of Pledged Revenue
Governmental Activities						
Series 1997B	TIF III Property Taxes	\$ 779,371	\$ 117,813	\$ 269,219	12/1/2014	15%
Series 2002B	Sales Taxes	4,914,671	226,705	437,295	12/1/2014	5%
Series 2003A	Utility Taxes	1,805,164	166,363	1,867,862	12/1/2023	9%
Series 2003B	Sales Taxes	4,914,671	481,075	1,562,250	12/1/2015	10%
Series 2004B	Sales Taxes	4,914,671	295,798	1,197,385	12/1/2016	6%
Series 2004C	TIF I, II, and IV Property Taxes	1,437,384	1,231,225	1,399,050	12/1/2017	86%
Series 2008	Utility Taxes	1,805,164	733,525	11,630,352	12/1/2027	41%
Series 2010	Sales, Income and Utility Taxes	8,758,471	-	69,796,200	12/1/2029	NA
Series 2011B	Sales Taxes	4,914,671	112,651	3,817,096	12/1/2030	2%
Business-Type Activities						
Series 2006	Waterworks Service Charges	5,400,256	324,248	2,658,240	12/1/2020	6%
Series 2011A	Waterworks Service Charges	5,400,256	262,687	6,099,309	12/1/2026	5%

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Long-term obligations outstanding for governmental activities 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>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
2014	\$ 125,000	\$ 12,813
2015	125,000	6,406
	<u>\$ 250,000</u>	<u>\$ 19,219</u>

General Obligation Refunding Bond (Alternate Revenue Source), Series 2002B

The Village issued general obligation (alternate revenue source) 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 3.40% to 3.60%. The Village has pledged future sales tax revenue in the General Fund for the repayment of these bonds. Debt service requirements for these bonds are as follows:

	<u>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
2014	\$ 205,000	\$ 14,735
2015	210,000	7,560
	<u>\$ 415,000</u>	<u>\$ 22,295</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

General Obligation Bonds (Alternate Revenue Source), Series 2003A

The Village issued general obligation bonds, (utility tax alternate revenue source), Series 2003A 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 3.60% to 4.7%. The Village has pledged future utility tax revenue in the General Fund 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>
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>\$ 1,450,000</u>	<u>\$ 417,862</u>

General Obligation Refunding Bonds (Alternate Revenue Source), Series 2003B

The Village issued general obligation refunding bonds utility tax (alternate revenue source), Series 2003B 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 sales tax revenue in the General Fund 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>
2014	\$ 415,000	\$ 52,380
2015	440,000	37,855
2016	595,000	22,015
	<u>\$ 1,450,000</u>	<u>\$ 112,250</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

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

The Village issued alternate revenue 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 3.75% to 4.00%. The Village has pledged future sales tax revenues in the General Fund for the repayment of these bonds. Debt service requirements for these bonds are as follows:

	<u>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
2014	\$ 260,000	\$ 41,610
2015	270,000	32,250
2016	275,000	22,125
2017	285,000	11,400
	<u>\$ 1,090,000</u>	<u>\$ 107,385</u>

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>Principal</u>	<u>Interest</u>
<u>Year ending April 30:</u>		
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>\$ 1,195,000</u>	<u>\$ 204,050</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

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 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>
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>\$ 1,735,000</u>	<u>\$ 329,400</u>

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

The Village issued alternate revenue general obligation bonds, Series 2008, on April 7, 2008 to finance the construction of a community center within the Village. The bonds are due semiannually on June 1 and December 1 through 2027, bearing interest at 3.50% to 4.00%. The Village has pledged future utility tax revenue in the General Fund 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>
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>\$ 8,530,000</u>	<u>\$ 3,100,352</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

General Obligation Refunding Bonds (Sales Tax Alternate Revenue Source) Series 2011B

The Village issued alternative revenue source general obligation bonds, Series 2011B, on September 7, 2011. The 2011B bond proceeds were used to currently refund the principal and interest due on December 1, 2011 on the Village's General Obligation Alternate Refunding Bonds, Series 2002B, General Obligation Bonds (Utility Tax Alternate Revenue Source), Series 2003A, General Obligation Refunding Bonds (Alternate Revenue Source), Series 2003B, General Obligation Refunding Bonds (Alternate Revenue Source), Series 2004A, General Obligation Refunding Bonds (Alternate Revenue Source), Series 2004B, and General Obligation Bonds (Utility Tax Alternate Revenue Source), Series 2008, and to pay the costs of issuing the Series 2011B Bonds. The bonds are due serially on April 30 through 2031, bearing interest at 3.875% to 4.25%. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ -	\$ 94,313
2015	-	94,313
2016	-	94,313
2017	-	94,313
2018	-	94,313
2019	-	94,313
2020	-	94,313
2021	-	94,313
2022	-	94,313
2023	-	94,313
2024	-	94,313
2025	-	94,313
2026	-	94,313
2027	420,000	94,313
2028	440,000	78,038
2029	460,000	60,988
2030	475,000	41,438
2031	500,000	21,250
	<u>\$ 2,295,000</u>	<u>\$ 1,522,096</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Capital Appreciation Debt Certificates, Series 2010

The Village issued debt certificates, Series 2010 on April 26, 2010 for the remaining construction costs for the community center and various capital projects over the next 2-3 fiscal years. The certificates are due semiannually on June 1 and December 1 through 2029, bearing interest of 8.00% per annum. The Village has pledged future sales, utility and income taxes for the repayment of these debt certificates. Debt service requirements for these certificates are as follows:

Year ending April 30,	Accretion	Debt Service Requirements			Remaining Principal Balance
		Principal	Interest	Compound Interest	
2010	\$ -	\$ -	\$ -	\$ -	\$ 25,297,202
2011	2,090,985	-	-	-	27,388,187
2012	2,234,696	-	-	-	29,622,883
2013	2,417,239	-	-	-	32,040,122
2014	2,614,491	-	-	-	34,654,613
2015	2,827,868	-	-	-	37,482,481
2016	3,058,502	-	-	-	40,540,983
2017	1,894,017	-	-	-	42,435,000
2018	-	1,177,377	3,394,800	797,623	40,460,000
2019	-	1,269,778	3,236,800	860,222	38,330,000
2020	-	1,374,103	3,066,400	930,897	36,025,000
2021	-	1,481,408	2,882,000	1,003,592	33,540,000
2022	-	1,600,636	2,683,200	1,084,364	30,855,000
2023	-	1,728,806	2,468,400	1,171,194	27,955,000
2024	-	1,868,899	2,236,400	1,266,101	24,820,000
2025	-	2,017,934	1,985,600	1,367,066	21,435,000
2026	-	2,178,892	1,714,800	1,476,108	17,780,000
2027	-	2,351,772	1,422,400	1,593,228	13,835,000
2028	-	2,539,556	1,106,800	1,720,444	9,575,000
2029	-	2,745,225	766,000	1,859,775	4,970,000
2030	-	2,962,816	397,600	2,007,184	-
	<u>\$ 17,137,798</u>	<u>\$ 25,297,202</u>	<u>\$ 27,361,200</u>	<u>\$ 17,137,798</u>	

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. 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%. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 240,000	\$ 85,910
2015	250,000	77,210
2016	265,000	68,148
2017	275,000	58,342
2018	285,000	48,030
2019	295,000	37,200
2020	310,000	25,400
2021	325,000	13,000
	<u>\$ 2,245,000</u>	<u>\$ 413,240</u>

General Obligation Bonds (Waterworks System Alternate Revenue Source) Series 2011A

The Village issued general obligation bonds on September 7, 2011 to provide financing to pay for the acquisition costs, construction, and installation of a new water tower, water main improvements and extension and other improvements to the waterworks and sewerage system. The bonds are due serially on December 1 through 2026, bearing interest at 2.00% to 3.875%. Debt service requirements for these bonds are as follows:

<u>Year ending April 30:</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 150,000	\$ 147,061
2015	150,000	144,061
2016	150,000	141,061
2017	150,000	138,061
2018	155,000	135,061
2019	160,000	131,380
2020	160,000	127,580
2021	165,000	122,980
2022	510,000	118,236
2023	525,000	102,299
2024	545,000	85,893
2025	560,000	66,273
2026	590,000	46,113
2027	600,000	23,250
	<u>\$ 4,570,000</u>	<u>\$ 1,529,309</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Legal Debt Margin

Equalized Assessed Valuation (2012 Tax Year)		<u>\$ 431,160,302</u>
Bond debt limit - 8.625% of assessed value		\$ 37,187,576
Amount of debt applicable to debt limit -		
GO Refunding Bond (Alt Rev Source), Series 2002B	\$ 415,000	
GO Bonds (Alt Rev Source), Series 2003A	1,450,000	
GO Refunding Bonds (Alt Rev Source), Series 2004B	1,090,000	
GO Refunding Bonds, Series 2006A	1,735,000	
GO Bonds (Utility Tax Alt Rev Source), Series 2008	8,530,000	
Capital Appreciation Debt Certificates, Series 2010	25,297,202	
GO Refunding Bonds (Sales Tax Alt Rev Source), Series 2011B	<u>2,295,000</u>	
Total Applicable Debt		<u>40,812,202</u>
Legal Debt Margin		<u>\$ (3,624,626)</u>

Bonds that are paid with alternate revenue sources are typically not included in the legal debt margin calculation; however, the alternate revenue source bonds listed above (all except for the 2006A bonds) are included in the 2012 tax year legal debt margin calculation since they were included in the 2012 levy.

Note 6. Pension and Retirement Plan Commitments

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

Illinois Municipal Retirement Fund

Plan Description. The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Information related to the employer's contribution and three-year trend information is on a fiscal year basis. The actuarial information and schedule of funding progress are on a calendar year basis as that is the year used by IMRF.

Funding Policy. As set by statute, plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar year 2013 and 2012 were 15.21 percent and 14.47 percent, respectively. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For fiscal year 2013, the Village's annual pension cost of \$759,855 for the Regular plan was equal to the Village's required and actual contributions.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Three-Year Trend Information for the Regular Plan

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2013	\$ 759,855	100%	\$ -
4/30/2012	706,366	100%	-
4/30/2011	662,596	100%	-

The required contribution for the calendar year 2012 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .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 the Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 69.43 percent funded. The actuarial accrued liability for benefits was \$15,873,079 and the actuarial value of the assets was \$11,021,118, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,851,961. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$5,169,783 and the ratio of the UAAL to the covered payroll was 94.0 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

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 May 1, 2013.

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 2013 was 39.15% of covered payroll.

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 Finance Director at the Village of Matteson, 4900 Village Commons, Matteson, Illinois 60443.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2013 were as follows:

Annual required contribution	\$ 1,281,270
Interest on net pension obligation	134,249
Adjustment to annual requirement contribution	<u>(121,690)</u>
Annual pension cost	1,293,829
Contributions made	<u>794,327</u>
Increase in net pension obligation	499,502
Net pension obligation, beginning of year	<u>1,988,870</u>
Net pension obligation, end of year	<u><u>\$ 2,488,372</u></u>

The annual required contribution for the year ended April 30, 2013, was determined as part of the May 1, 2013, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 6.75% investment rate of return, (b) projected salary increases of 4.0%, (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 five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as level dollar on a closed basis. The remaining amortization period at April 30, 2013, was 15 years.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

As of May 1, 2013, the most recent actuarial valuation date, the plan was 55.70% funded. The actuarial accrued liability for benefits was \$37,636,269 and the actuarial value of the assets was \$20,964,680, resulting in an underfunded actuarial accrued liability (UAAL) of \$16,671,589. The covered payroll (annual payroll of active employees covered by the plan) was \$2,872,672 and the ratio of the UAAL to the covered payroll was 580.35%.

The schedule of funding progress, presented as RSI following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
4/30/2013	\$ 1,293,829	\$ 794,327	61.39%	\$ 2,488,372
4/30/2012	1,341,042	830,002	61.89%	1,988,870
4/30/2011	1,162,001	691,836	59.54%	1,477,830

Membership in the plan consisted of the following as of May 1, 2013:

Retirees and beneficiaries currently receiving benefits and	
Terminated plan members entitled to but not yet receiving benefits	28
Active plan members	37
Total	65

Firefighters' Pension Plan

Firefighter 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 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 Firefighters' Pension Plan's most recent actuarial valuation was as of May 1, 2012.

