

Village of Matteson, Illinois

Tax Increment Financing Districts

Financial and Compliance Report
April 30, 2008

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

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

We have submitted, under separate cover, the financial statements of the Village of Matteson, Illinois for the year ended April 30, 2008, and our report thereon, dated July 29, 2009, is as follows:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Matteson, Illinois, as of and for the year ended April 30, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Matteson, Illinois. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police or Firefighters' Pension Funds, both fiduciary fund types, or the Matteson Public Library, a discretely presented component unit, which statements reflect total assets of \$19,290,091, \$14,667,113 and \$6,129,268, respectively, as of April 30, 2008; total net assets of \$19,285,732, \$14,418,900 and \$6,048,951, respectively, as of April 30, 2008; and total additions to net assets/revenues of \$1,644,059, \$1,280,749 and \$2,011,480, respectively, for the year ended April 30, 2008. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Police and Firefighters' Pension Funds and the Matteson Public Library, are based solely on the reports of the other auditors.

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

The Village's pension information is incomplete. The Village did not obtain or perform a complete actuarial valuation of the Firefighters' Pension Fund and the Notes to Basic Financial Statements do not contain all disclosures required by accounting principles generally accepted in the United States of America. In addition, the Village did not record a net pension liability or asset for the Firefighters' Pension Fund. We were not able to satisfy ourselves by other auditing procedures as to the fairness of the net pension liability or asset as of April 30, 2008.

In our opinion, based on our audit and the reports of other auditors, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to audit the net pension liability or asset or disclosures for the Firefighters' Pension Fund, as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Matteson, Illinois, as of April 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary and the other auditors information which includes management's discussion and analysis (pages 3-13), budgetary comparison information and note (pages 72-73) and pension related information (pages 69-71) is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Our audit was made for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole, and should be read in conjunction with these financial statements and related notes.

The supplementary information submitted herewith is as follows:

1. Schedule of Balance Sheet Information
2. Schedule of Revenues, Expenditures and Changes in Fund Balances Information

McGladrey & Pullen, LLP

Chicago, Illinois
July 29, 2009

Village of Matteson, Illinois
Tax Incremental Finance District - Capital Projects Funds

Schedule of Balance Sheet Information
April 30, 2008

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Tax Incremental Finance District IV
Assets				
Cash and cash equivalents	\$ 4,805	\$ -	\$ 344,307	\$ 1,182,260
Prepays	-	-	155	-
Receivables, miscellaneous	823	223	-	-
Advances to other funds	223	-	-	555,147
Total assets	\$ 5,851	\$ 223	\$ 344,462	\$ 1,737,407
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 15,236
Advances from other funds	5,851	223	80,840	63,079
Total liabilities	5,851	223	80,840	78,315
Fund Balances, unreserved	-	-	263,622	1,659,092
Total liabilities and fund balances	\$ 5,851	\$ 223	\$ 344,462	\$ 1,737,407

Village of Matteson, Illinois
Tax Incremental Finance District - Capital Projects Funds

Schedule of Revenues, Expenditures and Changes in Fund Balances Information
Year Ended April 30, 2008

	Tax Incremental Finance District I	Tax Incremental Finance District II	Tax Incremental Finance District III	Tax Incremental Finance District IV
Revenues:				
Property taxes	\$ 1,846,963	\$ 206,631	\$ 263,622	\$ -
Interest	28,404	17,676	-	122,201
Total revenues	1,875,367	224,307	263,622	122,201
Expenditures:				
Administrative services	-	-	-	46,441
Capital	3,838	-	-	-
Capital outlay	-	-	-	12,579
Total expenditures	3,838	-	-	59,020
Excess of revenues over expenditures	1,871,529	224,307	263,622	63,181
Other financing sources (uses):				
Transfer in	-	-	-	2,095,836
Transfer (out)	(1,871,529)	(224,307)	-	(1,431,856)
Total other financing sources (uses)	(1,871,529)	(224,307)	-	663,980
Change in fund balance	-	-	263,622	727,161
Fund balances:				
May 1, 2007	-	-	-	931,931
April 30, 2008	\$ -	\$ -	\$ 263,622	\$ 1,659,092

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report on Compliance

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Matteson, Illinois, as of and for the year ended April 30, 2008, which collectively comprise the Village's basic financial statements and have issued our report thereon dated July 29, 2009.

We have also audited the Village's compliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142). The management of the Village of Matteson, Illinois is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit of compliance 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 material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Village of Matteson, Illinois' compliance with those requirements and performing such procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Village of Matteson, Illinois' compliance with those requirements.

In our opinion, the Village of Matteson, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142).

McGladrey & Pullen, LLP

Chicago, Illinois
July 29, 2009