



Village of Hazel Crest, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2009

**Village of Hazel Crest, Illinois
Comprehensive Annual Financial Report
Year Ended April 30, 2009**

Prepared by
Robert L. Palmer
Village Manager

Village Finance Department

Village of Hazel Crest, Illinois

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Mayor
Dr. Robert B. Donaldson

Clerk
Mary E. Grant

Village Manager
Robert L. Palmer

Village of Hazel Crest

Trustees
Vernard L. Alsberry Jr.
Roderick S. Bashir
Debra J. McGhee
Kevin Moore Sr.
Susan M. Pate
Benjamin A. Ramsey

September 22, 2009

Honorable Mayor Donaldson and the Board of Trustees
Village of Hazel Crest
Hazel Crest, Illinois 60429

Board Members:

In accordance with State Statutes and local ordinance provisions, we hereby transmit the Comprehensive Annual Financial Report of the Village of Hazel Crest, Illinois, for the fiscal year ended April 30, 2009. Responsibility for both the accuracy of presented data and completeness of the presentation, including all disclosures, rests with the Village.

Management believes that the data as presented is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position, results of operations and cash flows of the Village, as measured by the financial activity of its various fund types and account groups and that all disclosures necessary to enable the reader to gain maximum understanding of the Village's financial affairs have been included. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village of Hazel Crest's MD&A can be found immediately following the report of the independent auditors.

In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. We believe the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

BACKGROUND INFORMATION

A presentation of general governmental functions of the Village of Hazel Crest refers to operations directly supervised or controlled by the Village of Hazel Crest Municipal Corporation. The operations include police and fire protection, water supply, sanitary and storm sewer collections, public works operations, commuter parking facilities operations and maintenance, road and bridge maintenance, community economic development, community relations, civil defense and general administrative services.

The following units of government are schools or special purpose districts that serve the entire community or a part hereof not included in the accompanying financial statements because they are autonomous of the Village and report to separately elected boards. The Village of Hazel Crest exerts no direct or indirect control or authority over these boards:

Grande Prairie Public Library District
Hazel Crest Park District
Prairie Hills School District #144
Hazel Crest School District #152 ½
Flossmoor School District #161
Homewood School District #153
Hillcrest High School District #228
Homewood-Flossmoor School District #223
Thornwood School District #205
Metropolitan Water Reclamation District

State law requires that the financial statements of the Village of Hazel Crest be audited by Certified Public Accountants. This requirement has been complied with and the Auditor's opinion is included in the Financial Section of this report.

The Village of Hazel Crest's government concluded fiscal year ended April 30, 2009 in sound financial condition.

ECONOMIC CONDITION AND OUTLOOK

Communities in Cook County continue to use the prior year Assessed Value to determine their Tax Levy. Public Act 89-1 established a 5% limit on the increase in extensions from the prior Levy Year to the current Levy Year, without holding what is known as a "Truth in Taxation" hearing.

The Village has five TIF Districts. The Village's oldest TIF District known as the Palmer Lake Business Park includes Gierczyk Development, and Graycor Services, among others, as corporate residents.

The Village has four other established TIF districts. The 183rd Street TIF was established to redevelop French Village by aiding in securing tenants and promoting landscaping and remodeling. The 170th Street TIF was established to initiate Transit Oriented Development (T.O.D.) in and around the train station and to develop parking and pedestrian access and institute infrastructure and landscaping improvements. The Cherry Creek TIF remains essentially inactive, although there is an approved Planned Unit Development (P.U.D.) proposal for this site. Along 167th Street a TIF was created to promote development and promote expansion of Mi-Jack products.

MAJOR INITIATIVES

The viaduct-lowering project at 171st Street and Park Avenue is nearing completion during the Summer of 2009.

The Village issued bonds of \$2.1 million in 2006 for road work in the Village that will be paid back using MFT Funds. Phase I of road repairs was conducted in 2007/2008 of approximately \$1.2 million. Phase II of approximately \$700,000 was completed this year.

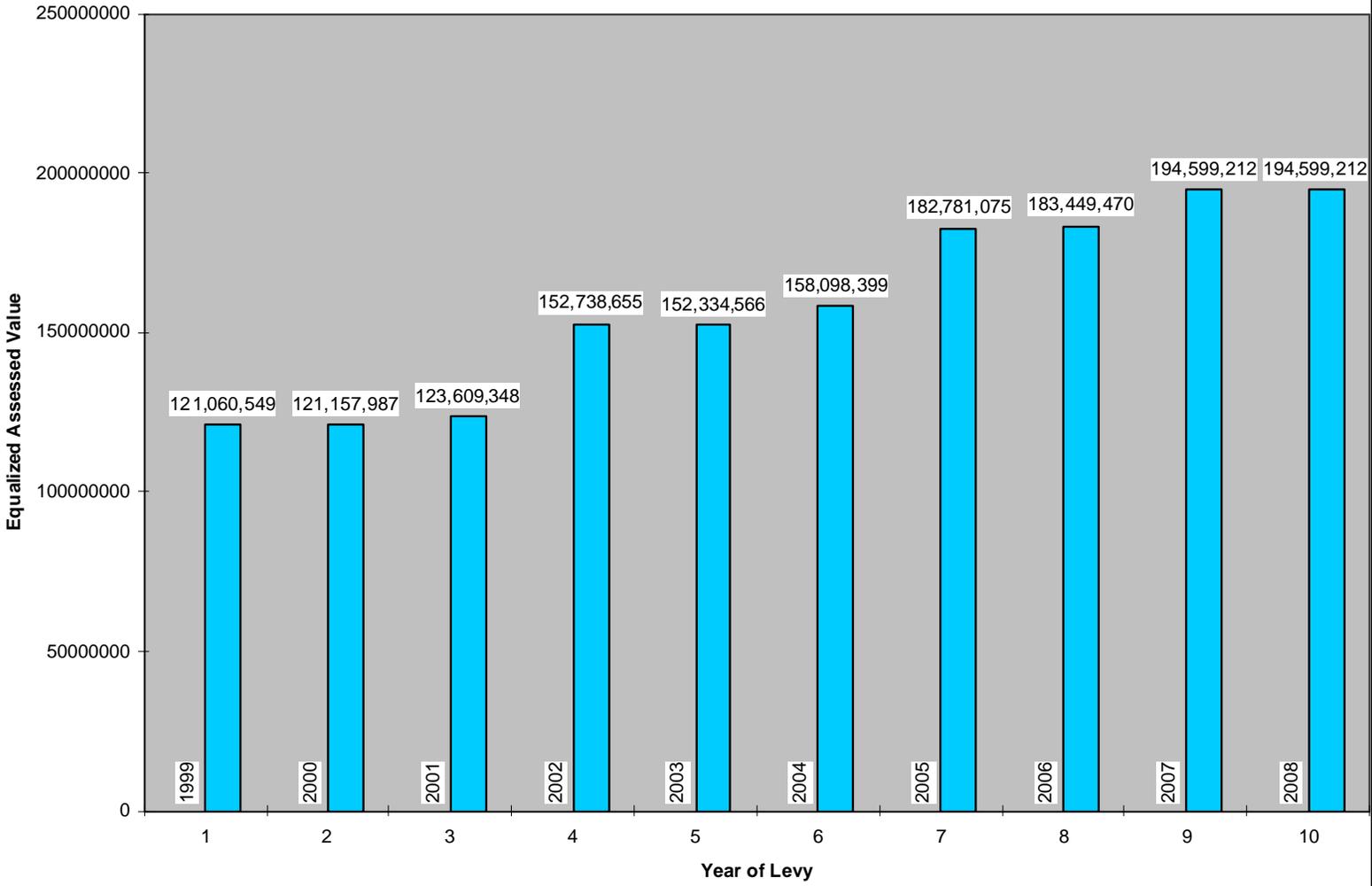
The Village is continuing its local housing adjudication court. Better control of property maintenance and better enforcement of the garbage ordinance have resulted.

Hazel Crest has been participating in E-Com joint dispatch center. The participating Villages are Hazel Crest, Homewood, Flossmoor, Glenwood, Riverdale, and South Holland. Becoming a participant allows the Village to upgrade dispatch equipment through economies of scale.

Over the last ten years there has been a 60.75% increase in Equalized Assessed Value. The following table illustrates this trend:

PROPERTY TAXES

**Village of Hazel Crest
Trend of Equalized Assessed Valuation
Last Ten Years (1998-2007)**



The allocations of Property Tax rate by generic fund type of tax levy for 2008 and the proceeding four fiscal years are as follows:

Purpose	2004	2005	2006	2007	2008
General	\$1.784	\$1.563	\$1.720	\$1.828	\$1.886
Special Revenue	0	0	0	0	0
General Obligation Debt	.043	.029	.012	.015	.163
Pensions	.334	.651	.349	.347	.414
Totals	\$2.161	\$1.943	\$2.081	\$2.190	\$2.463

INTERNAL ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

In evaluating the Village’s account system, the adequacy of internal accounting controls were analyzed and found to provide reasonable assurances related to the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed benefits likely to be derived and (2) evaluation of cost and benefits requires evaluation and judgment by management. All internal evaluations occur within the above framework. We believe that the Village’s internal accounting controls provide reasonable assurance of proper recording of financial transactions.

The challenges of financing services and maintaining infrastructure in the Village continue to dominate the budget process. Fiscal responsibilities, public safety, infrastructure maintenance, economic development leading to increasing the revenue base, continue to be the priority of the Village Board of Trustees. The Village remains committed to meeting its prescribed fiscal controls.

ILLINOIS MUNICIPAL RETIREMENT FUND

The State of Illinois created a separate entity to provide retirement, death and disability benefits to certain municipal and school district employees. All full-time Village personnel other than qualifying police and firefighters are enrolled in this retirement fund known as the Illinois Municipal Retirement Fund (IMRF). The plan requires employees enrolled to pay 4.5% of earnings toward the plan while the Village pays the balance of the amount necessary to pay normal retirement costs for the year. Comprehensive IMRF Plan Benefits are available at IMRF OFFICES, 2211 York Road, Oak Brook, IL 60523-2337.

DEBT ADMINISTRATION

The ratio of bonded debt to assessed valuation and the amount of bonded debt per capita were useful indicators of the Village's debt position to municipal management, citizens and investors. The data for the Village of Hazel Crest for the 2008 fiscal year is found in the Statistical Section of the report. During the past year \$195,000 of General Obligation Debt was retired as scheduled.

CAPITAL ASSETS

Capital assets are those assets used in the performance of general governmental functions. Capital assets include infrastructure (roads, bridges, curbs and gutters, street and sidewalks, drainage and lighting systems).

All capital assets are valued at estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Capital assets are depreciated at rates intended to amortize the cost over each assets useful life.

TRUST AND AGENCY FUNDS

The Police Pension Fund is the direct responsibility of the Hazel Crest Police Pension Board. As administrators of the Police Pension Fund, the Board is responsible for a variety of tasks including qualifications of participants, certification of benefit amounts and investment of funds. An actuary annually reviews the financial status of this fund and recommends the amount to be provided by the Village. This amount together with employee contributions will assure proper funding of the Police Pension Fund given reasonable actuarial assumptions.

On an annual basis, the Board requests and receives the amount recommended as the employer contribution for the Police Pension Fund. The Village funded \$469,211 during the fiscal year ending April 30, 2009.

The Firefighters Pension Fund is the direct responsibility of the Hazel Crest Firefighters' Pension Board. As administrators of the Firefighter's Pension Fund, the board is responsible for a variety of tasks identical to those of the Police Pension Fund, including qualification of participants, certification of benefit amounts, and investment of funds. An actuary annually reviews the financial status of these funds and recommends an amount to be provided by the Village, which, together with the employee contributions will assure proper funding of the Firefighters' Pension Fund, given reasonable actuarial assumptions.

On an annual basis, the Village Board reviews and approves the amount recommended as the employer contribution for the Firefighters Pension Fund. The Village funded \$200,012 during the fiscal year ending April 30, 2009.

CASH MANAGEMENT AND INVESTMENTS

The Village's cash management and investment procedures are guided by the Revised Village of Hazel Crest Investment Policy adopted by the Board of Trustees March 23, 1999. Specific objectives are established by this policy and are listed below in their order of importance.

- Safety of principal
- Liquidity to meet operating requirements
- Maximum rate of return while maintaining safety of principal
- Avoidance of conflict of interest
- Local investments if all else is similar

The Cash Management Policy provides that upon receipt, and prior to distribution for expenditure or investment purposes, all cash is promptly deposited in an insured Cash Management account or in the Illinois Public Treasurers' Investment Pool. Cash temporarily idle was invested in the Illinois Metropolitan Investment Fund, the Illinois Public Treasurers' Investment Pool and certificates of deposit. The Village's Investment Policy provides that investments or deposits in banks in excess of the \$100,000 FDIC insurance are secured by U. S. Government Securities in the Village's name and kept in safekeeping at a separate financial institution. All other investments are in the Village's name and are not pledged or subject to repurchase agreements.

RISK MANAGEMENT

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members. Further information on this risk management joint venture is provided within the notes of the Financial Statements for the fiscal year ending April 30, 2009.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hazel Crest for its comprehensive annual financial reports (CAFR) for the fiscal year ended April 30, 2008. This was the 27th consecutive year that the government has achieved this prestigious award (fiscal years ended 1982-2008). In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire office staff. Our appreciation is extended to all members of the Village Board for their interest and support in planning and conducting financial operations of the Village in a responsible and progressive manner.

This report evidences the significant progress the Village of Hazel Crest has made toward developing responsible financial reporting.

Respectfully submitted,

Robert L Palmer

Robert L. Palmer, Village Manager

Village of Hazel Crest, Illinois

Principal Officials

April 30, 2009

Mayor

Dr. Robert B. Donaldson

Village Board of Trustees

Vernard L. Alsberry, Jr.

Kevin Moore, Sr.