Costs of administering the Plan are financed through employee and employer contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' 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 2012 was 20.60% of covered payroll.

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

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2013 were as follows:

Annual required contribution	\$ 1,310,255
Interest on net pension obligation	21,959
Adjustment to annual requirement contribution	(19,140)
Annual pension cost	<u>1,313,074</u>
Contributions made	<u>729,802</u>
Increase in net pension obligation	583,272
Net pension obligation, beginning of year	<u>325,323</u>
Net pension obligation, end of year	<u><u>\$ 908,595</u></u>

The annual required contribution for the year ended April 30, 2013, was determined as part of the May 1, 2012, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 6.75% investment rate of return, (b) projected salary increases of 5.50%, (c) 3.0% per year cost of living adjustments, and (d) inflation of 3.00% per year. The actuarial value of Firefighters' Pension assets was at market value. The Firefighters' Pension Plan's unfunded actuarial liability is being amortized as a level dollar of payroll on a closed basis. The remaining amortization period at May 1, 2012, was 30 years.

As of May 1, 2012, the most recent actuarial valuation date, the plan was 60.19% funded. The actuarial accrued liability for benefits was \$29,734,169 and the actuarial value of the assets was \$17,897,282, resulting in an underfunded actuarial accrued liability (UAAL) of \$11,836,887. The covered payroll (annual payroll of active employees covered by the plan) was \$2,712,425 and the ratio of the UAAL to the covered payroll was 436.39%.

The schedule of funding progress, presented as RSI following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
4/30/2012	\$ 1,313,074	\$ 729,802	55.58%	\$ 908,595
4/30/2011	918,939	683,817	74.41%	268,403
4/30/2010	720,980	699,890	97.07%	33,281

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Membership in the plan consisted of the following as of May 1, 2012:

Retirees and beneficiaries receiving benefits	19
Terminated plan members entitled to but not yet receiving benefits	2
Active plan members	<u>35</u>
 Total	 <u><u>56</u></u>

**Pension Trust Funds
Combining Statement of Fiduciary Net Position
April 30, 2013**

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 107,587	\$ 4,317	\$ 111,904
Investments:			
Municipal securities	-	628,867	628,867
U.S. government and agency securities	6,281,906	3,551,353	9,833,259
Corporate bonds	3,140,183	3,852,103	6,992,286
Equity securities	-	3,117,630	3,117,630
Equity mutual funds	9,619,506	6,479,474	16,098,980
Money market mutual funds	693,032	671,025	1,364,057
Accrued interest receivable	31,696	63,249	94,945
Prepaid expense	2,833	8,026	10,859
Due from the Village	11,538	-	11,538
Reserve Uncollectible - Interfund	(11,538)	-	(11,538)
 Total assets	 <u>19,876,743</u>	 <u>18,376,044</u>	 <u>38,252,787</u>
Liabilities and Net Position			
Liabilities			
Accounts payable	<u>3,117</u>	<u>9,298</u>	<u>12,415</u>
 Total liabilities	 <u>3,117</u>	 <u>9,298</u>	 <u>12,415</u>
Net Position			
Held in trust for employees' benefits	<u>\$ 19,873,626</u>	<u>\$ 18,366,746</u>	<u>\$ 38,240,372</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
Year Ended April 30, 2013

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions:			
Employer	\$ 782,789	\$ 726,352	\$ 1,509,141
Participants	330,349	242,535	572,884
Total contributions	1,113,138	968,887	2,082,025
Investment income:			
Net appreciation in fair value of investments	1,023,616	877,690	1,901,306
Interest earned	439,263	509,244	948,507
Less: Investment expenses	(37,843)	(90,673)	(128,516)
Net investment income	1,425,036	1,296,261	2,721,297
Total additions	2,538,174	2,265,148	4,803,322
Deductions			
Administration	41,352	59,499	100,851
Pension benefits and refunds	1,758,928	1,155,054	2,913,982
Total deductions	1,800,280	1,214,553	3,014,833
Net increase	737,894	1,050,595	1,788,489
Net position held in trust for employees' benefits:			
May 1, 2012	19,135,732	17,316,151	36,451,883
April 30, 2013	<u>\$ 19,873,626</u>	<u>\$ 18,366,746</u>	<u>\$ 38,240,372</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 7. 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 was self-insured for employee health and accident claims through December 31, 2010.

On January 1, 2011, the Village joined together with other municipalities in the State of Illinois to participate in the Illinois Counties Risk Management Trust (ICRMT), a public entity risk pool currently operating as a common risk management and insurance program for over 200 members. The Village pays premiums to ICRMT for property and casualty and worker's compensation coverage. The formation agreement for ICRMT provides that ICRMT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 under property and casualty and \$1,000,000 under worker's compensation for each insured event. Prior to January 1, 2011, the Village had commercial insurance coverage for this type of insurance.

The Village did not exceed its insurance coverage under any plan during the years ended April 30, 2013, 2012 or 2011.

Note 8. 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 final payment of \$246,428 was made in fiscal year 2012 on this agreement ending the commitment.

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, 2013, this amounted to \$1,732,900.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 9. Other Fund Disclosures (FFS Level Only)

Advances To/From Other Funds

Interfund advances for the Village at April 30, 2013, are shown as follows:

Fund	Advances To Other Funds
Major Governmental Fund, Tax Incremental Finance District II, Other Nonmajor Governmental Funds	\$ 592,397
Major Enterprise Fund, Water Fund, General Fund	4,430,055
Nonmajor Governmental Funds: General	4,573,565
Other Nonmajor Governmental Funds	<u>466,639</u>
	<u><u>\$ 10,062,656</u></u>

Fund	Advances from Other Funds
Major Governmental Fund: General Fund, Water Fund Nonmajor Governmental Funds	\$ 4,430,055 4,573,565
Nonmajor Governmental Funds: Tax Incremental Finance District II Other Nonmajor Governmental Funds	592,397 <u>466,639</u>
	<u><u>\$ 10,062,656</u></u>

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

Note 10. Individual Fund Disclosures (FFS Level Only)

Transfers In/Out

The interfund transfers in and out for the year ended April 30, 2013, are as follows:

<u>Fund</u>	<u>Transfer Reason</u>	<u>Transfers In</u>
Major Governmental Funds:		
General Fund:		
Water Fund	Budgeted transfer to support General Fund	\$ 1,500,000
Nonmajor Governmental Funds	Reimbursement of expenditures and to close funds	3,340,160
Nonmajor Governmental Funds:		
General Fund	Debt service payments and to close funds	2,600,883
Other Nonmajor Governmental Funds	Various reasons	<u>6,363,645</u>
Total		<u>\$ 13,804,688</u>

<u>Fund</u>	<u>Transfer Reason</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund,		
Nonmajor Governmental Funds	Debt service payments and to close funds	\$ 2,600,883
Nonmajor Governmental Funds:		
General Fund	Reimbursement of expenditures and to close funds	3,340,160
Other Nonmajor Governmental Funds	Debt service payments	6,363,645
Major Enterprise Funds,		
Water Fund,		
General Fund	Budgeted transfer to support General Fund	<u>1,500,000</u>
Total		<u>\$ 13,804,688</u>

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 10. Individual Fund Disclosures (FFS Level Only) (Continued)

Deficit Fund Balances

As of April 30, 2013, the following funds had deficit fund balances:

	Amount	Financing
General	\$ (8,036,993)	see below
Tax Increment Finance District IV Capital Projects	(155,607)	Transfer from TIF IV Debt Service Fund
2002B General Obligation Refunding Bonds	(169,953)	Sales taxes
2004B General Obligation Refunding Bonds	(221,807)	Sales taxes
Tax Increment Finance District V Capital Projects	(47,750)	Property taxes
Tax Increment Finance District VI Capital Projects	(24,779)	Property taxes

During fiscal year 2014, the Village has strengthened the accounting policies and procedures to assist the Village in not exceeding budgeted amounts as in prior years. Although the Village passed a 2014 budget projecting a General Fund loss of \$1,278,372, the Village has increased budget discipline and does not anticipate exceeding this amount.

The Village is currently in the process of developing a long range plan which mainly focuses on addressing the significant deficit in the General Fund. There are three main areas related to this plan:

- (1) Obtain home rule status to balance the budget
- (2) Repaying interfund borrowings and restoring the general fund balance
- (3) Providing for the repayment of future debt

This long range plan projects General Fund activity through fiscal year 2032. It extends through this time period in order to address all future debt service obligations as well as plans for funding these obligations, specifically the Series 2010 capital appreciation debt certificates that begin maturing in fiscal year 2018.

Listed below are some of the major components of the long range financial plan the Village is currently considering:

- (1) Going to voters in November 2014, with a referendum to increase the capped portion of the Village's levy, with either a home rule status request or an increase to the limiting rate
- (2) Going to voters with a referendum to increase sales tax by one or two 0.25% increments
- (3) If a referendum does not pass, the Village plans to decrease expenses in the remaining months of fiscal year 2015 and subsequent years based on the amount of revenue available. (The Village is currently analyzing these possible reductions.)
- (4) Limiting new sales tax incentives to be issued out of the General Fund
- (5) No new General Fund borrowings
- (6) Overhead allocations from Water and Sewer Funds for General Fund expenditures that benefit those funds
- (7) Slowly re-introduce capital improvements beginning in fiscal year 2016

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 10. Individual Fund Disclosures (FFS Level Only) (Continued)

The Village is in the process of creating a Financial Strategy Committee in order to strategize, adjust and monitor the process of the long range financial plan. When the components of the plan are accomplished, the Village will be restored to an improved financial position.

The following funds over-expended the budget for the year ended April 30, 2013 by the following amounts:

	<u>Amount</u>
General	\$ 3,042,578
Tax Increment Finance District II Capital Projects	126,577
Vehicle License	32,214
1997B Village Hall / Village Green TIF III Bonds	1
2008 General Obligation Bonds	411
Tax Increment Finance District IV Capital Projects	61,880

Note 11. Postemployment Healthcare Plan

Plan Description. The Village provides limited health care insurance coverage for its eligible retired employees. This is a single-employer plan. The plan does not issue a publicly available financial report.

Funding Policy. The required contribution is based on projected pay-as-you-go financing requirements. Eligible disabled pensioners receive coverage under the Village's health plan with an employer contribution rate of 100% of the premiums for the coverage elected by the retiree. There is also an implicit rate subsidy of 20% related to all Village retirees. The Village contributed \$205,333 to the plan during fiscal year 2013.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 11. Postemployment Healthcare Plan (Continued)

The following table shows the components of the Village's annual OPEB cost for the year ended April 30, 2013, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation to the plan:

Annual required contribution	\$ 319,390
Interest on net OPEB obligation	-
Adjustment to annual requirement contribution	-
Annual OPEB cost	<u>319,390</u>
Contributions made	<u>205,333</u>
Increase in net OPEB obligation	114,057
Net OPEB obligation, beginning of year	<u>83,940</u>
Net OPEB obligation, end of year	<u><u>\$ 197,997</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2013	\$ 319,390	64.29%	\$ 197,997
4/30/2012	193,365	74.54%	83,940
4/30/2011	195,609	111.12%	34,715

Funded Status and Funding Progress. As of April 30, 2013 the plan was not funded. The actuarial accrued liability for benefits was \$5,066,338, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,066,338. The covered payroll (annual payroll of active employees covered by the Plan) was \$10,766,843 and the ratio of the UAAL to the covered payroll was 47.1%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined reporting the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Village of Matteson, Illinois

Notes to Basic Financial Statements

Note 11. Postemployment Healthcare Plan (Continued)

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employee and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent discount rate (includes inflation at 3.0 percent) annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 6.0 percent, and anticipated participation of 20 percent to 100 percent based on position of employee. Market value was used for assets. The UAAL is being amortized as a level percentage of projected payroll on an open basis over a 29-year period.

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 a percentage of the total sales taxes and business district taxes received by the Village as a result of sales made by these retail stores. During the year ended April 30, 2013, the Village expended a total of \$1,566,686 under these agreements.

Note 13. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, will be effective for the Village beginning with its year ending April 30, 2014. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

GASB Statement No. 65, *Items Previously Recorded as Assets and Liabilities* reclassifies, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses) or inflows of resources (revenues), items that were previously reported as assets or liabilities. This will be effective for the Village for the year ending April 30, 2014.

GASB Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, will be effective for the Village beginning with its year ending April 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

Village of Matteson, Illinois

Notes to Basic Financial Statements

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

GASB Statement No. 67, *Financial Reporting for Pension Plans*, will be effective for the Village beginning with its year ended April 30, 2015. This Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. This Statement enhances note disclosures and RSI for both defined benefit and defined contribution pension plans and requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, will be effective for the Village beginning with its year ended April 30, 2016. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, will be effective for the Village beginning with its year ending April 30, 2015. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, will be effective for the Village beginning with its year ending April 30, 2015. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range.

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

Note 14. Contingent Liability

The Village is a defendant in a lawsuit. The outcome of this lawsuit is not presently determinable and the affect on the financial condition of the Village is unknown.

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)
12/31/2012	\$ 11,021,118	\$ 15,873,079	\$ 4,851,961	69.43 %	\$ 5,169,783	93.85 %
12/31/2011	11,000,537	15,945,747	4,945,210	68.99	4,946,319	99.98
12/31/2010	10,257,970	14,662,627	4,404,657	69.96	4,715,783	93.40

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$11,436,221. On a market basis, the funded ratio would be 72.05%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Village of Matteson. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Village of Matteson, Illinois

**Schedule of Funding Progress and Employer Contributions
Police Pension Fund**

Funding Progress:

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)
5/1/2013	\$ 20,964,680	\$ 37,636,269	\$ 16,671,589	55.70 %	\$ 2,872,672	580.35 %
5/1/2012	20,655,588	35,503,856	14,848,268	58.18	2,865,964	518.09
5/1/2011	21,454,081	33,277,754	11,823,673	64.47	2,986,768	395.87

Employer Contributions:

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
5/1/2013	\$ 1,281,270	61.00 %
5/1/2012	1,362,578	60.00
5/1/2011	1,153,986	59.00

N/A – actuarial valuation not performed

Village of Matteson, Illinois

**Schedule of Funding Progress and Employer Contributions
Firefighters' Pension Fund**

Funding Progress:

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)
5/1/2012	\$ 17,897,282	\$ 29,734,169	\$ 11,836,887	60.19 %	\$ 2,712,425	436.39 %
5/1/2011	16,925,371	24,885,557	7,960,186	68.01	2,672,796	297.82
5/1/2010	N/A	N/A	N/A	N/A	N/A	N/A

Employer Contributions:

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
5/1/2012	\$ 1,310,255	55.70 %
5/1/2011	844,843	94.11
5/1/2010	916,609	74.60

N/A – actuarial valuation not performed

Village of Matteson, Illinois

Schedule of Funding Progress and Employer Contributions
Postemployment Healthcare Plan

Funding Progress:

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(2)-(1) Unfunded AAL (UAA)	(1)/(2) Funded Ratio	(3) Covered Payroll	UAAL as a Percentage of Covered Payroll ((2-1)/3)
4/30/2013	\$ -	\$ 5,066,338	\$ 5,066,338	- %	10,766,843	47.1 %
4/30/2012	-	5,066,338	5,066,338	-	10,291,449	49.2
4/30/2010	-	3,822,477	3,822,477	-	10,796,939	35.4

Village of Matteson, Illinois

**General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Year Ended April 30, 2013**

	2013		
	Original and Final Budget	Actual	Variance
Revenues:			
Sales taxes, net	\$ 4,775,000	\$ 4,914,671	\$ 139,671
Property taxes	2,895,000	4,322,459	1,427,459
Other taxes	3,399,200	4,327,721	928,521
Licenses and permits	318,000	379,039	61,039
Charges for services	1,840,500	2,256,859	416,359
Intergovernmental	135,000	191,984	56,984
Fines and forfeitures	362,000	395,786	33,786
Interest	25,000	10,839	(14,161)
Recreation programs	816,500	1,311,428	494,928
Miscellaneous	131,700	138,535	6,835
Total revenues	14,697,900	18,249,321	3,551,421
Expenditures:			
Current:			
General government	400,002	306,747	93,255
General operations	964,900	3,922,725	(2,957,825)
Administrative services	439,915	388,839	51,076
Human resources	265,999	227,245	38,754
Finance	607,676	476,907	130,769
Community development	1,082,961	1,047,298	35,663
Public safety services	9,695,068	11,729,563	(2,034,495)
Public works	1,432,636	1,478,214	(45,578)
Recreational services	1,712,048	2,015,549	(303,501)
Capital	2,416,400	467,095	1,949,305
Debt service:			
Principal retirement	58,274	58,275	(1)
Interest and fees	3,374	3,374	-
Total expenditures	19,079,253	22,121,831	(3,042,578)
Deficiency of revenue under expenditures	(4,381,353)	(3,872,510)	508,843
Other financing sources (uses):			
Bond proceeds	1,178,600	-	(1,178,600)
Transfers in	1,880,000	4,840,160	2,960,160
Transfers out	(918,998)	(2,600,883)	(1,681,885)
Total other financing sources (uses)	2,139,602	2,239,277	99,675
Change in fund balance	\$ (2,241,751)	(1,633,233)	\$ 608,518
Fund balance (deficit):			
Beginning of year		(6,403,760)	
End of year		<u>\$ (8,036,993)</u>	

See Note to Required Supplementary Information.

Village of Matteson, Illinois

Note to Required Supplementary Information

Note 1. Budget Information

Budgetary Process

- a) The Village Administrator and Finance Director 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.
- d) Formal budgetary integration is employed as a management control device during the year for the general fund, certain special revenue funds, debt service funds and capital projects fund.
- e) Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund and most special revenue funds, debt service funds, and capital projects fund. The water fund also adopts a budget. The following funds did not adopt an annual budget:
 - Drug Forfeiture (Special Revenue)
 - Foreign Fire Insurance (Special Revenue)
 - Special Purpose (Special Revenue)
 - Quality of Life (Special Revenue)
 - Lincoln/Governors Business District (Special Revenue)
 - Matteson Gateway Business District (Special Revenue)
 - Lincoln/Cicero Business District (Special Revenue)
 - 2001 General Obligation Bonds (Debt Service)
 - 2002 General Obligation Debt Certificates (Debt Service)
 - 2004 General Obligation Capital Equipment Bonds (Debt Service)
 - 2010 Debt Certificates (Debt Service)
 - Community Center (Capital Projects)
 - Tax Increment Finance District V (Capital Projects)
 - Tax Increment Finance District VI (Capital Projects)
 - Old Plank Road Trail (Capital Projects)
 - Auto Mall (Capital Projects)
 - Capital Equipment (Capital Projects)
- 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 administration 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.

Budget Over Expenditures

The General Fund over-expended its budget by \$3,042,578 for the year ended April 30, 2013.

Supplementary Information

Village of Matteson, Illinois

General Fund
 Schedule of General Fund Revenues - Budget and Actual
 Year Ended April 30, 2013

	Original and Final Budget	Actual
Revenues:		
Sales tax, net	\$ 4,775,000	\$ 4,914,671
Property taxes:		
Property tax	2,750,000	4,153,514
Road and bridge tax	145,000	168,945
Total property taxes	2,895,000	4,322,459
Other taxes:		
Income tax	1,300,000	2,038,636
Replacement tax	135,000	152,350
Utility tax	1,311,000	1,805,164
Sales use tax	225,000	305,056
Business district tax	400,000	-
Miscellaneous taxes	28,200	26,515
Total other taxes	3,399,200	4,327,721
Licenses and permits:		
Business licenses	55,000	71,300
Liquor licenses	30,000	30,696
Vending machine licenses	10,000	10,975
Miscellaneous licenses	-	1,058
Tobacco licenses	2,500	1,625
Contractor's licenses	40,000	48,800
Building permits	75,000	97,420
Special events permits	500	280
Electrical permits	15,000	16,716
Plumbing permits	15,000	14,171
Mechanical permits	15,000	11,644
Alarm permits	50,000	58,904
Fire permits	10,000	15,450
Total licenses and permits	318,000	379,039

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Revenues - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Revenues: (continued)		
Charges for services:		
Existing structure	\$ 30,000	\$ 56,783
Inspections and re-inspections	5,000	7,975
Fire re-inspections	1,000	2,900
Engineering, construction inspection	-	6,900
Engineering review fees	5,000	14,229
Development fees - fire	1,000	-
Plan review income	10,000	18,780
Scavenger services	1,000,000	1,321,780
Senior programs	-	130
Yard waste stickers	20,000	6
Police reports	1,000	4,276
Fire reports	500	760
Fire protection agreements	137,000	145,486
Ambulance service	300,000	378,792
Planning and review fees	20,000	26,568
Administrative fees	5,000	20,232
Payroll processing	5,000	7,624
Health inspections	5,000	12,875
Park facility rental	120,000	25,197
Cable franchise fee	150,000	202,634
Gas franchise fee	25,000	-
Police and fire applications	-	2,932
Total charges for services	1,840,500	2,256,859
Intergovernmental:		
Police COPS grant	135,000	150,551
Other reimbursed salaries	-	6,099
Fire training reimbursement	-	35,334
Total intergovernmental	135,000	191,984
Fines and forfeitures:		
Traffic and parking	120,000	152,665
Court fines	40,000	50,683
MSI court fines (building)	10,000	8,958
False alarm fines-police	15,000	21,370
False alarm fines-fire	2,000	850
Other fines and penalties	175,000	161,260
Total fines and forfeitures	362,000	395,786

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Revenues - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Revenues: (continued)		
Interest income	\$ 25,000	\$ 10,839
Recreation programs:		
Daily fees	2,500	18,497
MCC massage therapy	1,750	311
Concession stand receipts	33,000	26,501
Resident yearly membership	400,000	495,212
Non-resident yearly membership	175,000	242,751
Sponsorship	25,000	4,428
Personal training	-	2,186
Room rentals	-	141,446
Special fitness classes	5,250	10,294
Swim classes	22,750	61,237
Youth swim and gym	20,000	41,775
Nursery	2,000	3,756
Youth baseball	9,800	4,050
Swim programs	3,500	-
Enrollment fee	20,000	-
Youth basketball	17,500	12,294
Rec programs-summer	12,250	46,101
Rec programs-fall	21,000	45,067
Rec programs-winter	26,250	91,303
Preschool-fall	-	63
Halloween carnival	-	989
Open gym	-	731
Kiddie kamp	2,450	7,090
Day camp	14,000	49,740
Cast camp donations	-	5,606
Matteson family days	2,500	-
Total recreation programs	816,500	1,311,428
Miscellaneous:		
Southcom utility payments	4,200	3,850
Tower rent	75,000	50,217
Sale of equipment	25,000	27,792

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Revenues - Budget and Actual (Continued)

Year Ended April 30, 2012

	Original and Final Budget	Actual
Miscellaneous (continued):		
Cook County fuel tax refund	\$ 7,500	\$ -
Car fire reimbursement	2,000	2,280
Returned check fees	3,500	3,885
Unity day ticket revenue	1,500	2,127
Scrap sales	-	2,604
EHRC committee revenue	2,000	3,023
Miscellaneous revenues	11,000	42,757
Total miscellaneous	<u>131,700</u>	<u>138,535</u>
Total general fund revenues	<u>\$ 14,697,900</u>	<u>\$ 18,249,321</u>