Roderick S. Bashir

Susan M. Pate

Debra J. McGhee

Benjamin A. Ramsey

Village Manager

Robert L. Palmer

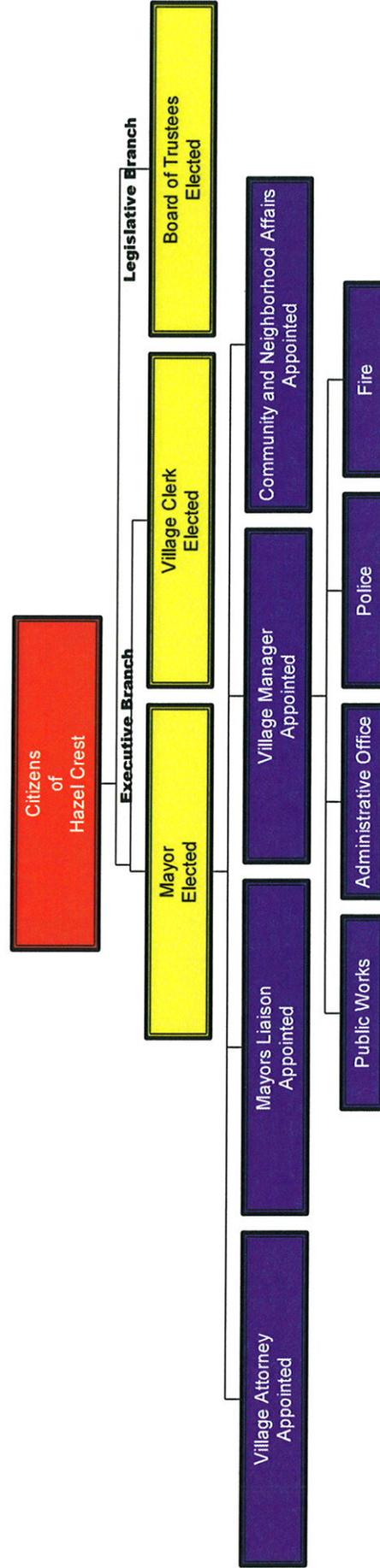
Village Clerk

Mary E. Grant

Village Attorney

**John Murphey of
Rosenthal, Murphey, Coblentz and Janega**

Village of Hazel Crest Organizational Chart



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Village of Hazel Crest
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Oliver S. Cox

President

Jeffrey R. Emery

Executive Director

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and
Members of the Board of Trustees
Village of Hazel Crest, Illinois
Hazel Crest, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hazel Crest, Illinois, as of and for the year ended April 30, 2009, 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 Hazel Crest, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hazel Crest, Illinois, as of April 30, 2009, 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.

As described in Note 1 to the basic financial statements, in fiscal year 2009 the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*.

The required supplementary information which includes management's discussion and analysis (pages 3 - 11), pension related schedules (pages 50 - 53) and budgetary schedules (pages 54 - 61) is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We 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 Hazel Crest, Illinois. The combining and individual fund financial statements and other schedules listed in the table of contents as supplementary data 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 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. The introductory section and statistical information listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Chicago, Illinois
September 22, 2009

Basic Financial Statements

Government-Wide Financial Statements

Management's Discussion and Analysis

The management of the Village of Hazel Crest (the "Village") is providing this overview and analysis of the financial activities of the Village for fiscal year ended April 30, 2009. Please read it in conjunction with the Transmittal Letter and the Financial Statements in this report.

Financial Highlights

The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$26,677,156. Of this amount, \$7,508,602 may be used to meet the government's ongoing obligations. The total net assets decreased by \$1,968,294 which was due largely in part to an increase in pension costs, an increase in insurance costs for health and liability and salary increments from labor contracts. As discussed in Note 1 to the basic financial statements, the Village adopted the provisions of GASB Statement No. 45 which required the recognition of a liability for postemployment benefits other than pension. This also contributed to the net assets decrease. Also, aging infrastructure in the Village has increased maintenance and repair costs. Total long-term debt of the Village increased by \$784,681 during the fiscal year. General obligation debt of \$195,000 was repaid in fiscal year 2009. At the end of the current fiscal year, unreserved fund balance for the general fund was \$2,506,671 or 20 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to be an introduction to the Village's basic financial statements. The basic financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary and statistical information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements provide a broad overview of the Village's finances in a manner similar to a private-sector business. For the first time, the government's current financial resources are combined and consolidated with capital assets and long-term obligations using the modified accrual basis of accounting.

The statement of net assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. In the future, the increase or decrease in net assets may be a useful indicator of whether the Village's financial position is improving or deteriorating.

The statement of activities presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as they occur, regardless of the timing of cash flow. Therefore, revenues and expenses are reported for some items that will result in cash flows in future fiscal periods. The costs of various governmental services and any subsidy to business activities are presented.

Both of these government-wide financial statements distinguish the functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or most of their costs through user fees and charges (business-type activities). The Village's governmental activities include general services, public works, and public safety. Property, sales, utility and income taxes pay for most of those activities. The Village's business-type activities include water and sewer operations and a municipal parking operation. The government-wide financial statements include only the financial activities of the Village. There are no component units.

Management's Discussion and Analysis

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Village funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental fund statements is narrower than that of the government-wide financial statements, it may be useful to compare similar information to better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village maintains 16 individual governmental funds, 2 proprietary funds and 2 fiduciary funds. Information is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances for two major funds: the General fund and the Palmer Lake TIF fund. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report.

The Village adopts an annual appropriated budget for 12 of its funds. No budgets were prepared for any TIF funds, the Working Cash Fund, or the Community Development Block Grant Fund. A budgetary comparison statement has been provided where appropriate to demonstrate compliance with this budget.

One type of proprietary fund is an enterprise fund. The Village maintains two enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Those two functions are a municipal parking operation and sewer and water operations. Sewer and water operations are considered to be a major fund of the Village.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Management's Discussion and Analysis

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

Government-wide Financial Analysis

The following table is the condensed Village of Hazel Crest Statement of Net Assets as of April 30, 2009:

	Governmental Activities	Business-type Activities	Total Primary Government
Current and other assets	\$ 12,634,630	\$ 705,658	\$ 13,340,288
Capital assets	19,121,223	3,750,564	22,871,787
Noncurrent assets	45,580	-	45,580
Total assets	<u>31,801,433</u>	<u>4,456,222</u>	<u>36,257,655</u>
Long-term liabilities	4,384,285	16,805	4,401,090
Other liabilities	3,682,751	1,496,658	5,179,409
Total liabilities	<u>8,067,036</u>	<u>1,513,463</u>	<u>9,580,499</u>
Net assets:			
Invested in capital assets	15,492,939	3,750,564	19,243,503
Restricted for MFT allotments	712,856	-	712,856
Restricted for compost closure	20,000	-	20,000
Unrestricted (deficit)	7,508,602	(807,805)	6,700,797
Total net assets	<u>\$ 23,734,397</u>	<u>\$ 2,942,759</u>	<u>\$ 26,677,156</u>

The following table is the condensed Village of Hazel Crest Statement of Net Assets as of April 30, 2008.

	Governmental Activities	Business-type Activities	Total Primary Government
Current and other assets	\$ 12,478,468	\$ 635,219	\$ 13,113,687
Capital assets	19,549,941	4,091,062	23,641,003
Noncurrent assets	49,723	-	49,723
Total assets	<u>32,078,132</u>	<u>4,726,281</u>	<u>36,804,413</u>
Long-term liabilities	3,671,962	16,494	3,688,456
Other liabilities	3,082,041	1,388,466	4,470,507
Total liabilities	<u>6,754,003</u>	<u>1,404,960</u>	<u>8,158,963</u>
Net assets:			
Invested in capital assets	15,914,004	4,091,062	20,005,066
Restricted for MFT allotments	634,466	-	634,466
Unrestricted (deficit)	8,775,659	(769,741)	8,005,918
Total net assets	<u>\$ 25,324,129</u>	<u>\$ 3,321,321</u>	<u>\$ 28,645,450</u>

Management's Discussion and Analysis

Approximately 83 percent of the Village's net assets are invested in capital assets that are used to provide services to the citizens of the Village. Although they are reported net of debt, it should be noted that the resources needed to repay any debt must be provided from other sources since they cannot be liquidated to repay liabilities. It is the 17 percent unrestricted net asset amount that can be used to meet the ongoing obligations of the Village. The Village management has determined that unrestricted net assets of 3 to 6 months of governmental expenditures would ensure the Village is able to continue providing services to its citizens at the current level and is currently meeting that benchmark. The Village has a deficit for unrestricted net assets for its business-type activities. Despite increases in water rates, the sewer and water fund continues to operate at a deficit. The aging sewer and water infrastructure in the Village and annual increases in the rate at which the Village purchases its water will continue to negatively affect this fund. Recent year rate increases are a result of City of Chicago increases that are passed on to the citizens.

The following table is the condensed Village of Hazel Crest Statement of Activities for the Fiscal Year Ended April 30, 2009.

	Governmental Activities	Business-type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	\$ 2,306,839	\$ 2,445,231	\$ 4,752,070
Operating grants and contributions	234,864	50,000	284,864
General revenues:			
Property taxes	5,891,171	-	5,891,171
TIF rebate	125,000	-	125,000
Other taxes	4,373,122	-	4,373,122
Other	1,256,663	1,005	1,257,668
Total revenues	<u>14,187,659</u>	<u>2,496,236</u>	<u>16,683,895</u>
Expenses:			
General services	6,411,941	-	6,411,941
Public works	2,578,377	-	2,578,377
Public safety	6,694,508	-	6,694,508
Interest expense	92,565	-	92,565
Waterworks and sewerage	-	2,798,922	2,798,922
Municipal parking	-	75,877	75,877
Total expenses	<u>15,777,391</u>	<u>2,874,799</u>	<u>18,652,190</u>
(Decrease) in net assets	<u>(1,589,732)</u>	<u>(378,563)</u>	<u>(1,968,295)</u>
Net assets May 1, 2008	25,324,129	3,321,322	28,645,451
Net assets April 30, 2009	<u>\$ 23,734,397</u>	<u>\$ 2,942,759</u>	<u>\$ 26,677,156</u>

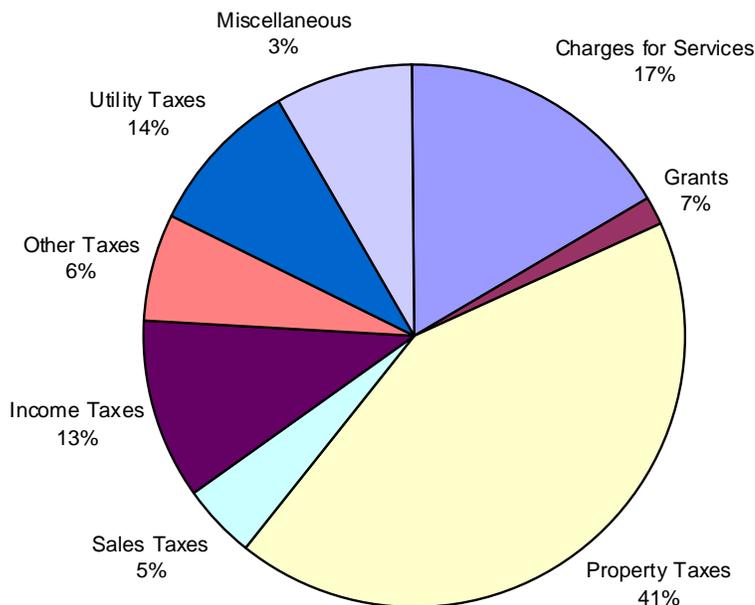
Management's Discussion and Analysis

The following table is the condensed Village of Hazel Crest Statement of Activities for the Fiscal Year Ended April 30, 2008.

	Governmental Activities	Business-type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	\$ 2,328,989	\$ 2,305,956	\$ 4,634,945
Operating grants and contributions	771,094	-	771,094
General revenues:			
Property taxes	5,707,110	-	5,707,110
TIF rebate	106,250	-	106,250
Other taxes	4,352,210	-	4,352,210
Other	583,081	8,102	591,183
Total revenues	<u>13,848,734</u>	<u>2,314,058</u>	<u>16,162,792</u>
Expenses:			
General services	7,083,940	-	7,083,940
Public works	2,440,638	-	2,440,638
Public safety	5,544,852	-	5,544,852
Interest expense	288,937	-	288,937
Sewer and water	-	2,714,028	2,714,028
Municipal parking	-	11,287	11,287
Total expenses	<u>15,358,367</u>	<u>2,725,315</u>	<u>18,083,682</u>
(Decrease) in net assets	(1,509,633)	(411,257)	(1,920,890)
Net assets May 1, 2007	26,833,762	3,732,578	30,566,340
Net assets April 30, 2008	<u>\$ 25,324,129</u>	<u>\$ 3,321,321</u>	<u>\$ 28,645,450</u>

The following chart summarizes how governmental activities are funded.

Revenues by Source - Governmental Activities



Management's Discussion and Analysis

41 percent of governmental activities are funded by property tax. This strong reliance on property tax limits Village spending. The Village has continued to provide the same level of services for its residents by continuing to adhere to its prescribed fiscal controls. The challenges presented by limited revenue have been met through sound budget planning. Each year this becomes more challenging.

Business-type activities are to be funded through charges for related services. This year the waterworks and sewerage activity had expenses for \$336,447 more than its revenues. The commuter parking lot had expenses of \$42,116 more than its revenue this year.

Financial Analysis of the Government's Funds

Governmental funds provide information on near term inflows, outflows and balances of spendable resources. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. At the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$9,449,934, a decrease of \$372,190 from the prior year. The unreserved general fund balance represents 13 percent of total general fund expenditures.

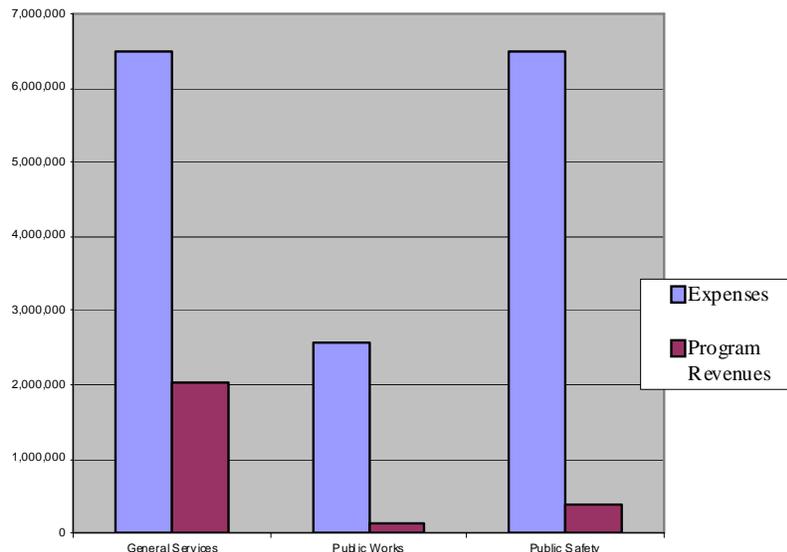
Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the waterworks and sewerage fund were \$(940,516) and \$132,711 for the commuter parking lot fund. The cause of the sewer and water fund's negative balance is the inability of the utility to maintain a rate sufficient to cover costs of the operations. One scenario being considered is for gradual repayment over several years to avoid drastic changes in services or fees.