Village of Matteson, Illinois

**General Fund
Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2013**

	Original and Final Budget	Actual
Expenditures:		
General government:		
Executive/legislative department:		
Village president salary	\$ 10,509	\$ 10,835
Board trustees' salaries	69,000	69,824
Commissioner salary	4,991	5,146
FICA taxes	5,239	5,046
IMRF taxes	4,465	4,848
Medicare taxes	1,225	1,180
Health insurance	24,076	26,687
Lincoln financial - life	27	321
Workmen's compensation	338	338
Office supplies	300	288
Materials and supplies	600	59
Liquor license investigation	200	204
Employee relations	3,000	3,990
Meeting costs	1,500	1,478
Dues	2,100	2,194
Conference/training	4,000	3,231
Travel	1,500	451
Legislative events	9,700	7,721
Commissioner recognition	5,500	-
Elected officials expense	14,000	1,725
Strategic planning	5,000	-
Other maintenance	2,000	2,603
Pending credit card expenditures	-	778
Total executive/legislative department	169,270	148,947
Office of the Village Clerk:		
Full-time salaries	41,217	40,153
Village clerk salary	11,000	11,302
FICA taxes	3,237	2,982
IMRF taxes	6,034	5,565
Medicare taxes	757	698
Health insurance	15,087	17,095
Short-term disability	58	56
Life insurance and FSA	96	143
Unemployment insurance	-	74
Workmen's compensation	1,282	1,155
Materials and supplies	209	204
Ordinance codifications	800	548
Legal notices	5,000	6,532
Dues	200	120
Conference/training	500	647
Elected officials expense	1,750	370
Total office of the Village Clerk	87,227	87,644

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
General government: (continued)		
Memberships and contributions:		
Family youth initiative	\$ 1,500	\$ 1,500
EHRC committee	10,000	-
Rich township bus	2,000	1,448
NIPC	200	-
Municipal league	1,500	-
SSMMA	21,000	19,570
South Suburban chamber of commerce	1,500	540
CEDC	1,000	1,000
National league of cities	1,300	1,489
Matteson business association	1,500	589
Dollars for scholars	1,000	60
Miscellaneous	500	450
Total memberships and contributions	43,000	26,646
Fire and police commission:		
Commissioner salary	7,500	7,500
FICA taxes	465	741
IMRF taxes	-	475
Medicare taxes	109	173
Health insurance	-	846
FSA	-	1
Unemployment insurance	-	11
Workmen's compensation	-	97
Office supplies	150	63
Testing costs	70,000	17,057
Other legal services	3,500	775
Recruitment	5,500	10,540
Postage	400	-
Dues	375	375
Conference/training	1,100	-
Travel	150	-
Total fire and police commission	89,249	38,654
Plan commission:		
Commissioner salary	2,467	1,350
FICA taxes	153	84
Medicare taxes	36	20
Total plan commission	2,656	1,454
Housing and human relations commission:		
Commissioner salary	3,500	1,330
FICA taxes	200	82
Medicare taxes	100	19
Office supplies	500	(150)
Total housing and human relations commission	4,300	1,281

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
General government: (continued)		
Recreational services - advisory commission:		
Commissioner salary	\$ 2,000	\$ 1,295
FICA taxes	100	80
Medicare taxes	50	19
Total recreational services - advisory commission	2,150	1,394
Educational - advisory commission:		
Commissioner salary	2,000	675
FICA taxes	100	42
Medicare taxes	50	10
Total educational - advisory commission	2,150	727
Total general government	400,002	306,747
General operations:		
Legal services:		
Village attorney	90,000	93,942
Special counsel	25,000	40,038
Adjudication prosecutions	12,000	13,216
Other legal services	-	554
Total legal services	127,000	147,750
Professional and contractual services:		
Office supplies	500	75
Materials and supplies	12,000	10,638
Audit	68,200	109,208
Financial consulting	2,750	240,483
Professional consulting	20,000	2,233
IT consulting	10,000	16,380
Scavenger service	1,279,000	1,284,430
Insurance-general liability	5,000	2,429
Telephone	175,000	285,613
Postage	10,000	16,220
Matteson liquors - Business District	40,000	-
Electric	140,000	116,382
Heat	30,000	39,162
Copier rental	10,000	5,865
Postage machine rental	6,400	6,396
Payment to Southcom	800,000	758,143
Bank fees	-	4,534
Total professional and contractual services	2,608,850	2,898,191

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
General operations: (continued)		
Taxes and employee benefits:		
Short-term disability	\$ 4,800	\$ (3,095)
Life insurance	35,000	11,740
FSA	3,000	1,881
Dental insurance	180,000	110,398
Employee health insurance payments	(2,400,000)	(321,895)
General liability insurance - premium	200,000	452,397
General liability insurance - deductible	-	10,534
Fire department incentive	-	(3,000)
Total taxes and employee benefits	(1,977,200)	258,960
Equipment/vehicle maintenance and repairs:		
Computer maintenance and repair	10,000	4,578
Equipment maintenance and repair	4,000	4,651
Vehicle maintenance and repair	-	(2,914)
Total equipment/vehicle maintenance and repairs	14,000	6,315
Building maintenance services:		
Full-time salaries	-	66
Overtime salaries	-	17
FICA taxes	-	1
Health insurance	-	258,832
Worker's compensation	-	141,788
Compensated absences	-	40,254
Section 125 benefits	-	12
Janitorial services	52,000	39,342
Exterminating	-	357
Conference/training	-	224
Building maintenance and repairs - operating	50,000	36,181
Building maintenance and repairs - contractual	60,000	76,236
Total building maintenance services	162,000	593,310
Miscellaneous:		
Bank/service charges	30,000	22,127
Notaries	250	180
Bad debt expense	-	(6,675)
Other	-	2,567
Total miscellaneous	30,250	18,199
Total general operations	964,900	3,922,725

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Administration:		
Administrative services:		
Full-time salaries	\$ 202,208	\$ 198,678
FICA taxes	10,761	10,489
IMRF taxes	28,139	25,977
Medicare taxes	2,787	2,555
Health insurance	33,066	33,066
Short-term disability	116	112
Life insurance	429	416
FSA	-	75
Unemployment insurance	2,563	2,309
Workmen's compensation	769	746
Office supplies	500	442
Reference materials	100	99
Employee relations	-	351
Meeting costs	1,000	562
EAP program	-	(761)
Postage	-	65
Dues	2,000	1,954
Conference/training	3,400	4,179
Travel	500	1,230
Developer contacts	-	600
Elected officials expense	-	(80)
Legislative events	2,000	414
Vehicle maintenance	-	1,118
Total administrative services	290,338	284,596
Economic development:		
Full-time salaries	65,029	61,782
FICA taxes	4,032	3,498
IMRF taxes	9,520	8,488
Medicare taxes	943	818
Health insurance	16,533	16,533
Short-term disability	58	56
Life insurance	145	141
FSA	-	73
Unemployment insurance	1,282	1,155
Workmen's compensation	260	253
Office supplies	500	510
Printing	1,000	-
Postage	500	-
Dues	575	100
Subscriptions	2,000	-

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Administration (continued):		
Economic development (continued):		
Advertising	\$ 6,000	\$ -
Conference/training	4,000	4,282
Travel	1,200	20
Business district - Lincoln Highway	1,000	-
Business district - Gateway	1,000	-
Business district - KIMCO	1,000	-
Consulting - engineering	1,000	2,302
Economic development program	32,000	4,232
Total economic development	149,577	104,243
Total administration	439,915	388,839
Human resources:		
Full-time salaries	126,117	122,522
FICA taxes	7,819	7,605
IMRF taxes	18,463	17,992
Medicare taxes	1,829	1,779
Health insurance	15,087	14,932
Short-term disability	116	112
Life insurance	281	272
Unemployment insurance	2,563	2,309
Workmen's compensation	504	489
Office supplies	400	201
Physical exams	15,500	9,179
Collective bargaining	-	(240)
Labor relations	65,000	37,500
EAP program	3,920	3,920
Recruitment	7,500	7,793
Postage	50	66
Dues	300	295
Conference/training	500	519
Travel	50	-
Total human resources	265,999	227,245

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Finance:		
Finance information technology:		
Full-time salaries	\$ 85,699	\$ 82,666
FICA taxes	5,313	4,972
IMRF taxes	12,546	11,884
Medicare taxes	1,243	1,163
Health insurance	15,810	15,810
Short-term disability	87	84
Life insurance	191	186
Unemployment insurance	1,922	1,732
Workmen's compensation	343	333
Office supplies	200	166
Conference/training	1,000	-
Computer software, license and hardware	51,400	55,316
Computer maintenance and repair	2,500	856
Technical/computer equipment	1,000	562
Total finance information technology	179,254	175,730
Finance and budget management:		
Full-time salaries	285,866	197,873
Overtime salaries	-	496
Treasurer salary	1,500	900
FICA taxes	17,779	11,807
IMRF taxes	41,851	28,289
Medicare taxes	4,158	2,761
Health insurance	64,685	50,312
Short-term disability	291	233
Life insurance	637	449
FSA	-	64
Unemployment insurance	6,408	4,618
Workmen's compensation	1,147	810
Office supplies	3,000	2,375
Postage	100	-
Dues	500	190
Conference/training	500	-
Total finance and budget management	428,422	301,177
Total finance	607,676	476,907

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Community development:		
Planning:		
Full-time salaries	\$ 287,468	\$ 133,880
FICA taxes	17,823	7,977
IMRF taxes	42,085	19,302
Medicare taxes	4,168	1,865
Health insurance	57,142	30,947
Short-term disability	233	127
Life insurance	641	307
Unemployment insurance	5,126	1,611
Workmen's compensation	1,150	551
Office supplies	500	552
Reference materials	100	-
Engineering	15,000	33,639
Printing	300	72
Postage	500	34
Dues	1,000	505
Conference/training	500	725
Travel	100	10
CN downtown revitalization	-	2,406
CN rail park	-	2,466
CN railroad noise mitigation	-	268,911
Total planning	433,836	505,887

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Community development: (continued)		
Building services:		
Full-time salaries	\$ 208,759	\$ 177,224
Overtime salaries	-	41
Part-time salaries	-	8,680
FICA taxes	12,943	10,594
IMRF taxes	30,562	25,414
Medicare taxes	3,027	2,477
Health insurance	48,153	30,631
Short-term disability	233	199
Life insurance	465	398
FSA	-	90
Unemployment insurance	5,126	5,638
Workmen's compensation	835	715
Office supplies	500	818
Property maintenance supplies	200	-
Tools and equipment	500	110
Reference materials	200	-
Uniforms	800	451
Engineering	5,000	-
Consulting-building services	5,000	-
Inspections	-	50
Collection agency fees	3,000	-
MSI monthly fees	5,000	2,850
Printing	2,500	542
Postage	1,500	-
Dues	1,000	510
Conference/training	1,500	315
Vehicle maintenance	1,000	-
Total building services	337,803	267,747

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Community development: (continued)		
Community affairs - general operations		
Full-time salaries	\$ 166,224	\$ 160,016
Overtime salaries	-	72
Part-time salaries	10,753	10,324
FICA taxes	10,973	10,048
IMRF taxes	24,335	22,355
Medicare taxes	2,566	2,350
Health insurance	43,337	38,010
Short-term disability	210	202
Life insurance	371	357
FSA	-	60
Unemployment insurance	5,895	5,226
Workmen's compensation	708	682
Office supplies	1,500	1,699
HHRC task force	2,000	204
Printing	10,000	1,950
Postage	10,000	6,133
Conference/training	1,850	2,312
Travel	2,100	2,331
Community affairs programs	17,000	6,568
Memorial day parade	1,500	2,765
Total community affairs general operations	311,322	273,664
Total community development	1,082,961	1,047,298
Public safety services:		
Police:		
Police administration:		
Full-time salaries	535,971	506,906
Overtime salaries	-	6,658
Part-time salaries	-	28,842
FICA taxes	32,145	32,336
IMRF taxes	43,144	66,207
Medicare taxes	7,772	7,562
Health insurance	81,218	96,038
Short-term disability	466	397
Life insurance	1,163	1,062
FSA	-	209
Symetra life insurance	-	3
Unemployment insurance	11,534	10,668
Workmen's compensation	17,609	14,090
Office supplies	17,000	14,670

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public safety services (continued)		
Police: (continued)		
Police administration: (continued)		
Tools and equipment	\$ 1,500	\$ 1,728
Reference materials	1,500	943
Inoculations	500	-
Vehicle license fees	600	1,215
Cleaning supplies	2,000	1,929
Uniforms	6,500	5,141
Investigative material	500	17
Employee relations	1,000	426
Postage	4,000	152
Dues	2,000	1,340
Conference/training	4,000	2,140
Travel	200	118
Copier rental	6,000	7,917
Equipment maintenance and repair	2,000	401
Vehicle maintenance and repair	2,000	(972)
Building maintenance and repair	10,000	10,143
Senior programs	1,500	1,798
Police youth programs	-	9,005
Tourism/visitors attractions	3,500	3,129
Vehicle license fees	-	21
Copier rental	-	998
Total police administration	797,322	833,237
Police uniform division:		
Full-time salaries	2,809,915	2,686,373
Overtime salaries	250,000	291,256
Training salaries	-	6,496
Leave coverage salaries	100,000	110,451
Reimbursed overtime salaries	-	966
Retroactive pay salaries	-	151,906
FICA taxes	189,144	186,983
IMRF taxes	8,600	6,067
Medicare taxes	48,809	43,947
Health insurance	452,798	457,444
Short-term disability	2,213	2,046
Life insurance	6,266	5,925
FSA	-	734
Unemployment insurance	48,698	41,666
Workmen's compensation	191,135	200,338
Equipment supplies	3,000	2,976
Tools and equipment	3,000	1,649

(Continued)

Village of Matteson, Illinois

General Fund
 Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public safety services (continued)		
Police: (continued)		
Police uniform division (continued):		
Tools and equipment - training and EMS	\$ 1,000	\$ 469
Prisoner meals	2,000	1,819
Dog care	500	530
Ammunition	4,000	1,928
Cleaning supplies	100	(22)
Protective clothing	4,200	-
Uniforms	24,500	20,217
Parking ticket collection services	7,500	18,476
Animal control	2,000	695
Subscriptions	500	606
Conference/training	11,000	5,669
Travel	1,000	1,605
Equipment maintenance and repair	2,000	1,836
Vehicle maintenance and repair	40,000	39,725
Total police uniform division	4,213,878	4,290,776
Police pension contribution	-	782,015
Total police	5,011,200	5,906,028
Fire:		
Fire administration:		
Full-time salaries	355,513	345,740
Overtime salaries	-	6,342
Training salaries	-	166
FICA taxes	22,035	20,377
IMRF taxes	5,007	4,025
Medicare taxes	5,155	4,772
Health insurance	49,599	117,162
Short-term disability	233	224
Life insurance	793	771
FSA	-	221
Symetra life insurance	-	25
Unemployment insurance	5,126	4,467
Workmen's compensation	54,567	53,639
Salary incentive	40,000	85,500
Office supplies	3,000	2,716
Tools and equipment	-	297
Reference materials	750	337
Physical exams	15,000	13,069
Shared ambulance agreement	500	500
M.A.B.A.S.	3,500	3,000
Cleaning supplies	10,300	6,321
Protective clothing	10,000	7,310
Uniforms	20,000	16,960
Collection agency fees	1,000	98

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public safety services (continued)		
Fire: (continued)		
Fire administration: (continued)		
Employee relations	\$ 1,500	\$ 1,151
Printing	750	367
Postage	1,200	307
Dues	2,500	2,191
Subscriptions	150	150
Conference/training	4,000	13,547
Public education	5,700	5,582
Copier rental	6,000	6,305
Equipment maintenance and repair	1,500	1,009
Vehicle maintenance and repair	5,000	1,463
Building maintenance and repair	14,000	14,340
Opticom maintenance	8,000	12,367
Total fire administration	652,378	752,818
Operations:		
Full-time salaries	2,340,366	2,257,323
Overtime salaries	350,000	554,498
Training salaries	41,200	35,173
Reimbursed overtime salaries	-	595
Retroactive pay salaries	-	187,320
FICA taxes	154,483	168,838
Medicare taxes	41,104	39,976
Health insurance	442,049	430,612
Short-term disability	1,805	1,707
Life insurance	5,219	5,002
FSA	-	320
Symetra life insurance	-	2
Unemployment insurance	39,728	36,544
Workmen's compensation	398,436	443,211
Materials and supplies	2,000	135
Equipment supplies	500	69
Tools and equipment	27,000	36,763
Tools and equipment - training and EMS	12,000	11,640
Medical supplies	10,000	2,653
Digital imaging	400	-
Vehicle license fees	300	-
Investigative material	300	87
Printing	1,500	1,680

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public safety services (continued)		
Fire: (continued)		
Operations: (continued)		
Conference/training	\$ 30,000	\$ 14,095
Continuing education	500	-
Equipment maintenance and repair	18,000	23,774
Equipment maintenance and repair - EMS	6,600	898
Vehicle maintenance and repair	86,000	68,140
Vehicle maintenance and repair - EMS	22,000	25,173
M.A.B.A.S.	-	(1,863)
Total fire inspection services	4,031,490	4,344,365
Firefighters' pension contribution	-	726,352
Total fire	4,683,868	5,823,535
Total public safety services	9,695,068	11,729,563
Public works:		
Public works administration:		
Full-time salaries	139,221	151,013
Overtime salaries	-	87
FICA taxes	8,632	9,093
IMRF taxes	20,382	21,660
Medicare taxes	2,019	2,127
Health insurance	21,090	24,466
Short-term disability	128	154
Life insurance	310	338
FSA	-	70
Unemployment insurance	2,819	3,609
Workmen's compensation	3,224	7,134
Office supplies	400	341
Materials and supplies	500	474
Uniforms	300	-
Consulting engineering	15,000	16,835
Employee relations	-	312

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public works (continued):		
Public works administration (continued):		
Postage	\$ 200	\$ 15
Dues	300	255
Conference/training	200	40
Travel	100	105
Equipment rental	300	209
Copier rental	4,000	3,668
Equipment maintenance and repair	3,000	3,257
Vehicle maintenance and repair	4,000	4,654
Outdoor siren maintenance	5,000	3,245
Building maintenance and repair	5,500	7,236
Total public works administration	236,625	260,397
Vehicles and equipment, roadway and grounds maintenance:		
Full-time salaries	486,361	505,240
Overtime salaries	45,000	42,723
Part-time salaries	45,845	20,137
FICA taxes	35,551	33,635
IMRF taxes	83,947	81,548
Medicare taxes	8,314	7,866
Health insurance	147,439	137,824
Short-term disability	545	529
Life insurance	1,411	1,212
FSA	-	133
Unemployment insurance	11,982	11,738
Workmen's compensation	52,666	57,228
Materials and supplies	2,500	1,926
Tools and equipment	10,350	5,455
Motor fuel and lubricants	240,000	291,224
Cleaning supplies	100	-
Paint	500	290
Protective clothing	300	275
Uniforms	2,000	1,199
Conference/training	500	60

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Public works: (continued)		
Vehicles and equipment, roadway and grounds maintenance (continued):		
Travel	\$ 100	\$ -
Continuing education	100	50
Equipment rental	500	-
Grounds maintenance	20,000	17,525
Total vehicles and equipment, roadway and grounds and maintenance	1,196,011	1,217,817
Total public works	1,432,636	1,478,214
Recreational services:		
Recreational services administration:		
Full-time salaries	438,586	335,178
Overtime salaries	-	627
Part-time salaries	12,009	388,998
FICA taxes	27,937	45,942
IMRF taxes	64,209	45,286
Medicare taxes	6,534	10,745
Health insurance	106,741	59,626
Short-term disability	466	313
Life insurance	978	672
Unemployment insurance	25,631	46,032
Workmen's compensation	2,302	20,161
Office supplies	10,000	6,350
Materials and supplies	20,000	40,662
Tools and equipment	-	(789)
Cleaning supplies	20,000	13,825
Uniforms	3,000	-
Engineering		
Consulting - marketing	60,000	8,600
Other legal services	-	-
Other professional services	2,000	555
Employee relations	1,000	211
Telephone	5,000	4,495
Program guide	25,000	23,825
Printing	7,500	4,645
Postage	5,000	273
Dues	3,000	1,095
Advertising	25,000	39,330

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Recreational services:		
Recreational services administration: (continued)		
Conference/training	\$ 3,000	\$ 912
Travel	1,000	58
Electric	120,000	100,642
Heat	30,000	43,936
Equipment rental	12,000	17,523
Copier rental	6,500	8,976
Postage machine rental	600	419
Equipment maintenance/repair - recreation	6,000	1,591
Vehicle maintenance/repair - recreation	1,000	179
Building maintenance/repair - recreation	12,000	27,660
Grounds maintenance	22,000	20,252
Pending credit card expense	-	798
Building attendants	-	(4,957)
Pool control personnel	-	262,485
Members services representatives	-	(5,338)
Personal trainers	10,000	3,926
Fitness center - new equipment	28,400	4,936
Cable	7,500	6,225
HVAC maintenance	25,000	40,193
Security	30,000	19,149
Pool supplies/chemicals	21,000	16,631
Fitness supplies	15,000	1,640
Spec fitness instruction	60,000	55,030
Nursery personnel	39,411	25,525
Promotions	5,000	-
Concession purchases	25,000	18,300
Parks equipment and supplies	15,000	13,517
Total recreational services administration	1,367,304	1,776,865

(Continued)

Village of Matteson, Illinois

General Fund

Schedule of General Fund Expenditures - Budget and Actual (Continued)

Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Recreational services: (continued)		
Programs:		
Recreation programs - seasonal	\$ 23,000	\$ 35,178
Fall programs	39,000	31,593
Winter/spring programs	49,000	14,664
Preschool expenses	-	6,131
Winter/spring preschool	-	2,187
FICA taxes	19,316	5,073
Medicare taxes	4,518	1,186
Unemployment insurance	69,203	7,662
Workmen's compensation	14,207	3,774
Materials and supplies	-	-
Teen nights	-	396
Matteson youth baseball	18,000	14,930
Youth basketball	33,000	34,445
Open gym	-	23,705
Kiddy kamp	4,500	7,510
Day camp	26,000	29,857
Community special events	45,000	16,673
Halloween carnival	-	3,720
Total programs	344,744	238,684
Total recreational services	1,712,048	2,015,549
Capital:		
Capital improvements:		
Computer equipment/phone system	400,000	15,983
GIS maintenance	-	451
Central Avenue phase 1	25,000	-
Capital projects	153,900	4,559
Public works office construction	400,000	6,672
Council chambers renovation	255,000	-
Total capital improvements	1,233,900	27,665
Special projects:		
Kostner Ave. and US Route 30	24,000	-
Cicero/207th light match	-	9,627
Cicero Ave./Matteson Ave.	6,600	-
Lincoln Highway lighting	25,000	-
Bridge replacement project	42,000	-
Total special projects	97,600	9,627

(Continued)

Village of Matteson, Illinois

General Fund
 Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2013

	Original and Final Budget	Actual
Expenditures: (continued)		
Capital equipment		
Tools and equipment	\$ 295,000	\$ 150,480
Vehicles - police	50,000	51,908
Police in-car laptops	111,000	-
Vehicles - fire	150,000	-
Vehicles - public works	110,000	103,040
Vehicles - community development	50,000	39,169
Equipment - public works	190,000	79,990
Equipment - community center	28,900	5,216
Tree replacement	100,000	-
Total capital expenditures	<u>1,084,900</u>	<u>429,803</u>
Total capital	<u>2,416,400</u>	<u>467,095</u>
Debt service:		
Principal	58,274	58,275
Interest	3,374	3,374
Total debt service	<u>61,648</u>	<u>61,649</u>
Total general fund expenditures	<u><u>\$ 19,079,253</u></u>	<u><u>\$ 22,121,831</u></u>

Village of Matteson, Illinois

Major Capital Projects Fund

Tax Incremental Finance District II Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Final Budget	Actual
Revenues:		
Property taxes	\$ 750,000	\$ 111,491
Interest	100	433
Total revenues	<u>750,100</u>	<u>111,924</u>
Expenditures:		
Current, administrative services	<u>15,500</u>	<u>142,077</u>
Change in fund balance	<u>\$ 734,600</u>	(30,153)
Fund balance:		
Beginning of year		<u>5,789,095</u>
End of year		<u>\$ 5,758,942</u>