General Fund Budgetary Highlights

No amendments were made to the original budget. During the year, revenues exceeded budgetary estimates and expenditures were more than budgetary estimates. There was no need to draw down the fund balance.

Actual general revenues were higher than budgeted revenues by \$382,982. This was mainly due to more property taxes received than anticipated, the creation of new billboard rental revenues and the risk management pool returned payments. Actual general expenditures exceeded budgeted expenditures by \$1,757,970 in the current year.

% Function is Funded by Program Revenues



Management's Discussion and Analysis

This year's General Fund shows a \$190,273 fund balance decrease, as opposed to last year's decrease of \$51,428. The Village continually tries to keep expenditure increases in line with revenue increases.

Fiscal year 2009 sales tax revenue of \$629,913 decreased \$154,970 or 20% more than 2008 sales tax revenue of \$784,883. Fiscal year 2009 income tax revenue of \$1,490,317 decreased \$109,737 or 7% more than 2008 income tax revenue of \$1,600,594. Fiscal year 2009 utility tax revenue of \$1,315,202 decreased \$80,584 more than 2008 utility tax revenue of \$1,395,786. The Village has no control over the amount or timing of these receipts. Fiscal year 2009 ambulance fee receipts of \$366,130 decreased \$29,419 or 7% more than 2008 ambulance fee receipts of \$395,549 due to more fees imposed.

Interest rates have begun to decrease causing the Village to receive \$138,285 less in interest income this year in the General Fund. The \$38,544 received is a 78% decrease from last year's interest of \$176,829.

General Fund revenues actually earned were greater than revenues budgeted by \$382,982.

Expenditures for the General Fund increased \$1,668,018 from Fiscal 2008. The percent increase in expenditures by major functions of the Village are shown in the following tabulations:

Expenditure by Function	2009 Amount	Percent of Total	2008 Amount	Percent of Total	Increase (Decrease) Amount	%
General Services	3,484,749	27%	3,200,988	29%	283,761	17%
Administrative Office	298,151	2%	333,203	3%	(35,052)	(2)%
Capital Outlay	1,163,600	9%	444,511	4%	719,089	43%
Public Works	1,278,406	10%	1,127,894	10%	151,512	9%
Police	3,441,638	27%	3,186,180	29%	255,458	15%
Fire/Paramedics	2,192,842	17%	2,062,381	19%	130,461	8%
Civil Defense	5,334	-	2,958	-	2,376	0%
Insurance	884,655	7%	724,242	7%	160,413	10%
	12,750,375	100%	11,082,357	100%	1,668,018	0%

The unreserved fund balance of the General Fund as of April 30, 2009 was \$2,506,671.

Special Revenue Fund Highlights

The Village receives revenue from various sources that are restricted by law to expenditures for specific purposes. These are identified as Special Revenue Funds. The Village's Special Revenue Funds include Motor Fuel Tax, Working Cash, and 9-1-1. During Fiscal 2009 the balance of the Working Cash Fund and the 9-1-1 Fund were transferred to the General Fund.

Motor Fuel Tax (MFT) revenues are collected by the state on the sale of fuels and distributed based primarily upon a per capita figure. MFT funds are special revenues due to the restrictions to utilize them on transportation projects, related maintenance repairs or improvements. MFT Fund revenues of \$767,296 in fiscal year 2009 represented an increase of 86% from the \$413,629 collected in Fiscal 2008. Expenditures were less than revenues during the year by \$78,391 resulting in the current fund balance of \$712,856.

Management's Discussion and Analysis

Other Fund Highlights

The Village has established a Capital Projects Fund in order to undertake major purchases of equipment and improvements to infrastructure or buildings. Interest revenue for the Capital Projects Fund for Fiscal 2009 was \$6,929. The April 30, 2009 fund balance for the Capital Projects fund was \$730,868.

Waterworks and Sewerage Fund Highlights

Fiscal year 2009 water revenue of \$2,462,475 increased \$193,661 or 9% from fiscal year 2008 revenue of \$2,268,814. The following table presents key statistical information over the past four years for the water and sewerage system. A loss of \$336,447 resulted from operations of the Water and Sewerage Fund for fiscal year 2009.

	2009	2008	2007	2006
Number of Metered Accounts (estimate)	4630	4630	4630	4630
Gross Revenue	2,462,475	2,268,814	2,103,009	2,778,528
Expense	2,798,922	2,714,028	2,475,858	3,268,363
Operating (Loss)	(336,447)	(445,214)	(372,849)	(489,835)

Capital Asset and Debt Administration

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2009, amounts to \$22,871,787, net of depreciation. This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, streets, sidewalks, storm sewers, manholes, hydrants, valves, streetlights and the water distribution system. More details on the Village's capital assets can be found in Note 4 of the financial statements.

At the end of the current year, the Village had total bond debt of \$1,820,000, general obligation debt certificates of \$527,000, note payable of \$658,599, and tax incremental finance notes of \$622,695. More details on the Village's long-term debt obligations can be found in Note 5 of the financial statements.

Economic Factors and Next Year's Budget

The Village has completed three years of being a Home Rule Authority. As a result, we have implemented a gas tax of three cents per gallon and an additional 1% sales tax. We also have two residential developments of LaRon Chris Estates located at 175th Street just west of Kedzie and also just east on 175th Street of Governors Highway, on the Cherry Creek TIF site; the Village has approved a development for this 25-acre site. The Village has approved a plan for a Senior Citizen housing complex that would be an attractive addition to the area. The site lends itself to being a "gated community" with access from 175th Street. A small retail development has been approved for the Hazel Crest Proper area and should provide some additional convenience shopping in the 10,000 square foot center.

In the far northeastern portion of the Village, in the Hazel Crest Proper area, the lowering of the 171st viaduct is anticipated to be a trigger for the Transit Oriented Development Plan, which has been initiated in fiscal year 2007. A Tax Incremental Financing District is already in place and the Village rezoned the area delineated within the TIF District to promote the Transit Oriented Development Plan. Transit Oriented Development (TOD) focuses on development in and around transit stations, serving the commuter and the local community. The Hazel Crest Metra Electric Station would be the focal point for this development. The area is obviously a collection point for commuters arriving by bus, auto and on foot to board the train to Chicago. The goal of the TOD plan is to redevelop the area to serve these commuters as well as the local community, with convenient services.

Management's Discussion and Analysis

In efforts to make the Village of Hazel Crest "Senior Friendly," we have instituted a full range of Senior Services. The Village offers transportation for seniors 65 years of age and older, as well as physically challenged individuals. Additionally, the Village provides lunches during the week for seniors.

Other major developments are as follows:

- Local Cable Programming, Hazelnut Festival and Chamber of Commerce
- Summer Youth Employment Program
- MFT Bond Issue (Street Paving)
- Beginning third year with E-Com Emergency Dispatch Center
- Water System Improvements

With the added retail development, along with some manufacturing and residential development, it is anticipated that the Village will benefit from additional sales tax revenue and property tax revenue in the coming year.

Requests for Information

This financial report is designed to provide a general overview of the Village of Hazel Crest's finances for all those with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Hazel Crest Village Manager, Robert L. Palmer, 3000 W. 170th Place, Hazel Crest, IL 60426.

Village of Hazel Crest, Illinois

Statement of Net Assets
April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 7,608,913	\$ 132,911	\$ 7,741,824
Receivables:			
Property taxes	2,912,820	-	2,912,820
TIF rebate	125,000	-	125,000
Accounts	580,605	572,747	1,153,352
Intergovernmental	915,739	-	915,739
Prepays	487,410	-	487,410
Unamortized bond discount and issuance costs	4,143	-	4,143
Total current assets	<u>12,634,630</u>	<u>705,658</u>	<u>13,340,288</u>
Capital assets, not being depreciated	3,293,331	120,337	3,413,668
Capital assets, net of accumulated depreciation	15,827,892	3,630,227	19,458,119
Unamortized bond discount and issuance costs	45,580	-	45,580
Total noncurrent assets	<u>19,166,803</u>	<u>3,750,564</u>	<u>22,917,367</u>
Total Assets	<u>\$ 31,801,433</u>	<u>\$ 4,456,222</u>	<u>\$ 36,257,655</u>

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Net Assets - Continued

April 30, 2009

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current			
General obligation bonds	\$ 140,000	\$ -	\$ 140,000
General obligation debt certificates	50,000	-	50,000
Notes payable	56,341	-	56,341
Compensated absences	255,857	21,532	277,389
Accounts payable	1,246,774	43,970	1,290,744
Accrued expenses	97,565	-	97,565
Deposits	99,182	184,584	283,766
Internal balances	(1,246,572)	1,246,572	-
Employer contributions payable	20,324	-	20,324
Unearned revenue	2,963,280	-	2,963,280
Total current liabilities	3,682,751	1,496,658	5,179,409
Noncurrent			
General obligation bonds	1,680,000	-	1,680,000
General obligation debt certificates	477,000	-	477,000
Notes payable	602,258	-	602,258
Other post employment benefits	592,390	-	592,390
Tax incremental revenue notes	622,695	-	622,695
Compensated absences	163,665	16,805	180,470
Pension obligation	246,277	-	246,277
Total noncurrent liabilities	4,384,285	16,805	4,401,090
Total liabilities	8,067,036	1,513,463	9,580,499
Net Assets			
Invested in capital assets, net of related debt	15,492,939	3,750,564	19,243,503
Restricted for MFT allotments	712,856	-	712,856
Restricted for compost closure	20,000	-	20,000
Unrestricted (deficit)	7,508,602	(807,805)	6,700,797
Total net assets	\$ 23,734,397	\$ 2,942,759	\$ 26,677,156

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Activities
Year Ended April 30, 2009

Functions/Programs	Expenses	Program Revenues		Net (Expense), Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General services	\$ 6,411,941	\$ 1,940,709	\$ 102,597	\$ (4,368,635)	\$ -	\$ (4,368,635)
Public works	2,578,377	-	130,895	(2,447,482)	-	(2,447,482)
Public safety	6,694,508	366,130	1,372	(6,327,006)	-	(6,327,006)
Interest expense	92,565	-	-	(92,565)	-	(92,565)
Total governmental activities	15,777,391	2,306,839	234,864	(13,235,688)	-	(13,235,688)
Business-type activities:						
Waterworks and sewerage	2,798,922	2,412,475	50,000	-	(336,447)	(336,447)
Commuter parking lot	75,877	32,756	-	-	(43,121)	(43,121)
Total business-type activities	2,874,799	2,445,231	50,000	-	(379,568)	(379,568)
Total	\$ 18,652,190	\$ 4,752,070	\$ 284,864	(13,235,688)	(379,568)	(13,615,256)
General revenues						
Taxes:						
Property				5,891,171	-	5,891,171
TIF rebate				125,000	-	125,000
Replacement				34,779	-	34,779
Sales				629,913	-	629,913
Income				1,490,817	-	1,490,817
Utility taxes and other				2,217,613	-	2,217,613
Interest				104,095	1,005	105,100
Miscellaneous				1,152,568	-	1,152,568
Total general revenues				11,645,956	1,005	11,646,961
Change in net assets				(1,589,732)	(378,563)	(1,968,295)
Net assets:						
May 1, 2008				25,324,129	3,321,322	28,645,451
April 30, 2009				\$ 23,734,397	\$ 2,942,759	\$ 26,677,156

See Notes to Financial Statements.

Fund Financial Statements

Village of Hazel Crest, Illinois

Balance Sheet - Governmental Funds
April 30, 2009

	General Fund	Tax Increment Financing District Palmer Lake Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and equivalents	\$ 1,565,740	\$ 1,673,052	\$ 4,370,121	\$ 7,608,913
Receivables:				
Property taxes	2,720,730	-	192,090	2,912,820
TIF rebate	125,000	-	-	125,000
Accounts	580,605	-	-	580,605
Intergovernmental	856,640	-	59,099	915,739
Due from other funds	42,376	-	-	42,376
Advance from other funds	1,246,572	-	-	1,246,572
Prepays	487,410	-	-	487,410
Total assets	\$ 7,625,073	\$ 1,673,052	\$ 4,621,310	\$ 13,919,435
Liabilities				
Accounts payable	\$ 376,159	\$ 759,250	\$ 111,365	\$ 1,246,774
Accrued expenses	97,565	-	-	97,565
Deposits	99,182	-	-	99,182
Due to other funds	20,324	-	42,376	62,700
Deferred revenue	2,771,190	-	192,090	2,963,280
Total liabilities	3,364,420	759,250	345,831	4,469,501
Fund Balances				
Reserved for prepaids	487,410	-	-	487,410
Reserved for advances	1,246,572	-	-	1,246,572
Reserved for compost closure	20,000	-	-	20,000
Reserved for debt service	-	-	46,189	46,189
Unreserved:				
General fund	2,506,671	-	-	2,506,671
Special revenue funds	-	-	712,856	712,856
Capital projects funds	-	913,802	3,516,434	4,430,236
Total fund balances	4,260,653	913,802	4,275,479	9,449,934
Total liabilities and fund balances	\$ 7,625,073	\$ 1,673,052	\$ 4,621,310	\$ 13,919,435

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

**Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets
April 30, 2009**

Total fund balances-governmental funds	\$ 9,449,934
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Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,121,223
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Discounts and costs related to issuance of bonds are reductions in the governmental funds in the year of issuance but are capitalized and amortized over the life of the bond issue on the Statement of Net Assets.	49,723
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Some liabilities reported in the Statement of Net Assets do not
require the use of current financial resources and, therefore, are
not reported as liabilities in governmental funds. These
activities consist of:

Compensated absences	(419,522)
General obligation debt certificates	(527,000)
General obligation bonds	(1,820,000)
Notes payable	(658,599)
Other postemployment benefits	(592,390)
Tax incremental revenue notes	(622,695)
Pension obligation	(246,277)

Net assets of governmental activities	<u>\$ 23,734,397</u>
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See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds
 Year Ended April 30, 2009

	General Fund	Tax Increment Financing District Palmer Lake Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 4,005,053	\$ 928,329	\$ 924,112	\$ 5,857,494
Other taxes	1,753,377	-	-	1,753,377
Intergovernmental	2,362,363	-	854,595	3,216,958
Fines, fees and permits	1,766,156	-	-	1,766,156
Licenses	270,120	-	-	270,120
Charges for services	173,600	-	-	173,600
TIF rebate	125,000	-	-	125,000
Interest	38,544	8,003	57,548	104,095
Miscellaneous	883,280	-	37,578	920,858
Total revenues	11,377,493	936,332	1,873,833	14,187,658
Expenditures				
Current:				
General services	3,484,749	-	379,967	3,864,716
Administrative office	298,151	-	-	298,151
Public works	1,279,406	-	-	1,279,406
Police	3,441,638	-	-	3,441,638
Fire	2,192,842	-	-	2,192,842
Economic development	-	297,428	399,722	697,150
TIF surplus distribution	-	760,000	-	760,000
Insurance	884,655	-	-	884,655
Civil defense	5,334	-	-	5,334
Debt service:				
Principal	-	-	195,000	195,000
Interest and fees	-	-	92,564	92,564
Capital outlay	1,163,600	-	343,391	1,506,991
Total expenditures	12,750,375	1,057,428	1,410,644	15,218,447
Excess revenues or (expenditures)	(1,372,882)	(121,096)	463,189	(1,030,789)
Other financing sources (uses):				
Note payable issued	658,599	-	-	658,599
Transfers in	904,556	-	-	904,556
Transfers (out)	-	-	(904,556)	(904,556)
Total other financing sources	1,563,155	-	(904,556)	658,599
Net change in fund balance	190,273	(121,096)	(441,367)	(372,190)
Fund balances:				
May 1, 2008	4,070,380	1,034,898	4,716,846	9,822,124
April 30, 2009	\$ 4,260,653	\$ 913,802	\$ 4,275,479	\$ 9,449,934

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended April 30, 2009**

Net change in fund balances-total governmental funds	\$ (372,190)
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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.