Village of Matteson, Illinois

Nonmajor Governmental Funds
 Combining Balance Sheet
 April 30, 2013

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 3,152,406	\$ -	\$ 996,520	\$ 4,148,926
Restricted cash	-	4,545,012	-	4,545,012
Receivables:				
Property taxes	151,645	1,077,574	-	1,229,219
Other taxes	696,089	-	-	696,089
Accounts	31,358	-	-	31,358
Prepays	68,688	-	-	68,688
Advances to other funds	2,153,811	2,087,066	799,327	5,040,204
Total assets	\$ 6,253,997	\$ 7,709,652	\$ 1,795,847	\$ 15,759,496
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 96,725	\$ -	\$ 338,701	\$ 435,426
Accrued payroll and taxes	20,997	-	-	20,997
Due to other governments	-	-	359,076	359,076
Advances from other funds	-	986,907	72,129	1,059,036
Deferred revenue	161,541	1,068,273	-	1,229,814
Total liabilities	279,263	2,055,180	769,906	3,104,349
Fund balances:				
Nonspendable - prepaids	68,688	-	-	68,688
Restricted for debt service	-	6,046,232	-	6,046,232
Restricted for community development	2,737,721	-	573,281	3,311,002
Restricted for public works	902,968	-	-	902,968
Restricted for sewer maintenance	519,384	-	-	519,384
Restricted for public safety	223,770	-	-	223,770
Restricted for tourism	1,452,054	-	-	1,452,054
Restricted for recreational services	70,149	-	483,661	553,810
Restricted for capital outlay	-	-	197,135	197,135
Unassigned	-	(391,760)	(228,136)	(619,896)
Total fund balances	5,974,734	5,654,472	1,025,941	12,655,147
Total liabilities and fund balances	\$ 6,253,997	\$ 7,709,652	\$ 1,795,847	\$ 15,759,496

Village of Matteson, Illinois

**Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2013**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 195,824	\$ 733,650	\$ 1,438,623	\$ 2,368,097
Other taxes	1,962,317	-	-	1,962,317
Licenses and permits	342,402	-	-	342,402
Charges for services	182,997	-	-	182,997
Intergovernmental	96,809	-	-	96,809
Interest	8,778	6,250	1,605	16,633
Miscellaneous	56,613	6,653	-	63,266
Total revenues	2,845,740	746,553	1,440,228	5,032,521
Expenditures:				
Current:				
Administrative services	113,912	-	149,073	262,985
Community development	288,875	-	-	288,875
Public safety	62,116	-	-	62,116
Public works	769,643	-	-	769,643
Recreational services	139,915	-	-	139,915
Debt service:				
Principal retirement	-	3,025,000	38,626	3,063,626
Interest and fees	-	895,339	1,418	896,757
Capital outlay	313,218	-	744,353	1,057,571
Total expenditures	1,687,679	3,920,339	933,470	6,541,488
Excess (deficiency) of revenues over (under) expenditures	1,158,061	(3,173,786)	506,758	(1,508,967)
Other financing sources (uses):				
Transfers in	1,115,665	4,352,341	3,496,522	8,964,528
Transfers (out)	(2,660,124)	(3,499,660)	(3,544,021)	(9,703,805)
Total other financing sources (uses)	(1,544,459)	852,681	(47,499)	(739,277)
Net change in fund balance	(386,398)	(2,321,105)	459,259	(2,248,244)
Fund balances:				
May 1, 2012	6,361,132	7,975,577	566,682	14,903,391
April 30, 2013	\$ 5,974,734	\$ 5,654,472	\$ 1,025,941	\$ 12,655,147

Village of Matteson, Illinois

Nonmajor Special Revenue Funds
 Combining Balance Sheet
 April 30, 2013

	Motor Fuel Tax	South Suburban Special Recreation	Sewer	Vehicle License	Drug Forfeiture	Foreign Fire Insurance	Special Purpose	Hotel/Motel Tax	Lincoln Highway / Governors Highway Corridor Business District	Matteson Gateway Business District	Lincoln Highway / Cicero Avenue Business District	Totals
Assets												
Cash and cash equivalents	\$ 780,896	\$ 69,282	\$ 326,911	\$ 121,820	\$ 216,722	\$ 22,699	\$ -	\$ -	\$ 770,566	\$ 756,364	\$ 87,146	\$ 3,152,406
Receivables:												
Property taxes	-	105,048	46,597	-	-	-	-	-	-	-	-	151,645
Other taxes	32,690	-	-	-	-	-	-	70,442	85,782	71,115	436,060	696,089
Accounts	-	-	31,358	-	-	-	-	-	-	-	-	31,358
Prepays	-	-	-	-	-	-	-	68,688	-	-	-	68,688
Advances to other funds	-	-	177,585	-	-	-	573,211	1,403,015	-	-	-	2,153,811
Total assets	\$ 813,586	\$ 174,330	\$ 582,451	\$ 121,820	\$ 216,722	\$ 22,699	\$ 573,211	\$ 1,542,145	\$ 856,348	\$ 827,479	\$ 523,206	\$ 6,253,997
Liabilities and Fund Balances												
Liabilities:												
Accounts payable	\$ 11,600	\$ -	\$ 4,487	\$ 16,797	\$ 15,651	\$ -	\$ 28,738	\$ 19,452	\$ -	\$ -	\$ -	\$ 96,725
Accrued payroll and taxes	-	-	12,360	4,041	-	-	-	1,951	409	462	1,774	20,997
Deferred revenue	-	104,181	46,220	-	-	-	11,140	-	-	-	-	161,541
Total liabilities	11,600	104,181	63,067	20,838	15,651	-	39,878	21,403	409	462	1,774	279,263
Fund balances (deficits):												
Nonspendable - prepaids	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,688	\$ -	\$ -	\$ -	\$ 68,688
Restricted for community development	-	-	-	-	-	-	533,333	-	855,939	827,017	521,432	2,737,721
Restricted for public works	801,986	-	-	100,982	-	-	-	-	-	-	-	902,968
Restricted for sewer maintenance	-	-	519,384	-	-	-	-	-	-	-	-	519,384
Restricted for public safety	-	-	-	-	201,071	22,699	-	-	-	-	-	223,770
Restricted for tourism	-	-	-	-	-	-	-	1,452,054	-	-	-	1,452,054
Restricted for recreational services	-	70,149	-	-	-	-	-	-	-	-	-	70,149
Total fund balances (deficits)	801,986	70,149	519,384	100,982	201,071	22,699	533,333	1,520,742	855,939	827,017	521,432	5,974,734
Total liabilities and fund balances	\$ 813,586	\$ 174,330	\$ 582,451	\$ 121,820	\$ 216,722	\$ 22,699	\$ 573,211	\$ 1,542,145	\$ 856,348	\$ 827,479	\$ 523,206	\$ 6,253,997

Village of Matteson, Illinois

Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Year Ended April 30, 2013

	Motor Fuel Tax	South Suburban Special Recreation	Sewer	Vehicle License	Drug Forfeiture	Foreign Fire Insurance	Special Purpose	Hotel/Motel Tax	Quality of Life	Lincoln Highway / Governors Highway Corridor Business District	Matteson Gateway Business District	Lincoln Highway / Cicero Avenue Business District	Totals
Revenues:													
Property taxes	\$ -	\$ 136,590	\$ 59,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,824
Other taxes	478,326	-	-	-	-	-	-	381,228	-	289,659	279,544	533,560	1,962,317
Licenses and permits	-	-	-	342,402	-	-	-	-	-	-	-	-	342,402
Charges for services	-	-	182,997	-	-	-	-	-	-	-	-	-	182,997
Intergovernmental	78,194	-	-	-	18,615	-	-	-	-	-	-	-	96,809
Interest	461	-	-	-	299	43	-	7,975	-	-	-	-	8,778
Miscellaneous	-	-	-	-	-	18,088	27,450	11,075	-	-	-	-	56,613
Total revenues	556,981	136,590	242,231	342,402	18,914	18,131	27,450	400,278	-	289,659	279,544	533,560	2,845,740
Expenditures:													
Current:													
Administrative services	-	-	-	12,979	-	-	-	86,893	-	509	1,403	12,128	113,912
Community development	-	-	-	-	-	-	77,602	211,273	-	-	-	-	288,875
Public safety	-	-	-	-	42,496	19,620	-	-	-	-	-	-	62,116
Public works	139,712	-	415,592	214,339	-	-	-	-	-	-	-	-	769,643
Recreational services	-	139,915	-	-	-	-	-	-	-	-	-	-	139,915
Capital outlay	313,218	-	-	-	-	-	-	-	-	-	-	-	313,218
Total expenditures	452,930	139,915	415,592	227,318	42,496	19,620	77,602	298,166	-	509	1,403	12,128	1,687,679
Excess (deficiency) of revenues over (under) expenditures	104,051	(3,325)	(173,361)	115,084	(23,582)	(1,489)	(50,152)	102,112	-	289,150	278,141	521,432	1,158,061
Other financing uses:													
Transfers in	-	-	-	-	-	-	-	-	-	566,789	548,876	-	1,115,665
Transfers (out)	-	-	-	-	-	-	-	-	(2,660,124)	-	-	-	(2,660,124)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(2,660,124)	566,789	548,876	-	(1,544,459)
Net change in fund balance	104,051	(3,325)	(173,361)	115,084	(23,582)	(1,489)	(50,152)	102,112	(2,660,124)	855,939	827,017	521,432	(386,398)
Fund balances (deficits):													
May 1, 2012	697,935	73,474	692,745	(14,102)	224,653	24,188	583,485	1,418,630	2,660,124	-	-	-	6,361,132
April 30, 2013	\$ 801,986	\$ 70,149	\$ 519,384	\$ 100,982	\$ 201,071	\$ 22,699	\$ 533,333	\$ 1,520,742	\$ -	\$ 855,939	\$ 827,017	\$ 521,432	\$ 5,974,734

Village of Matteson, Illinois

Nonmajor Special Revenue Fund

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Other taxes	\$ 500,000	\$ 478,326
Intergovernmental	-	78,194
Interest	300	461
Total revenues	<u>500,300</u>	<u>556,981</u>
Expenditures:		
Current, public works	171,000	139,712
Capital outlay	400,000	313,218
Total expenditures	<u>571,000</u>	<u>452,930</u>
Change in fund balance	<u>\$ (70,700)</u>	104,051
Fund balance:		
Beginning of year		<u>697,935</u>
End of year		<u>\$ 801,986</u>

Village of Matteson, Illinois

Nonmajor Special Revenue Fund
 South Suburban Special Recreation Fund
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance – Budget and Actual
 Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 160,000	\$ 136,590
Expenditures:		
Current, recreation services	160,000	139,915
Change in fund balance	\$ -	(3,325)
Fund balance:		
Beginning of year		73,474
End of year		\$ 70,149

Village of Matteson, Illinois

Nonmajor Special Revenue Fund

Sewer Fund

Schedule of Revenues, Expenditures and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 68,000	\$ 59,234
Charges for services	201,500	182,997
Total revenues	<u>269,500</u>	<u>242,231</u>
Expenditures:		
Current, public works	<u>472,977</u>	<u>415,592</u>
Change in fund balance	<u>\$ (203,477)</u>	(173,361)
Fund balance:		
Beginning of year		<u>692,745</u>
End of year		<u>\$ 519,384</u>

Village of Matteson, Illinois

Nonmajor Special Revenue Fund

Vehicle License Fund

Schedule of Revenues, Expenditures and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2013

	<u>2013</u>	
	Original and Final Budget	Actual
Revenues:		
Licenses and permits	\$ 270,000	\$ 342,402
Expenditures:		
Current:		
Administrative services	15,000	12,979
Public works	180,104	214,339
Total expenditures	<u>195,104</u>	<u>227,318</u>
Change in fund balance	<u>\$ 74,896</u>	115,084
Fund balance (deficit):		
Beginning of year		<u>(14,102)</u>
End of year		<u>\$ 100,982</u>