Capital outlay	998,149
Depreciation	(1,415,325)

Discounts on issuance of bonds are reductions in the governmental funds
in the year of issuance but are capitalized and amortized over the life of
the bond issue on the Statement of Net Assets.

(4,143)

Some general operations were financed through the issuance of long-term
debt. In governmental funds, long-term debt is considered
other financing sources, but in the statement of net assets, debt is
reported as a liability.

(658,599)

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

195,000

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:

Loss on disposals of assets	(11,542)
Decrease in compensated absences	5,196
(Increase) in pension obligation	(75,024)
(Increase) in other postemployment benefits	(592,390)
Decrease in accreted interest on tax incremental financing notes	341,136

Change in net assets of governmental activities	<u>\$ (1,589,732)</u>
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See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Net Assets - Proprietary Funds
April 30, 2009

	Business-Type Activities		
	Waterworks and Sewerage Fund	Nonmajor Commuter Parking Lot	Total
Assets			
Current			
Cash and equivalents	\$ -	\$ 132,911	\$ 132,911
Accounts receivable	572,747	-	572,747
Total current assets	572,747	132,911	705,658
Noncurrent			
Capital assets (net of accumulated depreciation)			
Land	71,509	48,828	120,337
Land improvements	8,250	166,592	174,842
Buildings	161,937	-	161,937
Distribution system	2,819,983	-	2,819,983
Machinery and equipment	473,465	-	473,465
Total noncurrent assets	3,535,144	215,420	3,750,564
Total assets	\$ 4,107,891	\$ 348,331	\$ 4,456,222

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Net Assets - Proprietary Funds - Continued
 April 30, 2009

	Business-Type Activities		
	Waterworks and Sewerage Fund	Nonmajor Commuter Parking Lot	Total
Liabilities			
Current			
Accounts payable	\$ 43,770	\$ 200	\$ 43,970
Deposits	184,584	-	184,584
Advances to other funds	1,246,572	-	1,246,572
Compensated absences	21,532	-	21,532
Total current liabilities	1,496,458	200	1,496,658
Noncurrent			
Compensated absences	16,805	-	16,805
Total noncurrent liabilities	16,805	-	16,805
Total liabilities	1,513,263	200	1,513,463
Net Assets			
Invested in capital assets, net of related debt	3,535,144	215,420	3,750,564
Unrestricted (deficit)	(940,516)	132,711	(807,805)
Total net assets	\$ 2,594,628	\$ 348,131	\$ 2,942,759

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds

Enterprise Funds

Year Ended April 30, 2009

	Business-Type Activities		
	Waterworks and Sewerage Fund	Nonmajor Commuter Parking Lot	Total
Operating revenues, charges for services	\$ 2,462,475	\$ 32,756	\$ 2,495,231
Operating expenses:			
Operations	2,391,168	70,615	2,461,783
Depreciation	407,754	5,262	413,016
Total operating expenses	2,798,922	75,877	2,874,799
Operating (loss)	(336,447)	(43,121)	(379,568)
Nonoperating revenues, interest income	-	1,005	1,005
Net (loss)	(336,447)	(42,116)	(378,563)
Net assets:			
May 1, 2008	2,931,075	390,247	3,321,322
April 30, 2009	\$ 2,594,628	\$ 348,131	\$ 2,942,759

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Cash Flows – Proprietary Funds
Year Ended April 30, 2009

	Business-Type Activities		
	Waterworks and Sewerage Fund	Nonmajor Commuter Parking Lot	Total
Cash flows from operating activities			
Cash received for services	\$ 2,399,714	\$ 32,806	\$ 2,432,520
Payments to employees	(856,645)	-	(856,645)
Payments to suppliers	(1,590,156)	(70,572)	(1,660,728)
Net cash (used in) operating activities	(47,087)	(37,766)	(84,853)
Cash flows from noncapital financing activities			
Increase in due to other funds	119,605	31,127	150,732
Cash flows from capital financing activities			
Acquisition of capital assets	(72,518)	-	(72,518)
Cash flows from investing activities			
Cash receipts from interest income	-	1,005	1,005
Net (decrease) in cash and equivalents	-	(5,634)	(5,634)
Cash and equivalents:			
May 1, 2008	-	138,545	138,545
April 30, 2009	\$ -	\$ 132,911	\$ 132,911

(Continued)

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Statement of Cash Flows – Proprietary Funds - Continued
Year Ended April 30, 2009

	Business-Type Activities		
	Waterworks and Sewerage Fund	Nonmajor Commuter Parking Lot	Total
Reconciliation of operating (loss) to net cash (used in) operating activities			
Operating (loss)	\$ (336,447)	\$ (43,121)	\$ (379,568)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:			
Depreciation	407,754	5,262	413,016
Changes in assets and liabilities:			
Accounts receivable	(76,073)	-	(76,073)
Deposits	13,312	-	13,312
Accounts payable	(55,323)	93	(55,230)
Compensated absences payable	(310)	-	(310)
Total adjustments	289,360	5,355	294,715
Net cash (used in) operating activities	\$ (47,087)	\$ (37,766)	\$ (84,853)

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Combined Statement of Fiduciary Net Assets - Pension Trust Funds
April 30, 2009

Assets

Cash and cash equivalents	\$ 1,233,129
Investments	
Certificates of deposit	936,547
U.S. Treasury notes	6,928,713
U.S. Government agencies	1,833,517
Insurance contracts	1,397,028
Money market mutual funds	3,062,956
Due from general fund	20,324
Interest receivable	17,058
	<hr/>
Total assets	15,429,272
Liabilities , accounts payable	<hr/> 1,660
Net assets held in trust for pension benefits	<hr/> <hr/> \$ 15,427,612

See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Combined Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2009

Additions

Contributions:

Employer	\$ 669,223
Plan members	259,351
Total contributions	<u>928,574</u>

Investment income:

Net (depreciation) in fair value of investments	(825,841)
Dividends	52,067
Interest	180,817
(Loss) on sale of securities	(40)
Less investment expense	<u>(27,590)</u>
Net investment (expense)	<u>(620,587)</u>

Total additions	<u>307,987</u>
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Deductions

Benefits	1,168,335
Administrative expenses	18,957
Total deductions	<u>1,187,292</u>

Net (decrease)	(879,305)
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Net assets held in trust for pension benefits:

May 1, 2008	<u>16,306,917</u>
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April 30, 2009	<u>\$ 15,427,612</u>
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See Notes to Financial Statements.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The Village of Hazel Crest, Illinois, is located in Cook County, Illinois and was first incorporated in 1912 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a council-manager form of government and provides a full range of services including public safety, roads, planning, zoning, and general administrative services.

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

(a) Financial Reporting Entity

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

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

Based upon the application criteria, no component units have been included within the reporting entity.

(b) Government-wide and Fund Financial Statements

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

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

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

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

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

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

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general services, 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 governmental funds, each displayed in a separate column. The Village has the following major governmental funds - General Fund and Tax Incremental Financing District Palmer Lake Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major proprietary fund - Waterworks and Sewerage Fund. The remaining proprietary fund is reported as a nonmajor proprietary fund.

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 services, public works and public safety.

Tax Incremental Financing District Palmer Lake Fund - This fund is used to account for incremental property taxes of the tax incremental financing district in the Palmer Lake Development and the use of those funds.

The Village administers the following major proprietary fund:

Waterworks and Sewerage Fund - accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

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, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Proprietary funds distinguish 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.

(d) Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

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

2. Investments

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

3. Interfund Receivables, Payables and Activity

The Village has the following types of transactions between funds:

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

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(d) Assets, Liabilities, and Net Assets or Equity (Continued)

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

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

4. Prepaid Items

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

5. Capital Assets

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

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

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

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

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(d) Assets, Liabilities, and Net Assets or Equity (Continued)

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

	<u>Estimated Useful Lives</u>
Land improvements	15 - 30 years
Buildings	40 - 50 years
Machinery and equipment	10 - 20 years
Streets	30 years
Sidewalks	10 years
Storm	40 years
Manholes	40 years
Hydrants	40 years
Valves	40 years
Streetlights	30 years
Distribution system	40 - 60 years

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

6. 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.

7. Compensated Absences

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive 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.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

(d) Assets, Liabilities, and Net Assets or Equity (Continued)

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.

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances, if any, represent tentative plans for future use of financial resources.

(e) Accounting 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.

(f) New Accounting Pronouncements

Effective May 1, 2008, the Village adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*. This Statement established standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplementary information in the financial reports of state and local governments.

Effective May 1, 2008, the Village adopted Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This Statement addresses accounting and financial reporting for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessment and cleanups.

Effective May 1, 2008, the Village adopted GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed on the notes to the financial statement or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 2. Cash and Investments

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of April 30, 2009 the carrying amount of the Village's deposits was \$3,922,105, with bank balances totaling \$4,240,014. All of the Village's deposits were insured or collateralized at April 30, 2009.

Investments

As of April 30, 2009, the Village had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 6,928,713	\$ -	\$ 3,422,405	\$ 2,003,260	\$ 1,503,048
U.S. agencies - FFCB	53,791	-	53,791	-	-
U.S. agencies - FHLB	607,929	-	607,929	-	-
U.S. agencies - FNMA	145,134	-	145,134	-	-
U.S. agencies - GNMA	1,026,940	-	1,026,940	-	-
Insurance Contracts	1,397,028	-	1,397,028	-	-
Money Market Mutual Funds	3,062,956	3,062,956	-	-	-
Illinois Funds	5,989,118	5,989,118	-	-	-
	<u>\$ 19,211,609</u>	<u>\$ 9,052,074</u>	<u>\$ 6,653,227</u>	<u>\$ 2,003,260</u>	<u>\$ 1,503,048</u>

The Illinois Funds are shown as maturing in less than one year because the weighted average maturity of the pool's investments is less than one year.

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

Interest Rate Risk. The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest in investments as allowed by Illinois Compiled Statutes. As of April 30, 2009, the Village's investments in U.S. Government agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Village's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Money Market Mutual Funds and insurance contracts were not rated. The Village's investment policy does not address credit risk.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

Concentration of Credit Risk. Concentration of credit risk is the Village's risk when more than 5 percent of the Village's investments are with a single issuer. 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 can be by type of investment, number of institutions invested in, and length of maturity. More than 5 percent of the Village's investments are in U.S. Treasury Notes, U.S. Agencies-GNMA, Insurance Contracts, Money Market Mutual Funds, and Illinois Funds. These investments are 36.1%, 5.3%, 7.3%, 15.9% and 31.2%, respectively, of the Village's total investments.

Custodial Credit Risk Investments. For an investment, this is the risk that in the event of failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. Treasury Notes, U.S. agency securities, and insurance contracts are held by the Village's agent in the Village's name. The Illinois Funds Investment Pool, Money Market Mutual Funds, and Equity Mutual Funds are not subject to custodial credit risk. The Village's investment policy does not address custodial credit risk for investments.

The above deposits of \$3,922,105 and investments of \$19,211,609 totaling \$23,133,714 are reported in the financial statements as follows:

Governmental and business-type activities,	
Cash and cash equivalents	\$ 7,741,824
Fiduciary Funds:	
Cash and cash equivalents	1,233,129
Investments:	
Certificates of Deposit	936,547
U.S. Treasury Notes	6,928,713
U.S. Government Agencies	1,833,517
Insurance Contracts	1,397,028
Money Market Mutual Funds	<u>3,062,956</u>
Total	<u>\$ 23,133,714</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.

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

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 4. Capital Assets

Governmental Activities

A summary of the changes in capital assets for governmental activities of the Village is as follows:

	Balance May 1, 2008	Additions	Retirements	Balance, April 30, 2009
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 699,770	\$ -	\$ -	\$ 699,770
Right of way	1,760,980	-	-	1,760,980
Easements/open land	173,982	-	-	173,982
Construction in progress	-	658,599	-	658,599
	<u>2,634,732</u>	<u>658,599</u>	<u>-</u>	<u>3,293,331</u>
Capital assets being depreciated:				
Land improvements	237,748	-	-	237,748
Buildings	2,573,098	124,085	-	2,697,183
Machinery and equipment	5,013,841	186,408	260,115	4,940,134
Streets	107,920,640	-	-	107,920,640
Sidewalks	4,823,928	29,057	-	4,852,985
Storm sewers	3,683,721	-	-	3,683,721
Manholes	189,109	-	-	189,109
Hydrants	290,146	-	-	290,146
Valves	42,497	-	-	42,497
Streetlights	409,393	-	-	409,393
	<u>125,184,121</u>	<u>339,550</u>	<u>260,115</u>	<u>125,263,556</u>
Less accumulated depreciation for:				
Land improvements	183,239	6,053	-	189,292
Buildings	1,597,981	60,059	-	1,658,040
Machinery and equipment	3,781,979	231,047	248,573	3,764,453
Streets	94,356,864	1,041,303	-	95,398,167
Sidewalks	4,706,214	18,095	-	4,724,309
Storm sewers	2,972,660	46,299	-	3,018,959
Manholes	151,661	2,527	-	154,188
Hydrants	117,992	5,835	-	123,827
Valves	37,092	576	-	37,668
Streetlights	363,230	3,531	-	366,761
	<u>108,268,912</u>	<u>1,415,325</u>	<u>248,573</u>	<u>109,435,664</u>
Capital assets being depreciated, net:				
Land improvements	54,509	(6,053)	-	48,456
Buildings	975,117	64,026	-	1,039,143
Machinery and equipment	1,231,862	(44,639)	11,542	1,198,765
Streets	13,563,776	(1,041,303)	-	12,522,473
Sidewalks	117,714	10,962	-	128,676
Storm sewers	711,061	(46,299)	-	664,762
Manholes	37,448	(2,527)	-	34,921
Hydrants	172,154	(5,835)	-	166,319
Valves	5,405	(576)	-	4,829
Streetlights	46,163	(3,531)	-	42,632
Total capital assets being depreciated, net	<u>16,915,209</u>	<u>(1,075,775)</u>	<u>11,542</u>	<u>15,827,892</u>
Governmental activities capital assets, net	<u>\$ 19,549,941</u>	<u>\$ (417,176)</u>	<u>\$ 11,542</u>	<u>\$ 19,121,223</u>

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 4. Capital Assets (Continued)

Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Balance, May 1, 2008	Additions	Retirements	Balance, April 30, 2009
Business-type activities				
Capital assets not being depreciated,				
Land	\$ 120,337	\$ -	\$ -	\$ 120,337
Capital assets being depreciated:				
Land improvements	308,042	-	-	308,042
Buildings	472,520	-	-	472,520
Machinery and equipment	1,779,686	50,000	-	1,829,686
Distribution system	10,649,731	22,518	-	10,672,249
	<u>13,209,979</u>	<u>72,518</u>	<u>-</u>	<u>13,282,497</u>
Less accumulated depreciation for:				
Land improvements	125,689	7,511	-	133,200
Buildings	297,990	12,593	-	310,583
Machinery and equipment	1,287,580	68,641	-	1,356,221
Distribution system	7,527,995	324,271	-	7,852,266
	<u>9,239,254</u>	<u>413,016</u>	<u>-</u>	<u>9,652,270</u>
Capital assets being depreciated, net:				
Land improvements	182,353	(7,511)	-	174,842
Buildings	174,530	(12,593)	-	161,937
Machinery and equipment	492,106	(18,641)	-	473,465
Distribution system	3,121,736	(301,753)	-	2,819,983
Total capital assets being depreciated, net	<u>3,970,725</u>	<u>(340,498)</u>	<u>-</u>	<u>3,630,227</u>
Business-type activities capital assets, net	<u>\$ 4,091,062</u>	<u>\$ (340,498)</u>	<u>\$ -</u>	<u>\$ 3,750,564</u>

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 4. Capital Assets (Continued)

Governmental Activities Depreciation Charged to Functions / Programs

Depreciation was charged to functions/programs as follows:

Governmental activities:

General services	\$ 17,647
Public works	1,270,168
Public safety	<u>127,510</u>

Total depreciation expense - governmental activities \$ 1,415,325

Business-type activities:

Waterworks and sewerage	\$ 407,754
Commuter parking lot	<u>5,262</u>

Total depreciation expense - business-type activities \$ 413,016

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, 2009:

	Outstanding Obligations as of May 1, 2008	Additions	Reductions	Outstanding Obligations as of April 30, 2009	Due within one year
General obligation bonds	\$ 1,965,000	\$ -	\$ 145,000	\$ 1,820,000	\$ 140,000
General obligation debt certificates	577,000	-	50,000	527,000	50,000
Tax incremental revenue notes	963,831	-	341,136	622,695	-
Note payable	-	658,599	-	658,599	56,341
Compensated absences	424,718	229,644	234,840	419,522	255,857
Net pension obligation	171,253	75,024	-	246,277	-
Other postemployment benefits	-	592,390	-	592,390	-
	<u>\$ 4,101,802</u>	<u>\$ 1,555,657</u>	<u>\$ 770,976</u>	<u>\$ 4,886,483</u>	<u>\$ 502,198</u>

Village of Hazel Crest, Illinois

Notes to 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, 2009:

	Outstanding Obligations as of May 1, 2008	Additions	Reductions	Outstanding Obligations as of April 30, 2009	Due within one year
Compensated absences	\$ 38,647	\$ 21,843	\$ 22,153	\$ 38,337	\$ 21,532

Outstanding obligations as of April 30, 2009, consists of the following:

General obligation bonds:

General obligation bonds, Series 2006 dated December 1, 2006. Principal is due in semi-annual installments on June 1 and December 1 in varying amounts through 2021. Interest in due in semi-annual installments on June 1 and December 1 at rates from 3.7% to 3.85%. \$ 1,820,000

General obligation debt certificates:

General obligation debt certificates, series 2005 dated April 26, 2005. Principal due in annual installments of \$50,000 through 2019 and \$27,000 in 2020. Interest is variable. 527,000

Notes payable:

Note payable due in semi-annual installments on June 30 and December 31 in varying amounts through 2013 with a final balloon payment in 2014. Interest is 3.83%. 658,599

Tax incremental revenue notes:

Tax incremental revenue notes, payable solely from incremental property taxes from the Tax Incremental Finance District, provide for retirement of interest and principal to be paid annually. Repayments are limited to amounts paid in property taxes that year by the note holder. Interest is at the prime rate (3.25% at April 30, 2009) plus 2% and is paid with the notes as incremental property taxes become available. Additions to tax incremental revenue notes for the fiscal year ended April 30, 2009 resulted from accreted interest on the notes earned during the fiscal year. All notes still outstanding on June 27, 2011 will be canceled. 622,695

Compensated absences, governmental activities 419,522

Compensated absences, business-type activities 38,337

Net pension obligation 246,277

Other postemployment benefits 592,390

Total long-term obligations \$ 4,924,820

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (Continued)

The future debt service requirements to amortize the outstanding debt other than compensated absences, pension obligation and tax incremental revenue notes are as follows:

Fiscal Year	General Obligation Bonds		Governmental Debt Certificates		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 140,000	\$ 68,210	\$ 50,000	\$ 20,026	\$ 56,341	\$ 23,629
2011	140,000	63,030	50,000	18,126	57,448	22,522
2012	125,000	57,850	50,000	16,226	59,669	20,300
2013	135,000	53,225	50,000	14,326	61,977	17,993
2014	140,000	48,230	50,000	12,426	423,164	17,080
2015	145,000	43,050	50,000	10,526	-	-
2016	150,000	37,685	50,000	8,626	-	-
2017	155,000	32,135	50,000	6,726	-	-
2018	160,000	26,400	50,000	4,826	-	-
2019	170,000	20,320	50,000	2,926	-	-
2020	175,000	13,860	27,000	1,026	-	-
2021	185,000	7,123	-	-	-	-
	<u>\$ 1,820,000</u>	<u>\$ 471,118</u>	<u>\$ 527,000</u>	<u>\$ 115,786</u>	<u>\$ 658,599</u>	<u>\$ 101,524</u>

Interest on the variable-rate general obligation bonds is paid at the Bank of New York corporate rate and is reset weekly. The interest rate was 2.25% at April 30, 2009.

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 Village's 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.

Funding Policy. As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 8.50 percent of annual covered payroll. 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 2008, the Village's annual pension cost of \$198,362 for the Regular plan was equal to your employer's required and actual contributions.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

<u>Trend Information</u>				
Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed		Net Pension Obligation
12/31/08	\$ 198,362	100	% \$	-
12/31/07	200,364	100		-
12/31/06	201,533	100		-

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent 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 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Village's 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 Village's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006, valuation was 24 years.

Funded Status and Funding Progress. As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 80.09 percent funded. The actuarial accrued liability for benefits was \$8,555,244 and the actuarial value of assets was \$6,852,050, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,703,194. The covered payroll (annual payroll of active employees covered by the plan) was \$2,333,668 and the ratio of the UAAL to the covered payroll was 73 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.

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 plan does not issue a separate stand-alone financial report.

Covered employees are currently 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 ended April 30, 2008 was 35.85% of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

The Village's annual pension cost and net pension obligation/asset to the Plan for the year ended April 30, 2009, were as follows:

Annual required contribution	\$ 565,393
Interest on net pension obligation	(1,560)
Adjustment to annual requirement contribution	<u>(100,250)</u>
Annual pension cost	463,583
Contributions made	<u>469,211</u>
(Decrease) in net pension obligation	(5,628)
Net pension obligation, beginning of year	<u>79,098</u>
Net pension obligation, end of year	<u><u>\$ 73,470</u></u>

The annual required contribution for the year ended April 30, 2009, was determined as part of the April 30, 2008, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return, (b) projected salary increases of 5.0%, (c) 3.0% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. 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 a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2008, was 25 years.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation/(Asset)
04/30/09	\$ 463,583	\$ 469,211	101.2 %	\$ 73,470
04/30/08	461,713	477,077	103.3	(22,281)
04/30/07	437,527	391,299	89.4	79,098
04/30/06	353,143	438,711	124.2	(53,145)
04/30/05	337,456	402,248	119.2	32,423
04/30/04	318,937	301,714	94.6	97,365

Membership in the plan consisted of the following as of April 30, 2008:

Retirees and beneficiaries receiving benefits	18
Terminated plan members entitled to but not yet receiving benefits	2
Active vested plan members	10
Active nonvested plan members	<u>18</u>
	<u><u>48</u></u>

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Firefighters' Pension Plan

Fire-sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are 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 plan does not issue a separate stand-alone report.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year ended April 30, 2008, was 21.813% of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2009, were as follows:

Annual required contribution	\$ 239,740
Interest on net pension obligation	9,743
Adjustment to annual requirement contribution	31,181
Annual pension cost	<u>280,664</u>
Contributions made	<u>200,012</u>
Increase in net pension obligation	80,652
Net pension obligation, beginning of year	<u>92,155</u>
Net pension obligation, end of year	<u><u>\$ 172,807</u></u>

The required contribution for the year ended April 30, 2009, was determined as part of the April 30, 2008, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.5% investment rate of return, (b) projected salary increases of 5.5%, and (c) 3.0% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of Firefighters' 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 Firefighters' Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2008, was 25 years.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed	Net Pension Obligation
04/30/09	\$ 280,664	\$ 200,012	71.3 %	\$ 172,807
04/30/08	220,970	193,791	87.7	129,909
04/30/07	186,297	186,433	100.1	92,155
04/30/06	178,105	86,225	48.4	102,866
04/30/05	157,120	192,161	122.3	10,986
04/30/04	146,357	139,771	95.5	46,027

Membership in the plan consisted of the following as of April 30, 2008:

Retirees and beneficiaries receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	1
Active vested plan members	3
Active nonvested plan members	16
	<hr/>
	24
	<hr/> <hr/>

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Fiduciary Net Assets

Pension Trust Funds

April 30, 2009

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 858,841	\$ 374,288	\$ 1,233,129
Investments			
Certificates of deposit	300,026	636,521	936,547
U.S. treasury notes	6,928,713	-	6,928,713
U.S. government agencies	13,622	1,819,895	1,833,517
Insurance contracts	1,397,028	-	1,397,028
Money market mutual funds	1,569,365	1,493,591	3,062,956
Due from general fund	20,324	-	20,324
Interest receivable	-	17,058	17,058
	<hr/>		
Total assets	\$ 11,087,919	\$ 4,341,353	\$ 15,429,272
	<hr/>		
Liabilities , accounts payable	\$ 1,660	\$ -	\$ 1,660
	<hr/>		
Net Assets			
Held in trust for pension benefits	11,086,259	4,341,353	15,427,612
	<hr/>		
Total liabilities and net assets	\$ 11,087,919	\$ 4,341,353	\$ 15,429,272
	<hr/>		

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 6. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Changes in Fiduciary Net Assets

Pension Trust Funds

Year Ended April 30, 2009

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 469,211	\$ 200,012	\$ 669,223
Plan members	158,695	100,656	259,351
Total contributions	627,906	300,668	928,574
Investment income:			
Net (depreciation) in fair value of investments	(185,121)	(640,720)	(825,841)
Dividends	36,560	15,507	52,067
Interest	25,386	155,431	180,817
(Loss) on sale of securities	-	(40)	(40)
Less investment expense	(16,826)	(10,764)	(27,590)
Net investment (expense)	(140,001)	(480,586)	(620,587)
Total additions (deductions)	487,905	(179,918)	307,987
Deductions			
Benefits	976,274	192,061	1,168,335
Administrative expenses	12,040	6,917	18,957
Total deductions	988,314	198,978	1,187,292
Net (decrease)	(500,409)	(378,896)	(879,305)
Net assets held in trust for pension benefits:			
May 1, 2008	11,586,668	4,720,249	16,306,917
April 30, 2009	\$ 11,086,259	\$ 4,341,353	\$ 15,427,612

Village of Hazel Crest, Illinois

Notes to 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 is a member of the Intergovernmental Risk Management Agency (IRMA) which is a public entity risk pool. The Village pays annual premiums to IRMA for its workers' compensation, general liability and property coverage. The Cooperative agreement provides that IRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$399,000 per occurrence for workers' compensation and \$999,000 per occurrence for general liability and property.

One representative from each member serves on the IRMA board, and each board member has one vote on the board. None of its members have any direct equity interest in IRMA.

The Village purchases commercial insurance to cover its employees for health claims.

The Village has not had significant reductions in insurance coverage from the previous year nor did settlements exceed insurance coverage in any of the last three years.