Village of Matteson, Illinois

Nonmajor Special Revenue Fund

Hotel/Motel Tax Fund

Schedule of Revenues, Expenditures and Changes in

Fund Balance – Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Other taxes	\$ 370,000	\$ 381,228
Interest	100	7,975
Miscellaneous	-	11,075
Total revenues	<u>370,100</u>	<u>400,278</u>
Expenditures:		
Current, community development	300,000	211,273
Administrative services	71,344	86,893
Total expenditures	<u>371,344</u>	<u>298,166</u>
Change in fund balance	<u>\$ (1,244)</u>	102,112
Fund balance:		
Beginning of year		<u>1,418,630</u>
End of year		<u>\$ 1,520,742</u>

Village of Matteson, Illinois

Nonmajor Debt Service Funds
 Combining Balance Sheet
 April 30, 2013

	2002B General Obligation Refunding Bonds	2003A Community Center Utility Bonds	2004B General Obligation Refunding Bonds	2006A General Obligation Bonds	2008 General Obligation Bonds	2010 Debt Certificates	2011B Alternate Revenue Bonds	Tax Incremental Finance District IV Debt Service Fund	Totals
Assets									
Restricted cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,539,364	\$ -	\$ 2,005,648	\$ 4,545,012
Property taxes receivable	133,910	102,636	184,905	152,474	446,451	-	57,198	-	1,077,574
Advances to other funds	-	574,414	-	225,027	357,133	-	930,492	-	2,087,066
Total assets	\$ 133,910	\$ 677,050	\$ 184,905	\$ 377,501	\$ 803,584	\$ 2,539,364	\$ 987,690	\$ 2,005,648	\$ 7,709,652
Liabilities and fund balances									
Liabilities:									
Advances from other funds	\$ 171,112	\$ -	\$ 223,398	\$ -	\$ -	\$ -	\$ -	\$ 592,397	\$ 986,907
Deferred revenue	132,751	101,751	183,314	151,158	442,599	-	56,700	-	1,068,273
Total liabilities	303,863	101,751	406,712	151,158	442,599	-	56,700	592,397	2,055,180
Fund balances (deficits):									
Restricted for debt service	-	575,299	-	226,343	360,985	2,539,364	930,990	1,413,251	6,046,232
Unassigned	(169,953)	-	(221,807)	-	-	-	-	-	(391,760)
Total fund balances (deficits)	(169,953)	575,299	(221,807)	226,343	360,985	2,539,364	930,990	1,413,251	5,654,472
Total liabilities and fund balances	\$ 133,910	\$ 677,050	\$ 184,905	\$ 377,501	\$ 803,584	\$ 2,539,364	\$ 987,690	\$ 2,005,648	\$ 7,709,652

Village of Matteson, Illinois

Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2013

	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
Revenues:						
Property taxes	\$ -	\$ -	\$ 75,983	\$ -	\$ 58,013	\$ -
Interest	-	-	-	-	-	-
Miscellaneous	-	-	6,653	-	-	-
Total revenues	-	-	82,636	-	58,013	-
Expenditures:						
Debt service:						
Principal retirement	100,000	-	205,000	-	100,000	415,000
Interest and fees	18,413	-	22,170	-	66,828	66,540
Total expenditures	118,413	-	227,170	-	166,828	481,540
Excess (deficiency) of revenues over (under) expenditures	(118,413)	-	(144,534)	-	(108,815)	(481,540)
Other financing sources (uses):						
Transfer in	108,183	45,131	227,170	-	166,828	1,086,164
Transfer (out)	-	-	-	(2,729)	-	-
Total other financing sources (uses)	108,183	45,131	227,170	(2,729)	166,828	1,086,164
Net change in fund balance	(10,230)	45,131	82,636	(2,729)	58,013	604,624
Fund balances (deficits):						
May 1, 2012	10,230	(45,131)	(252,589)	2,729	517,286	(604,624)
April 30, 2013	\$ -	\$ -	\$ (169,953)	\$ -	\$ 575,299	\$ -

2004 General Obligation Capital Equipment Bonds	2004B General Obligation Refunding Bonds	2006A General Obligation Bonds	2008 General Obligation Bonds	2009 Debt Certificates	2010 Debt Certificates	2011B Alternate Revenue Bonds	Tax Incremental Finance District IV Debt Service Fund	Totals
\$ -	\$ 104,296	\$ 210,296	\$ 252,449	\$ -	\$ -	\$ 32,613	\$ -	\$ 733,650
-	-	-	-	-	6,130	-	120	6,250
-	-	-	-	-	-	-	-	6,653
-	104,296	210,296	252,449	-	6,130	32,613	120	746,553
-	245,000	165,000	385,000	300,000	-	-	1,110,000	3,025,000
-	51,263	76,495	349,536	5,973	950	113,146	124,025	895,339
-	296,263	241,495	734,536	305,973	950	113,146	1,234,025	3,920,339
-	(191,967)	(31,199)	(482,087)	(305,973)	5,180	(80,533)	(1,233,905)	(3,173,786)
-	296,263	-	734,535	64	-	-	1,688,003	4,352,341
(445,484)	-	-	-	-	-	-	(3,051,447)	(3,499,660)
(445,484)	296,263	-	734,535	64	-	-	(1,363,444)	852,681
(445,484)	104,296	(31,199)	252,448	(305,909)	5,180	(80,533)	(2,597,349)	(2,321,105)
445,484	(326,103)	257,542	108,537	305,909	2,534,184	1,011,523	4,010,600	7,975,577
\$ -	\$ (221,807)	\$ 226,343	\$ 360,985	\$ -	\$ 2,539,364	\$ 930,990	\$ 1,413,251	\$ 5,654,472

Village of Matteson, Illinois

Nonmajor Debt Service Fund

1997B Village Hall / Village Green TIF III Bonds Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues	\$ -	\$ -
Expenditures:		
Debt service:		
Principal retirement	100,000	100,000
Interest and fees	18,412	18,413
Total expenditures	118,412	118,413
Deficiency of revenues under expenditures	(118,412)	(118,413)
Other financing sources:		
Transfers in	118,412	108,183
Change in fund balance	\$ -	(10,230)
Fund balance:		
Beginning of year		10,230
End of year		\$ -

Village of Matteson, Illinois

Nonmajor Debt Service Fund
 2002B General Obligation Refunding Bonds Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ -	\$ 75,983
Miscellaneous	-	6,653
Total revenues	<u>-</u>	<u>82,636</u>
Expenditures:		
Debt service:		
Principal retirement	205,000	205,000
Interest and fees	22,190	22,170
Total expenditures	<u>227,190</u>	<u>227,170</u>
Deficiency of revenues under expenditures	(227,190)	(144,534)
Other financing sources:		
Transfers in	11,338	227,170
Change in fund balance	<u>\$ (215,852)</u>	82,636
Fund balance (deficit):		
Beginning of year		<u>(252,589)</u>
End of year		<u>\$ (169,953)</u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund

2003A Community Center Utility Bonds Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ -	\$ 58,013
Expenditures:		
Debt service:		
Principal retirement	100,000	100,000
Interest and fees	66,848	66,828
Total expenditures	<u>166,848</u>	<u>166,828</u>
Deficiency of revenues under expenditures	(166,848)	(108,815)
Other financing sources:		
Transfers in	<u>33,667</u>	<u>166,828</u>
Change in fund balance	<u><u>\$ (133,181)</u></u>	58,013
Fund balance:		
Beginning of year		<u>517,286</u>
End of year		<u><u>\$ 575,299</u></u>

Village of Matteson, Illinois

**Nonmajor Debt Service Fund
2003B Refunding Bonds Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Year Ended April 30, 2013**

	2013	
	Original and Final Budget	Actual
Revenues	\$ -	\$ -
Expenditures:		
Debt service:		
Principal retirement	415,000	415,000
Interest and fees	66,560	66,540
Total expenditures	<u>481,560</u>	<u>481,540</u>
Deficiency of revenues under expenditures	(481,560)	(481,540)
Other financing sources:		
Transfers in	<u>481,560</u>	<u>1,086,164</u>
Change in fund balance	<u><u>\$ -</u></u>	604,624
Fund balance (deficit):		
Beginning of year		<u>(604,624)</u>
End of year		<u><u>\$ -</u></u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund
 2004B General Obligation Refunding Bonds Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ -	\$ 104,296
Expenditures:		
Debt service:		
Principal retirement	245,000	245,000
Interest and fees	51,283	51,263
Total expenditures	<u>296,283</u>	<u>296,263</u>
Deficiency of revenues under expenditures	(296,283)	(191,967)
Other financing sources:		
Transfers in	<u>25,884</u>	<u>296,263</u>
Change in fund balance	<u><u>\$ (270,399)</u></u>	104,296
Fund balance (deficit):		
Beginning of year		<u>(326,103)</u>
End of year		<u><u>\$ (221,807)</u></u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund

2006A General Obligation Bonds Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 232,000	\$ 210,296
Expenditures:		
Debt service:		
Principal retirement	165,000	165,000
Interest and fees	76,535	76,495
Total expenditures	<u>241,535</u>	<u>241,495</u>
Deficiency of revenues under expenditures	(9,535)	(31,199)
Other financing sources:		
Transfers in	<u>241,535</u>	-
Change in fund balance	<u>\$ 232,000</u>	(31,199)
Fund balance:		
Beginning of year		<u>257,542</u>
End of year		<u>\$ 226,343</u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund

2008 General Obligation Bond Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ -	\$ 252,449
Expenditures:		
Debt service:		
Principal retirement	385,000	385,000
Interest and fees	349,125	349,536
Total expenditures	<u>734,125</u>	<u>734,536</u>
Deficiency of revenues under expenditures	(734,125)	(482,087)
Other financing sources:		
Transfers in	174,863	734,535
Change in fund balance	<u>\$ (559,262)</u>	252,448
Fund balance:		
Beginning of year		<u>108,537</u>
End of year		<u>\$ 360,985</u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund

2009 Debt Certificates Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues	\$ -	\$ -
Expenditures:		
Debt service:		
Principal retirement	300,000	300,000
Interest and fees	18,560	5,973
Total expenditures	<u>318,560</u>	<u>305,973</u>
Deficiency of revenues under expenditures	<u>(318,560)</u>	<u>(305,973)</u>
Other financing sources:		
Transfers in	<u>318,560</u>	<u>64</u>
Change in fund balance	<u><u>\$ -</u></u>	<u>(305,909)</u>
Fund balance:		
Beginning of year		<u>305,909</u>
End of year		<u><u>\$ -</u></u>

Village of Matteson, Illinois

Nonmajor Debt Service Fund
 Tax Incremental Finance District IV Debt Service Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances –
 Budget and Actual
 Year Ended April 30, 2013

	2013	
	Final Budget	Actual
Revenues:		
Interest	\$ -	\$ 120
Expenditures:		
Debt service:		
Principal retirement	1,110,000	1,110,000
Interest and fees	124,025	124,025
Total expenditures	<u>1,234,025</u>	<u>1,234,025</u>
Deficiency of revenues under expenditures	<u>(1,234,025)</u>	<u>(1,233,905)</u>
Other financing sources (uses):		
Transfers in	1,234,025	1,688,003
Transfers (out)	-	(3,051,447)
Total other financing sources (uses)	<u>1,234,025</u>	<u>(1,363,444)</u>
Change in fund balance	<u>\$ -</u>	<u>(2,597,349)</u>
Fund balance:		
Beginning of year		<u>4,010,600</u>
End of year		<u>\$ 1,413,251</u>

Village of Matteson, Illinois

**Nonmajor Capital Projects Funds
Combining Balance Sheet
April 30, 2013**

	Tax Incremental Finance District I	Tax Incremental Finance District III	Tax Incremental Finance District IV	Tax Incremental Finance District V	Tax Incremental Finance District VI	Community Center	Old Plank Road Trail	Auto Mall	Totals
Assets									
Cash and cash equivalents	\$ 228,417	\$ 367,349	\$ 203,619	\$ -	\$ -	\$ -	\$ 39,565	\$ 157,570	\$ 996,520
Advances to other funds	-	-	-	-	-	799,327	-	-	799,327
Total assets	\$ 228,417	\$ 367,349	\$ 203,619	\$ -	\$ -	\$ 799,327	\$ 39,565	\$ 157,570	\$ 1,795,847
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ 22,485	\$ 150	\$ 400	\$ -	\$ 315,666	\$ -	\$ -	\$ 338,701
Due to other governments	-	-	359,076	-	-	-	-	-	359,076
Advances from other funds	-	-	-	47,350	24,779	-	-	-	72,129
Total liabilities	-	22,485	359,226	47,750	24,779	315,666	-	-	769,906
Fund Balances (Deficits):									
Restricted for community development	228,417	344,864	-	-	-	-	-	-	573,281
Restricted for capital outlay	-	-	-	-	-	-	39,565	157,570	197,135
Restricted for recreational services	-	-	-	-	-	483,661	-	-	483,661
Unassigned	-	-	(155,607)	(47,750)	(24,779)	-	-	-	(228,136)
Total fund balances (deficits)	228,417	344,864	(155,607)	(47,750)	(24,779)	483,661	39,565	157,570	1,025,941
Total liabilities and fund balances	\$ 228,417	\$ 367,349	\$ 203,619	\$ -	\$ -	\$ 799,327	\$ 39,565	\$ 157,570	\$ 1,795,847