Note 8. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. The Plan allows eligible employees to defer a portion of their compensation up to \$13,000. Such accruals accumulate on a tax-deferred basis until the employee withdraws the funds. There were no contributions to the plan by the Village for the year ended April 30, 2009.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 9. Other Fund Disclosures (FFS Level Only)

(a) Due To/From Other Funds

Individual fund interfund receivable and payable balances as of April 30, 2009, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>
General Fund	
Nonmajor Governmental Fund, Limited Tax Bonds	\$ 42,376
Fiduciary Fund, Police Pension Fund	
General Fund	<u>20,324</u>
Total	<u>\$ 62,700</u>

<u>Fund</u>	<u>Due To Other Funds</u>
General Fund	
Fiduciary Fund, Police Pension Fund	\$ 20,324
Nonmajor Governmental Fund, Limited Tax Bonds	
General Fund	<u>42,376</u>
Total	<u>\$ 62,700</u>

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

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 9. Other Fund Disclosures (FFS Level Only) (Continued)

(b) Transfers In/Out

Fund	Transfers In
General Fund	
Nonmajor Governmental Funds	\$ 904,556
Nonmajor Governmental Funds	
Nonmajor Governmental Funds	558,860
Total	<u>\$ 1,463,416</u>
Fund	Transfers Out
Nonmajor Governmental Funds	
General Fund	\$ 904,556
Nonmajor Governmental Funds,	
Nonmajor Governmental Funds	558,860
Total	<u>\$ 1,463,416</u>

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

(c) Excess of Expenditures Over Budget

The following funds overexpended their budgets by the following amounts during the year ended April 30, 2009:

Fund	Budget	Actual
General	\$ 10,992,405	\$ 12,750,375
Limited Tax Bonds	218,575	218,949
Waterworks and Sewerage	2,705,473	2,798,922
Commuter Parking Lot	40,000	75,877
911	-	34,453
Motor Fuel Tax	591,875	688,905

Note 10. Postemployment Healthcare Plan

Plan Description. The Village provides postretirement healthcare benefits to all employees with a minimum of 20 years of service who retire from the Village that were in the plan prior to retiring. This is a single-employer plan. The Retiree Health Plan does not issue a publicly available financial report.

Funding Policy. The required contribution is based on projected pay-as-you-go financing requirements. Retirees receive coverage under the Village's health plan with an employer contribution rate of 92.5% of the premiums for the coverage elected by the employee and 25% of the premiums for coverage elected by dependents. For fiscal year 2009, the Village contributed \$135,205 to the plan.

Village of Hazel Crest, Illinois

Notes to Financial Statements

Note 10. Postemployment Healthcare Plan (Continued)

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. The Village's net OPEB obligation at April 30, 2009 is included as a liability on the Statement of Net Assets as "other postemployment benefits." The following table shows the components of the Village's annual OPEB cost for the year ended April 30, 2009, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation to the plan:

Annual required contribution	\$ 727,595
Interest on net OPEB obligation	-
Adjustment to annual requirement contribution	-
Annual OPEB cost (expense)	<u>727,595</u>
Contributions made	<u>(135,205)</u>
Increase in net OPEB obligation	592,390
Net OPEB obligation, beginning of year	<u>-</u>
Net OPEB obligation, end of year	<u><u>\$ 592,390</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 and the two preceding years were as follows:

Year Ending	Annual OPEB Costs	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
04/30/09	\$ 727,595	18.6%	\$ 592,390
04/30/08	N/A	N/A	N/A
04/30/07	N/A	N/A	N/A

Funded Status and Funding Progress. As of April 30, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$7,771,099, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$7,771,099.

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.

Note 10. Postemployment Healthcare Plan (Continued)

Actuarial Methods and Assumptions. Projected Unit Credit – Under this cost method, the costs attributable to past service and the current year's service are determined by prorating overall years of service the benefits expected to be paid from the plan. The normal cost for any year is determined equal to the present value of the current year's portion of the employer's expected postretirement medical benefit. The current year's portion is equal to the expected postretirement medical benefit divided by the total credited service at the anticipated retirement date. The accrued liability is determined equal to the present value of the past year's portion of the employee's expected postretirement medical benefit. The past year's portion is equal to the expected postretirement medical benefit times the ratio of the participant's credited service to the total credited service at the anticipated retirement date. The sum of these values for all employees determines the normal cost and the accrued liability for the plan.

In the April 30, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date and an annual healthcare cost trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2009 was 30 years.

Note 11. New Governmental Accounting Standards

The Village has not yet completed its evaluation of the impact, if any, of the provisions of the following statements on its financial statements.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will improve financial reporting by reducing inconsistencies that have developed in accounting and financial reporting for intangible assets. This Statement will be effective for the Village beginning with its year ending April 30, 2011.

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the Village beginning with its year ending April 30, 2010. This statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, will be effective for the Village beginning with its year ending April 30, 2010. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2011. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Required Supplementary Information

Village of Hazel Crest, Illinois

**Required Supplementary Information
Illinois Municipal Retirement Fund
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(Overfunded) Underfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	\$ 6,852,050	\$ 8,555,244	\$ 1,703,194	80.1 %	\$ 2,333,668	73.0 %
12/31/2007	7,613,326	7,775,274	161,948	97.9	2,109,090	7.7
12/31/2006	7,130,710	7,546,898	416,188	94.5	2,016,340	20.6

Village of Hazel Crest, Illinois

Required Supplementary Information
 Police Pension Fund
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Underfunded AAL as a Percentage of Covered Payroll [(b-a)/c]
04/30/2008	\$ 11,690,207	\$ 18,219,673	\$ 6,529,466	64.2 %	\$ 1,619,428	403.2 %
04/30/2007	11,127,074	16,912,512	5,785,438	65.8	1,634,889	353.9
04/30/2006	10,603,938	15,570,476	4,966,538	68.1	1,478,667	335.9
04/30/2005	10,249,592	14,680,224	4,430,632	69.8	1,575,958	281.1
04/30/2004	9,751,405	12,995,700	3,244,295	75.0	1,502,471	215.9
04/30/2003	9,184,933	12,068,965	2,884,032	76.1	1,536,538	187.7

Village of Hazel Crest, Illinois

Required Supplementary Information
 Firefighters' Pension Fund
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	(Overfunded) Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(Overfunded) Underfunded AAL as a Percentage of Covered Payroll [(b-a)/c]
04/30/2008	\$ 4,766,552	\$ 5,629,187	\$ 862,635	84.7 %	\$ 1,100,717	78.4 %
04/30/2007	4,331,203	5,201,829	870,626	83.3	1,036,084	84.0
04/30/2006	3,871,161	4,626,656	755,495	83.7	952,433	79.3
04/30/2005	3,445,199	4,191,370	746,171	82.2	777,994	95.9
04/30/2004	3,108,833	3,711,485	602,652	83.8	758,001	15.8
04/30/2003	2,739,503	3,301,864	562,361	83.0	659,670	85.2

Village of Hazel Crest, Illinois

Schedule of Funding Progress
Postemployment Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
04/30/2009	\$ -	\$ 7,771,099	\$ 7,771,099	- %	\$ -	- %
04/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
04/30/2007	N/A	N/A	N/A	N/A	N/A	N/A

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Revenues
 Budget and Actual
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Property taxes	\$ 3,957,217	\$ 4,005,053	\$ 47,836
Other taxes:			
Utility	1,455,732	1,315,202	(140,530)
Home rule fuel tax	125,000	102,597	(22,403)
Home rule sales tax	400,000	331,263	(68,737)
Amusement	4,146	4,315	169
Total other taxes	1,984,878	1,753,377	(231,501)
Intergovernmental:			
Road and bridge - county	30,000	33,676	3,676
Replacement	35,000	34,779	(221)
Sales	640,000	629,913	(10,087)
Income tax	1,500,000	1,490,817	(9,183)
E-Com revenue	-	173,178	173,178
Total intergovernmental	2,205,000	2,362,363	157,363
Fines, fees and permits:			
Building permits	80,000	52,647	(27,353)
Circuit court fines	95,000	118,418	23,418
Ambulance fees	325,000	366,130	41,130
Plan reviews	23,000	34,791	11,791
Contractor registration	43,000	39,000	(4,000)
Zoning board fees	1,400	810	(590)
Inspections	100,000	100,504	504
Alarm violations	6,000	-	(6,000)
Franchise fees	-	7,072	7,072
Finance charges	1,500	69	(1,431)
Raffle licenses	25	25	-
Refuse removal revenue	870,000	883,442	13,442
Refuse removal penalties	34,000	32,635	(1,365)
Cable television franchise fees	132,000	130,613	(1,387)
Total fines, fees and permits	1,710,925	1,766,156	55,231

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Revenues
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Licenses:			
Liquor	\$ 4,370	\$ 4,508	\$ 138
Vehicles	214,725	215,458	733
Business	50,000	49,399	(601)
Pet	600	755	155
Total licenses	<u>269,695</u>	<u>270,120</u>	<u>425</u>
Charges for services:			
Motor fuel tax equipment rental	95,000	95,000	-
Billboard rental	-	78,600	78,600
Total service charges	<u>95,000</u>	<u>173,600</u>	<u>78,600</u>
TIF rebate	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Interest	<u>190,110</u>	<u>38,544</u>	<u>(151,566)</u>
Miscellaneous:			
Municipal center leases	12,900	83,705	70,805
Compost fees and sales	-	72	72
IRMA refund	20,000	21,369	1,369
Bad debt recovery	500	48,051	47,551
State and county grants	-	19,083	19,083
State highway maintenance	11,286	41,044	29,758
Sidewalk/tree replacement	1,200	959	(241)
Employee health insurance contributions	80,000	103,990	23,990
Miscellaneous	330,800	565,007	234,207
Total miscellaneous	<u>456,686</u>	<u>883,280</u>	<u>426,594</u>
Total revenues	<u>\$ 10,994,511</u>	<u>\$ 11,377,493</u>	<u>\$ 382,982</u>

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
General services:			
Personnel:			
Salaries	\$ 398,000	\$ 407,353	\$ 9,353
FICA	30,450	30,507	57
IMRF	37,500	31,602	(5,898)
Employee insurance	272,000	145,409	(126,591)
	<u>737,950</u>	<u>614,871</u>	<u>(123,079)</u>
Maintenance:			
Maintenance building/grounds	12,700	12,826	126
Maintenance equipment	25,800	24,340	(1,460)
	<u>38,500</u>	<u>37,166</u>	<u>(1,334)</u>
Contractual services:			
Payroll fees	5,308	9,344	4,036
Grant interest	-	73	73
Cleaning services	18,000	14,513	(3,487)
Economic development incentives	15,000	16,442	1,442
Telephone	60,000	77,010	17,010
Fire pension contributions	193,966	200,012	6,046
Police pension contributions	463,444	469,211	5,767
Utilities	3,000	5,350	2,350
Refuse removal/company	746,208	736,996	(9,212)
Travel	1,000	2,003	1,003
Villager	42,000	53,472	11,472
Legal	100,000	101,295	1,295
Accounting	72,500	62,585	(9,915)
Consultants	113,000	373,626	260,626
Training and conferences	10,000	1,662	(8,338)
Tuition reimbursement	5,000	3,624	(1,376)
Dues and subscriptions	14,000	11,684	(2,316)
	<u>1,862,426</u>	<u>2,138,902</u>	<u>276,476</u>
Commodities:			
Other supplies	8,350	12,075	3,725
E-Com	318,643	413,214	94,571
Boards and commissions	11,000	12,288	1,288
Recruitment/testing	15,000	7,230	(7,770)
Bad debts	30,000	77,175	47,175
Bank service charges	4,500	5,063	563
Sundry	11,000	2,874	(8,126)
Miscellaneous expense	116,500	163,891	47,391
	<u>514,993</u>	<u>693,810</u>	<u>178,817</u>

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
General services: (continued)			
Capital outlay:			
Building	\$ 38,160	\$ 31,382	\$ (6,778)
Improvements other than building	20,000	25,303	5,303
Equipment	53,000	48,564	(4,436)
	<u>111,160</u>	<u>105,249</u>	<u>(5,911)</u>
Total general services	<u>3,265,029</u>	<u>3,589,998</u>	<u>324,969</u>
Administrative office:			
Personnel:			
Salaries	230,782	215,270	(15,512)
FICA	15,000	14,502	(498)
IMRF	19,645	11,121	(8,524)
Employee insurance	18,000	9,932	(8,068)
	<u>283,427</u>	<u>250,825</u>	<u>(32,602)</u>
Maintenance:			
Maintenance equipment	20,000	20,018	18
Contractual services:			
Postage	13,500	13,565	65
Printing	7,500	6,300	(1,200)
	<u>21,000</u>	<u>19,865</u>	<u>(1,135)</u>
Commodities:			
Office supplies	9,050	7,443	(1,607)
	<u>9,050</u>	<u>7,443</u>	<u>(1,607)</u>
Capital outlay:			
Equipment	3,000	-	(3,000)
	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Total administrative office	<u>336,477</u>	<u>298,151</u>	<u>(38,326)</u>

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Public works: (continued)			
Personnel:			
Salaries	\$ 719,706	\$ 753,543	\$ 33,837
FICA	55,058	50,256	(4,802)
IMRF	67,652	59,458	(8,194)
Employee insurance	102,268	124,689	22,421
	<u>944,684</u>	<u>987,946</u>	<u>43,262</u>
Maintenance:			
Maintenance building/grounds	3,500	1,500	(2,000)
Maintenance/equipment	105,169	138,689	33,520
Maintenance/other	34,000	28,850	(5,150)
	<u>142,669</u>	<u>169,039</u>	<u>26,370</u>
Contractual services:			
Garbage disposal	4,000	3,748	(252)
Communications	1,000	146	(854)
Utilities	20,000	12,297	(7,703)
Traffic signals	12,000	15,561	3,561
Rental	3,000	3,632	632
Printing	1,000	357	(643)
Consultants	10,000	27,751	17,751
Training and conferences	1,000	503	(497)
Dues and subscriptions	-	1,388	1,388
	<u>52,000</u>	<u>65,383</u>	<u>13,383</u>
Commodities:			
Office supplies	2,500	2,520	20
Other supplies	2,500	957	(1,543)
Uniforms	4,300	5,500	1,200
Gas and oil	46,000	47,819	1,819
Sundry	1,900	242	(1,658)
	<u>57,200</u>	<u>57,038</u>	<u>(162)</u>
Capital outlay:			
Improvements	40,000	32,184	(7,816)
Equipment	30,000	26,370	(3,630)
	<u>70,000</u>	<u>58,554</u>	<u>(11,446)</u>
Total public works	<u>1,266,553</u>	<u>1,337,960</u>	<u>71,407</u>