Village of Matteson, Illinois

**Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended April 30, 2013**

	Tax Incremental Finance District I	Tax Incremental Finance District III	Tax Incremental Finance District IV	Tax Incremental Finance District V	Tax Incremental Finance District VI	Community Center	Old Plank Road Trail	Auto Mall	Capital Equipment	Totals
Revenues:										
Property taxes	\$ 617,053	\$ 779,371	\$ 40,960	\$ -	\$ 1,239	\$ -	\$ -	\$ -	\$ -	\$ 1,438,623
Interest	551	202	114	-	-	738	-	-	-	1,605
Total revenues	617,604	779,573	41,074	-	1,239	738	-	-	-	1,440,228
Expenditures,										
Current:										
Administrative services	2,850	450	141,091	4,682	-	-	-	-	-	149,073
Debt service:										
Principal retirement	-	-	-	-	-	-	-	-	38,626	38,626
Interest and fees	-	-	-	-	-	-	-	-	1,418	1,418
Capital outlay	-	616,000	102,664	-	-	25,689	-	-	-	744,353
Total expenditures	2,850	616,450	243,755	4,682	-	25,689	-	-	40,044	933,470
Excess (deficiency) of revenues over (under) expenditures	614,754	163,123	(202,681)	(4,682)	1,239	(24,951)	-	-	(40,044)	506,758
Other financing sources (uses):										
Transfer in	-	-	3,481,295	-	-	-	-	-	15,227	3,496,522
Transfers (out)	(2,117,711)	(1,236,118)	(100,140)	(41,663)	(26,018)	(22,371)	-	-	-	(3,544,021)
Total other financing sources (uses)	(2,117,711)	(1,236,118)	3,381,155	(41,663)	(26,018)	(22,371)	-	-	15,227	(47,499)
Net change in fund balance	(1,502,957)	(1,072,995)	3,178,474	(46,345)	(24,779)	(47,322)	-	-	(24,817)	459,259
Fund balances (deficits):										
May 1, 2012	1,731,374	1,417,859	(3,334,081)	(1,405)	-	530,983	39,565	157,570	24,817	566,682
April 30, 2013	\$ 228,417	\$ 344,864	\$ (155,607)	\$ (47,750)	\$ (24,779)	\$ 483,661	\$ 39,565	\$ 157,570	\$ -	\$ 1,025,941

Village of Matteson, Illinois

Nonmajor Capital Projects Fund

Tax Incremental Finance District I Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –

Budget and Actual

Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 1,000,000	\$ 617,053
Interest	500	551
Total revenues	<u>1,000,500</u>	<u>617,604</u>
Expenditures:		
Current, administrative services	15,500	2,850
Interest and fees	-	-
Total expenditures	<u>15,500</u>	<u>2,850</u>
Excess of revenues over expenditures	985,000	614,754
Other financing (uses):		
Transfers (out)	-	<u>(2,117,711)</u>
Change in fund balance	<u>\$ 985,000</u>	<u>(1,502,957)</u>
Fund balance:		
Beginning of year		<u>1,731,374</u>
End of year		<u>\$ 228,417</u>

Village of Matteson, Illinois

Nonmajor Capital Projects Fund
 Tax Incremental Finance District III Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 400,000	\$ 779,371
Interest	500	202
Miscellaneous	-	-
Total revenues	<u>400,500</u>	<u>779,573</u>
Expenditures:		
Current, administrative services	500	450
Capital outlay	900,000	616,000
Total expenditures	<u>900,500</u>	<u>616,450</u>
Excess (deficiency) of revenues over (under) expenditures	(500,000)	163,123
Other financing (uses):		
Transfers (out)	<u>(599,972)</u>	<u>(1,236,118)</u>
Change in fund balance	<u><u>\$ (1,099,972)</u></u>	<u>(1,072,995)</u>
Fund balance:		
Beginning of year		<u>1,417,859</u>
End of year		<u><u>\$ 344,864</u></u>

Village of Matteson, Illinois

Nonmajor Capital Projects Fund
 Tax Incremental Finance District IV Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 Year Ended April 30, 2013

	2013	
	Final Budget	Actual
Revenues:		
Property taxes	\$ 1,000,000	\$ 40,960
Interest	500	114
Total revenues	<u>1,000,500</u>	<u>41,074</u>
Expenditures:		
Current, administrative services	106,875	141,091
Capital outlay	75,000	102,664
Total expenditures	<u>181,875</u>	<u>243,755</u>
Excess of revenues over expenditures	<u>818,625</u>	<u>(202,681)</u>
Other financing sources (uses):		
Transfers in	-	3,481,295
Transfers (out)	<u>(1,334,025)</u>	<u>(100,140)</u>
Total other financing sources (uses)	<u>(1,334,025)</u>	<u>3,381,155</u>
Change in fund balance	<u>\$ (515,400)</u>	3,178,474
Fund balance (deficit):		
Beginning of year		<u>(3,334,081)</u>
End of year		<u>\$ (155,607)</u>

Village of Matteson, Illinois

Water Fund

Schedule of Revenues, Expenses and Changes in Net Position –
Budget and Actual
Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Operating revenues:		
Water sales	\$ 5,000,000	\$ 5,400,256
Water meter sales	9,000	8,744
Fines and forfeitures	140,000	176,269
Miscellaneous	22,000	16,169
Total operating revenues	<u>5,171,000</u>	<u>5,601,438</u>
Operating expenses:		
Operations	6,933,197	2,906,259
Depreciation	350,000	346,332
Amortization	-	16,677
Total operating expenses	<u>7,283,197</u>	<u>3,269,268</u>
Operating income	<u>(2,112,197)</u>	<u>2,332,170</u>
Non-operating income (expense):		
Interest income	-	10,885
Interest expense	(271,935)	(248,566)
Total non-operating expense	<u>(271,935)</u>	<u>(237,681)</u>
Income before transfers	<u>(2,384,132)</u>	<u>2,083,604</u>
Other financing (uses):		
Transfers (out)	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Change in net position	<u><u>\$ (3,884,132)</u></u>	<u>594,489</u>
Net position:		
Beginning of year		<u>11,261,550</u>
End of year		<u><u>\$ 11,856,039</u></u>

Village of Matteson, Illinois

Water Fund

Schedule of Operating Expenses – Budget and Actual
Year Ended April 30, 2013

	2013	
	Original and Final Budget	Actual
Water billing:		
Salaries	\$ 76,493	\$ 75,691
FICA and Medicare taxes	5,852	5,444
IMRF taxes	11,199	10,274
Health and other benefits	24,799	24,799
Short-term disability	87	84
Life insurance	171	166
Unemployment insurance	1,922	1,807
Worker's compensation	306	297
Office supplies	500	934
Bill printing/lock box	25,000	8,413
Postage	7,500	14,851
Bank service charges	1,785	1,010
Total water billing	155,614	143,770
Water public works:		
Water purchase	1,750,000	1,727,544
Total water public works	1,750,000	1,727,544
Operations and maintenance:		
Salaries	477,436	510,343
Salaries - overtime	49,440	55,866
FICA and Medicare taxes	40,306	40,522
IMRF taxes	77,135	76,675
Health and other benefits	119,895	100,380
Short-term disability	486	465
Life insurance	1,514	1,092
FSA	-	115
Unemployment insurance	10,701	10,475
Worker's compensation	59,720	66,391
Office supplies	250	120
Meters	82,000	68,027
Tools and equipment	9,000	5,199
Chemicals	3,000	2,732
Protective clothing	1,000	489
Uniforms	2,000	2,000
Dumping fees	500	-
Consulting services	1,000	133

(Continued)

Village of Matteson, Illinois

Water Fund

Schedule of Operating Expenses – Budget and Actual (Continued)
Year Ended April 30, 2013

	2013	
	Final Budget	Actual
Operations and maintenance (continued):		
Water lab testing	\$ 3,000	\$ 5,704
Julie locator	800	193
Telephone	1,400	961
Legal notice	1,500	-
Postage	2,000	2,674
Dues	100	-
Conference/training	400	40
Electricity	36,000	5,633
Heat	1,000	1,955
Equipment rental	1,000	110
Vehicle maintenance/repair - public works	3,500	3,343
Main maintenance	15,000	47,975
Tower maintenance and paint	15,000	14,064
Pumping stations	10,000	9,789
Restoration	1,500	1,480
Total operations and maintenance	1,027,583	1,034,945
Capital improvements:		
Manheim tower tank	2,150,000	20,084
Lincoln highway exit	750,000	-
Main replacement	500,000	24,805
Water Tower Improvements	500,000	27,649
SCADA system improvement	100,000	-
Total capital improvements	4,000,000	72,538
Total operations	6,933,197	2,978,797
Less: Equipment capitalized	-	(72,538)
Total operations	6,933,197	2,906,259
Plus depreciation	350,000	346,332
Plus amortization	-	16,677
Total water fund operating expenses	\$ 7,283,197	\$ 3,269,268

Village of Matteson, Illinois

Pension Trust Funds
Combining Statement of Fiduciary Net Position
April 30, 2013

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 107,587	\$ 4,317	\$ 111,904
Investments:			
Municipal securities	-	628,867	628,867
U.S. government and agency securities	6,281,906	3,551,353	9,833,259
Corporate bonds	3,140,183	3,852,103	6,992,286
Equity securities	-	3,117,630	3,117,630
Equity mutual funds	9,619,506	6,479,474	16,098,980
Money market mutual funds	693,032	671,025	1,364,057
Accrued interest receivable	31,696	63,249	94,945
Prepaid expense	2,833	8,026	10,859
Due from the Village	11,538	-	11,538
Reserve Uncollectible - Interfund	(11,538)	-	(11,538)
Total assets	19,876,743	18,376,044	38,252,787
Liabilities and Net Position			
Liabilities			
Accounts payable	3,117	9,298	12,415
Total liabilities	3,117	9,298	12,415
Net Position			
Held in trust for employees' benefits	\$ 19,873,626	\$ 18,366,746	\$ 38,240,372

Village of Matteson, Illinois

Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
Year Ended April 30, 2013

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions:			
Employer	\$ 782,789	\$ 726,352	\$ 1,509,141
Participants	330,349	242,535	572,884
Total contributions	<u>1,113,138</u>	<u>968,887</u>	<u>2,082,025</u>
Investment income:			
Net appreciation in fair value of investments	1,023,616	877,690	1,901,306
Interest earned	439,263	509,244	948,507
Less: Investment expenses	(37,843)	(90,673)	(128,516)
Net investment income	<u>1,425,036</u>	<u>1,296,261</u>	<u>2,721,297</u>
Total additions	<u>2,538,174</u>	<u>2,265,148</u>	<u>4,803,322</u>
Deductions			
Administration	41,352	59,499	100,851
Pension benefits and refunds	1,758,928	1,155,054	2,913,982
Total deductions	<u>1,800,280</u>	<u>1,214,553</u>	<u>3,014,833</u>
Net increase	737,894	1,050,595	1,788,489
Net position held in trust for employees' benefits:			
May 1, 2012	<u>19,135,732</u>	<u>17,316,151</u>	<u>36,451,883</u>
April 30, 2013	<u>\$ 19,873,626</u>	<u>\$ 18,366,746</u>	<u>\$ 38,240,372</u>