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Police:			
Personnel:			
Salaries	\$ 2,608,768	\$ 2,551,495	\$ (57,273)
FICA	194,571	191,922	(2,649)
IMRF	22,517	33,445	10,928
Employee insurance	69,425	386,954	317,529
	<u>2,895,281</u>	<u>3,163,816</u>	<u>268,535</u>
Maintenance:			
Maintenance equipment	58,050	55,994	(2,056)
Contractual services:			
Communications	19,780	7,267	(12,513)
Printing	2,000	3,197	1,197
Cleaning services	-	16,826	16,826
Consultants	9,875	5,694	(4,181)
P ticket hearing programs	1,800	-	(1,800)
Training and conferences	35,595	35,166	(429)
Dues and subscriptions	3,500	3,257	(243)
	<u>72,550</u>	<u>71,407</u>	<u>(1,143)</u>
Commodities:			
Office supplies	4,500	3,073	(1,427)
Other supplies	8,600	9,750	1,150
Uniforms	26,375	29,337	2,962
Canine supplies	1,200	2,388	1,188
Prisoner needs	1,500	2,283	783
Gas and oil	84,500	95,196	10,696
Animal control	2,900	3,659	759
Sundry	3,550	4,735	1,185
	<u>133,125</u>	<u>150,421</u>	<u>17,296</u>
Capital outlay:			
Building and permanent improvements	-	7,626	7,626
Equipment	152,250	156,367	4,117
	<u>152,250</u>	<u>163,993</u>	<u>11,743</u>
Total police	<u>3,311,256</u>	<u>3,605,631</u>	<u>294,375</u>

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Fire:			
Personnel:			
Salaries	\$ 1,480,000	\$ 1,502,212	\$ 22,212
FICA	112,000	113,497	1,497
IMRF	22,000	24,654	2,654
Employee insurance	225,000	270,668	45,668
	<u>1,839,000</u>	<u>1,911,031</u>	<u>72,031</u>
Maintenance:			
Maintenance buildings/grounds	45,000	49,857	4,857
Maintenance equipment	33,100	41,212	8,112
	<u>78,100</u>	<u>91,069</u>	<u>12,969</u>
Contractual services:			
Communications	3,500	3,966	466
Rental	11,150	10,285	(865)
Postage	10,000	9,999	(1)
Printing	5,000	4,649	(351)
Fire prevention	2,500	1,629	(871)
Legal	500	3,836	3,336
Consultants	50,000	82,646	32,646
Training and conferences	20,750	21,332	582
Dues and subscriptions	9,700	9,185	(515)
	<u>113,100</u>	<u>147,527</u>	<u>34,427</u>
Commodities:			
Office supplies	6,000	5,558	(442)
Other supplies	5,000	4,842	(158)
Uniforms	14,500	14,083	(417)
Gas and oil	13,000	18,471	5,471
Sundry	1,000	261	(739)
	<u>39,500</u>	<u>43,215</u>	<u>3,715</u>
Capital outlay:			
Building	4,000	3,810	(190)
Equipment	178,000	831,994	653,994
	<u>182,000</u>	<u>835,804</u>	<u>653,804</u>
Total fire	<u>2,251,700</u>	<u>3,028,646</u>	<u>776,946</u>

(continued)

Village of Hazel Crest, Illinois

Required Supplementary Information
 Schedule of General Fund Expenditures
 Budget and Actual (Continued)
 Year Ended April 30, 2009

	Original and Final Budget	Actual	Over (Under) Budget
Insurance:			
Personnel:			
State unemployment insurance	\$ 1,000	\$ 646	\$ (354)
Workers' compensation	255,000	385,751	130,751
	<u>256,000</u>	<u>386,397</u>	<u>130,397</u>
Contractual services:			
Insurance	225,000	407,958	182,958
Training and conferences	-	2,412	2,412
	<u>225,000</u>	<u>410,370</u>	<u>185,370</u>
Commodities:			
Risk management	43,520	9,269	(34,251)
Loss fund	20,000	60,553	40,553
Uniforms	10,270	18,066	7,796
	<u>73,790</u>	<u>87,888</u>	<u>14,098</u>
Total insurance	<u>554,790</u>	<u>884,655</u>	<u>329,865</u>
Civil Defense:			
Maintenance:			
Maintenance equipment	3,000	3,960	960
Contractual services:			
Communications	1,000	-	(1,000)
Training and conferences	1,000	-	(1,000)
Dues and subscriptions	1,600	1,374	(226)
	<u>3,600</u>	<u>1,374</u>	<u>(2,226)</u>
Total civil defense	<u>6,600</u>	<u>5,334</u>	<u>(1,266)</u>
Total expenditures	<u>\$ 10,992,405</u>	<u>\$ 12,750,375</u>	<u>\$ 1,757,970</u>

Village of Hazel Crest, Illinois

Note to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

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

Budgetary Information

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

- a) Village Manager submits to the Village Board of Trustees a proposed operating budget ordinance, which serves as a budget, for the fiscal year commencing the following May 1. The operating budget ordinance 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 enacted through passage of an ordinance.
- d) Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital projects funds.
- e) Budgets for the general, special revenue, debt service and the capital projects funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- f) Budgetary authority lapses at year-end.
- g) State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds would require Village Board approval. Legal budgetary control is maintained at fund level.
- h) Budgeted amounts are as originally adopted.
- i) The Village adopts an annual appropriated budget for 12 of its funds. No budgets were prepared for any TIF funds, the Working Cash Fund, the Community Development Block Grant Fund, the 911 Fund or the 2005 Capital Projects Fund.

Supplementary Information

Nonmajor Governmental Funds – Combining Statements

Village of Hazel Crest, Illinois

**Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2009**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and equivalents	\$ 763,153	\$ 90,026	\$ 3,516,942	\$ 4,370,121
Receivables:				
Property taxes	-	192,090	-	192,090
Intergovernmental	59,099	-	-	59,099
Total assets	<u>\$ 822,252</u>	<u>\$ 282,116</u>	<u>\$ 3,516,942</u>	<u>\$ 4,621,310</u>
Liabilities				
Accounts payable	\$ 109,396	\$ 1,461	\$ 508	\$ 111,365
Due to other funds	-	42,376	-	42,376
Deferred revenue	-	192,090	-	192,090
Total liabilities	<u>109,396</u>	<u>235,927</u>	<u>508</u>	<u>345,831</u>
Fund Balances				
Reserved for debt service	-	46,189	-	46,189
Unreserved	712,856	-	3,516,434	4,229,290
Total fund balances	<u>712,856</u>	<u>46,189</u>	<u>3,516,434</u>	<u>4,275,479</u>
Total liabilities and fund balances	<u>\$ 822,252</u>	<u>\$ 282,116</u>	<u>\$ 3,516,942</u>	<u>\$ 4,621,310</u>

Village of Hazel Crest, Illinois

**Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2009**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ 188,457	\$ 735,655	\$ 924,112
Intergovernmental	723,700	-	130,895	854,595
Interest	32,560	7,301	17,687	57,548
Miscellaneous	37,578	-	-	37,578
Total revenues	793,838	195,758	884,237	1,873,833
Expenditures				
Current,				
General services	379,967	-	-	379,967
Debt service:				
Principal	-	195,000	-	195,000
Interest and fees	-	92,564	-	92,564
Capital outlay	343,391	-	-	343,391
Economic development	-	-	399,722	399,722
Total expenditures	723,358	287,564	399,722	1,410,644
Excess revenues or (expenditures)	70,480	(91,806)	484,515	463,189
Other Financing Sources (Uses):				
Transfers in	-	-	558,860	558,860
Transfers (out)	(904,556)	(558,860)	-	(1,463,416)
Total other financing sources (uses)	(904,556)	(558,860)	558,860	(904,556)
Change in fund balances	(834,076)	(650,666)	1,043,375	(441,367)
Fund balances:				
May 1, 2008	1,546,932	696,855	2,473,059	4,716,846
April 30, 2009	\$ 712,856	\$ 46,189	\$ 3,516,434	\$ 4,275,479

Village of Hazel Crest, Illinois

Combining Balance Sheet
Nonmajor Special Revenue Funds
April 30, 2009

	MFT	Working Cash	Total
Assets			
Cash and cash equivalents	\$ 763,153	\$ -	\$ 763,153
Receivables, Intergovernmental	59,099	-	59,099
Total assets	\$ 822,252	\$ -	\$ 822,252
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 109,396	\$ -	\$ 109,396
Due to other funds	-	-	-
Fund balances, unreserved	712,856	-	712,856
Total liabilities and fund balances	\$ 822,252	\$ -	\$ 822,252

Village of Hazel Crest, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended April 30, 2009

	MFT	911	Working Cash	Total
Revenues:				
Intergovernmental	\$ 722,328	\$ 1,372	\$ -	\$ 723,700
Interest	7,390	20	25,150	32,560
Miscellaneous	37,578	-	-	37,578
Total revenues	<u>767,296</u>	<u>1,392</u>	<u>25,150</u>	<u>793,838</u>
Expenditures:				
Current:				
General services	345,514	34,453	-	379,967
Capital outlay	343,391	-	-	343,391
Total expenditures	<u>688,905</u>	<u>34,453</u>	<u>-</u>	<u>723,358</u>
Excess revenues or (expenditures)	78,391	(33,061)	25,150	70,480
Transfers (out)	-	(80)	(904,476)	(904,556)
Net change in fund balance	78,391	(33,141)	(879,326)	(834,076)
Fund balances:				
May 1, 2008	634,465	33,141	879,326	1,546,932
April 30, 2009	<u>\$ 712,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 712,856</u>

Village of Hazel Crest, Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds
 April 30, 2009

	Limited Tax Bonds	2005 Capital Projects	Total
Assets			
Cash	\$ -	\$ 90,026	\$ 90,026
Property taxes receivable	132,190	59,900	192,090
Total assets	\$ 132,190	\$ 149,926	\$ 282,116
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ -	\$ 1,461	\$ 1,461
Due to general fund	42,376	-	42,376
Deferred revenue	132,190	59,900	192,090
Total liabilities	174,566	61,361	235,927
Fund balances, reserved	(42,376)	88,565	46,189
Total liabilities and fund balances	\$ 132,190	\$ 149,926	\$ 282,116

Village of Hazel Crest, Illinois

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended April 30, 2009**

	Limited Tax Bonds	2005 Capital Projects	Total
Revenues:			
Property taxes	\$ 95,152	\$ 93,305	\$ 188,457
Interest income	-	7,301	7,301
Total revenues	<u>95,152</u>	<u>100,606</u>	<u>195,758</u>
Expenditures, debt service:			
Principal	145,000	50,000	195,000
Interest and fees	73,949	18,615	92,564
Total expenditures	<u>218,949</u>	<u>68,615</u>	<u>287,564</u>
Excess revenues or (expenditures)	(123,797)	31,991	(91,806)
Other financing (uses):			
Transfers (out)	<u>(56,201)</u>	<u>(502,659)</u>	<u>(558,860)</u>
Net change in fund balances	(179,998)	(470,668)	(650,666)
Fund balances (deficits):			
May 1, 2008	<u>137,622</u>	<u>559,233</u>	<u>696,855</u>
April 30, 2009	<u>\$ (42,376)</u>	<u>\$ 88,565</u>	<u>\$ 46,189</u>

Village of Hazel Crest, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual
 Nonmajor Debt Service Funds
 Year Ended April 30, 2009

	Limited Tax Bonds		2005 Capital Projects		Total	
	Budget	Actual	Budget	Actual	Budget	Actual
Revenues:						
Property taxes	\$ 147,145	\$ 95,152	\$ 62,084	\$ 93,305	\$ 209,229	\$ 188,457
Interest income	-	-	-	7,301	-	7,301
Total revenues	<u>147,145</u>	<u>95,152</u>	<u>62,084</u>	<u>100,606</u>	<u>209,229</u>	<u>195,758</u>
Expenditures, debt service:						
Principal	145,000	145,000	50,000	50,000	195,000	195,000
Interest and fees	73,575	73,949	21,926	18,615	95,501	92,564
Total expenditures	<u>218,575</u>	<u>218,949</u>	<u>71,926</u>	<u>68,615</u>	<u>290,501</u>	<u>287,564</u>
Excess revenues or (expenditures)	(71,430)	(123,797)	(9,842)	31,991	(81,272)	(91,806)
Other financing (uses), Transfers (out)	-	(56,201)	-	(502,659)	-	(558,860)
Net change in fund balances	<u>\$ (71,430)</u>	<u>(179,998)</u>	<u>\$ (9,842)</u>	<u>(470,668)</u>	<u>\$ (81,272)</u>	<u>(650,666)</u>
Fund balances (deficits):						
May 1, 2008		<u>137,622</u>		<u>559,233</u>		<u>696,855</u>
April 30, 2009		<u>\$ (42,376)</u>		<u>\$ 88,565</u>		<u>\$ 46,189</u>

Village of Hazel Crest, Illinois

**Combining Balance Sheet
Nonmajor Capital Projects Funds
April 30, 2009**

	Capital Projects	Community Development Block Grant	Tax Incremental Finance District 183rd Street	Tax Incremental Finance District Hazel Crest Proper	Tax Incremental Finance District 167th Street	Tax Incremental Finance District Cherry Creek	Total
Assets							
Cash and cash equivalents	\$ 730,868	\$ 508	\$ 984,701	\$ 1,110,551	\$ 499,214	\$ 191,100	\$ 3,516,942
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 508	\$ -	\$ -	\$ -	\$ -	\$ 508
Fund Balances, unreserved	730,868	-	984,701	1,110,551	499,214	191,100	3,516,434
Total liabilities and fund balances	\$ 730,868	\$ 508	\$ 984,701	\$ 1,110,551	\$ 499,214	\$ 191,100	\$ 3,516,942

Village of Hazel Crest, Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended April 30, 2009**

	Capital Projects	Community Development Block Grant	Tax Incremental Finance District 183rd Street	Tax Incremental Finance District Hazel Crest Proper	Tax Incremental Finance District 167th Street	Tax Incremental Finance District Cherry Creek	Total
Revenues:							
Property taxes	\$ -	\$ -	\$ 261,859	\$ 273,569	\$ 138,451	\$ 61,776	\$ 735,655
Intergovernmental	-	130,895	-	-	-	-	130,895
Interest income	6,929	82	4,005	4,386	1,753	532	17,687
Total revenues	6,929	130,977	265,864	277,955	140,204	62,308	884,237
Expenditures:							
Economic development	206,912	130,996	10,905	10,907	39,097	905	399,722
Excess revenues or (expenditures)	(199,983)	(19)	254,959	267,048	101,107	61,403	484,515
Other Financing Sources:							
Transfers in	558,860	-	-	-	-	-	558,860
Net change in fund balances	358,877	(19)	254,959	267,048	101,107	61,403	1,043,375
Fund balances:							
May 1, 2008	371,991	19	729,742	843,503	398,107	129,697	2,473,059
April 30, 2009	\$ 730,868	\$ -	\$ 984,701	\$ 1,110,551	\$ 499,214	\$ 191,100	\$ 3,516,434

Major Proprietary Fund

Village of Hazel Crest, Illinois

Schedule of Operating and Nonoperating Revenues, Operating and Nonoperating Expenses - Budget and Actual
Waterworks and Sewerage Fund
Year Ended April 30, 2009

	Original and Final Budget	Actual
Operating revenues, charges for services	\$ 2,276,197	\$ 2,462,475
Operating expenses:		
Operations	2,276,084	2,391,168
Depreciation	429,389	407,754
Total operating expenses	<u>2,705,473</u>	<u>2,798,922</u>
Operating (loss)	<u>\$ (429,276)</u>	(336,447)
Net assets:		
May 1, 2008		<u>2,931,075</u>
April 30, 2009		<u>\$ 2,594,628</u>

Village of Hazel Crest, Illinois

**Schedule of Expenditures - Budget and Actual
Motor Fuel Tax Fund
Year Ended April 30, 2009**

	Original and Final Budget	Actual
General services:		
Personal:		
Salaries	\$ 81,000	\$ 96,931
Maintenance,		
Maintenance streets/alleys	11,500	7,622
Contractual services:		
Utilities	49,800	48,370
Rental	95,000	95,000
Consultants	-	1,036
Commodities,		
Salt and slag	37,000	96,555
	<u>274,300</u>	<u>345,514</u>
Capital outlay,		
183rd Street improvements	317,575	343,391
	<u>317,575</u>	<u>343,391</u>
 Total expenditures	 <u>\$ 591,875</u>	 <u>\$ 688,905</u>

Village of Hazel Crest, Illinois

Schedule of Expenses - Budget and Actual
 Waterworks and Sewerage Fund
 Year Ended April 30, 2009

	Original and Final Budget	Actual
Operating expenses:		
Personnel:		
Salaries	\$ 630,000	\$ 640,204
FICA	48,200	54,643
IMRF	54,863	53,225
Employee insurance	106,231	108,263
Total personnel	839,294	856,335
Maintenance:		
Maintenance building/grounds	8,000	8,440
Maintenance equipment	51,694	27,701
Maintenance utility system	90,000	85,462
Total maintenance	149,694	121,603
Contractual services:		
Telephone	3,500	3,175
Water purchases	1,010,000	1,150,716
Utilities	64,000	79,250
Rental	500	-
Postage	6,000	7,418
Printing	2,000	1,849
Legal	500	4,024
Consultants	13,000	37,144
Training and conferences	500	648
Dues and subscriptions	500	367
Total contractual services	1,100,500	1,284,591
Commodities:		
Office supplies	1,000	1,404
Other supplies	3,000	4,021
Uniforms	4,300	6,434
Gas and oil	43,450	45,131
Bad debts	5,000	3,791
Sundry	500	188
Total commodities	57,250	60,969

(continued)

Village of Hazel Crest, Illinois

Schedule of Expenses - Budget and Actual
Waterworks and Sewerage Fund
Year Ended April 30, 2009

	Original and Final Budget	Actual
Operating expenses: (continued)		
Capital outlay:		
Improvements	\$ 60,000	\$ 17,279
Equipment	24,746	24,297
Meters	44,600	26,094
Total capital outlay	<u>129,346</u>	<u>67,670</u>
Total operations	2,276,084	2,391,168
Depreciation	<u>429,389</u>	<u>407,754</u>
Total operating expenses	<u>\$ 2,705,473</u>	<u>\$ 2,798,922</u>

Village of Hazel Crest, Illinois

Schedule of Expenses - Budget and Actual
Commuter Parking Lot Fund
Year Ended April 30, 2009

	Original and Final Budget	Actual
Operating expenses:		
Utilities	\$ 4,000	\$ 2,822
Service charge	35,000	65,000
Other improvements	1,000	2,793
Total operations	40,000	70,615
Depreciation	-	5,262
Total operating expenses	<u>\$ 40,000</u>	<u>\$ 75,877</u>

Village of Hazel Crest, Illinois

Capital Assets Used in the Operation of Governmental Funds
Schedule of Capital Assets -
By Source
April 30, 2009

Land and land improvements	\$ 937,518
Buildings	2,697,183
Machinery and equipment	4,940,134
Construction in Progress	658,599
Infrastructure	<u>119,323,453</u>
Total capital assets	<u><u>\$ 128,556,887</u></u>
Investment in capital assets from:	
General obligation bonds	\$ 1,820,000
Debt Certificates	527,000
Notes Payable	658,599
Current revenue	<u>125,551,288</u>
Total investment in capital assets	<u><u>\$ 128,556,887</u></u>

Village of Hazel Crest, Illinois

Capital Assets Used in the Operation of Governmental Funds
Schedule of Capital Assets -
By Function and Activity
Year Ended April 30, 2009

	Land and Land Improvements	Construction in Progress	Buildings	Machinery and Equipment	Infrastructure
General services:					
Municipal center	\$ 27,548	\$ -	\$ 325,789	\$ 203,018	\$ -
General services	93,568	-	884,921	-	1,954,058
Office	-	-	6,484	-	-
Total general services	121,116	-	1,217,194	203,018	1,954,058
Public works:					
General	-	-	409,873	872,640	5,659,199
Road and bridge	156,953	-	50,466	258,851	108,067,928
Forestry	442,000	-	-	75,357	-
Waste management	13,500	-	-	55,479	3,642,268
Total public works	612,453	-	460,339	1,262,327	117,369,395
Public safety:					
Police	-	-	-	843,675	-
Fire	203,949	658,599	1,000,939	1,820,069	-
911	-	-	-	811,045	-
Civil defense	-	-	18,711	-	-
Total public safety	203,949	658,599	1,019,650	3,474,789	-
Total capital assets	\$ 937,518	\$ 658,599	\$ 2,697,183	\$ 4,940,134	\$ 119,323,453

Village of Hazel Crest, Illinois

Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes in Capital Assets -
By Function and Activity
Year Ended April 30, 2009

	Capital Assets May 1, 2008	Additions	Deletions	Capital Assets April 30, 2009
General services:				
Municipal center	\$ 556,355	\$ -	\$ -	\$ 556,355
General services	2,932,547	-	-	2,932,547
Office	6,484	-	-	6,484
Total general services	3,495,386	-	-	3,495,386
Public works:				
General	6,799,696	156,146	14,930	6,940,912
Road and bridge	108,505,141	29,057	-	108,534,198
Forestry	517,357	-	-	517,357
Waste management	3,711,247	-	-	3,711,247
Total public works	119,533,441	185,203	14,930	119,703,714
Public safety:				
Police	875,275	129,385	160,185	844,475
Fire	3,084,995	683,561	85,000	3,683,556
911	811,045	-	-	811,045
Civil defense	18,711	-	-	18,711
Total public safety	4,790,026	812,946	245,185	5,357,787
Total capital assets	\$ 127,818,853	\$ 998,149	\$ 260,115	\$ 128,556,887

Village of Hazel Crest, Illinois

**Schedule of Debt Service Requirements
April 30, 2009**

	Year Ending April 30,	Principal	Interest	Total
Series 2005				
Dated: April 26, 2005	2010	\$ 50,000	\$ 20,026	\$ 70,026
Payable at: American National Bank	2011	50,000	18,126	68,126
Interest payable monthly at the bank's current	2012	50,000	16,226	66,226
variable rate, 2.25% at April 30, 2009	2013	50,000	14,326	64,326
	2014	50,000	12,426	62,426
	2015	50,000	10,526	60,526
	2016	50,000	8,626	58,626
	2017	50,000	6,726	56,726
	2018	50,000	4,826	54,826
	2019	50,000	2,926	52,926
	2020	27,000	1,026	28,026
		<u>\$ 527,000</u>	<u>\$ 115,786</u>	<u>\$ 642,786</u>
Series 2006				
Dated: December 1, 2006	2010	\$ 140,000	\$ 68,210	\$ 208,210
Authorized issue - \$2,105,000	2011	140,000	63,030	203,030
Payable at: Bank of New York	2012	125,000	57,850	182,850
Interest payable semi-annually at rates	2013	135,000	53,225	188,225
ranging from 3.7 to 3.85%	2014	140,000	48,230	188,230
	2015	145,000	43,050	188,050
	2016	150,000	37,685	187,685
	2017	155,000	32,135	187,135
	2018	160,000	26,400	186,400
	2019	170,000	20,320	190,320
	2020	175,000	13,860	188,860
	2021	185,000	7,123	192,123
		<u>\$ 1,820,000</u>	<u>\$ 471,118</u>	<u>\$ 2,291,118</u>
Note Payable				
Dated: January 16, 2009	2010	\$ 56,341	\$ 23,629	\$ 79,970
Authorized issue - \$658,599	2011	57,448	22,522	79,970
Payable at: First Midwest Bank	2012	59,669	20,300	79,970
Principal and interest payable semi-annually	2013	61,977	17,993	79,970
interest rate of 3.83%	2014	423,164	17,080	440,244
		<u>\$ 658,599</u>	<u>\$ 101,524</u>	<u>\$ 760,123</u>

Village of Hazel Crest, Illinois

Schedule of Assessed Valuations, Tax Rates,
Tax Extensions and Tax Collections
April 30, 2009

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Assessed valuations*	\$ 194,599,212	\$ 194,599,212	\$ 183,449,470	\$ 182,781,075	\$ 157,083,399	\$ 152,738,655	\$ 152,738,655	\$ 123,609,348	\$ 122,157,987	\$ 121,060,549
Tax rates by fund:										
General:										
Corporate	0.4752	0.3297	0.2566	0.2227	0.2347	0.2500	0.2046	0.2500	0.2370	0.2261
Unemployment	0.0036	0.0037	0.0039	0.0037	0.0048	0.0040	0.0124	0.0112	0.0030	0.0029
Crossing Guards	0.0180	0.0185	0.0132	0.0130	0.0147	0.0139	0.0164	0.0113	0.0190	0.0181
Police Protection	0.0771	0.0794	0.0770	0.0668	0.0704	0.0750	0.0614	0.0750	0.0711	0.0678
Fire Protection	0.4111	0.4234	0.4105	0.3564	0.3754	0.4000	0.3274	0.4000	0.3792	0.3617
Road and Bridge - Village	0.0000	0.0000	0.1000	0.0876	0.0938	0.1000	0.0818	0.1000	0.0948	0.0904
Police Pension	0.2905	0.2445	0.2463	0.2472	0.2220	0.2259	0.2118	0.2383	0.2361	0.2187
Fire Pension	0.1232	0.1024	0.1030	0.1034	0.1120	0.1050	0.0979	0.0991	0.0948	0.0761
Civil Defense	0.0015	0.0026	0.0020	0.0017	0.0033	0.0096	0.0409	0.0107	0.0147	0.0140
Illinois Municipal Retirement	0.3289	0.3306	0.3425	0.3345	0.3596	0.3717	0.3931	0.4707	0.4940	0.4653
Waste Management	0.0283	0.0265	0.0207	0.0310	0.1335	0.1340	0.1636	0.1534	0.1896	0.1809
Paramedics	0.2312	0.2382	0.2499	0.2190	0.2347	0.2500	0.2046	0.2500	0.2370	0.2261
Insurance	0.2826	0.2911	0.2347	0.2226	0.2399	0.2331	0.1959	0.3722	0.3217	0.3661
Auditing	0.0283	0.0291	0.0191	0.0044	0.0189	0.0236	0.0315	0.0208	0.0331	0.0316
Purchase Agreement	0.0000	0.0547	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total general	2.2995	2.1744	2.0794	1.9140	2.1177	2.1958	2.0433	2.4627	2.4251	2.3458
Debt Service:	0.1632	0.0146	0.0012	0.0285	0.0430	0.0974	0.1107	0.2711	0.2115	0.2041
Total	2.4627	2.1890	2.0806	1.9425	2.1607	2.2932	2.1540	2.7338	2.6366	2.5499

Village of Hazel Crest, Illinois

Schedule of Assessed Valuations, Tax Rates,
Tax Extensions and Tax Collections (continued)
April 30, 2009

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Tax extensions by fund:										
General:										
Corporate	\$ 924,675	\$ 641,690	\$ 470,731	\$ 407,053	\$ 368,675	\$ 381,846	\$ 312,504	\$ 309,023	\$ 289,503	\$ 273,682
Unemployment	7,000	7,210	7,155	6,763	7,540	6,000	18,938	13,797	3,660	3,460
Crossing Guards	35,000	36,050	24,215	23,762	23,091	20,600	25,000	14,024	23,161	21,895
Police Protection	150,000	154,500	141,256	122,098	110,587	114,554	93,751	92,707	86,852	82,105
Fire Protection	800,000	824,000	753,060	651,432	589,691	610,955	500,006	494,437	463,205	437,891
Road and Bridge - Village	-	-	183,449	160,116	147,344	152,739	125,001	123,609	115,802	109,473
Police Pension	565,393	475,713	451,836	451,835	348,725	335,041	323,551	294,506	288,400	264,753
Fire Pension	239,740	199,240	188,953	188,996	175,933	155,746	149,487	122,463	115,843	92,079
Civil Defense	3,000	5,150	3,669	3,107	5,184	14,200	62,501	13,213	17,915	16,936
Illinois Municipal Retirement	640,000	643,750	628,314	611,403	564,872	551,134	600,391	581,847	603,464	563,353
Waste Management	55,000	51,500	37,974	56,662	209,706	198,700	250,003	189,656	231,604	218,946
Paramedics	450,000	463,500	458,440	400,291	368,675	381,847	312,504	309,023	289,503	273,682
Insurance	550,000	566,500	430,556	406,871	376,843	345,728	299,224	460,100	393,041	443,160
Auditing	55,000	56,650	35,039	8,042	29,689	35,000	48,153	25,750	40,467	38,255
Purchase Agreement	-	106,394	-	-	-	-	-	-	-	-
Total general	4,474,808	4,231,847	3,814,648	3,498,430	3,326,555	3,304,090	3,121,014	3,044,155	2,962,420	2,839,670
Debt Service:	317,620	28,350	2,201	52,093	67,546	148,775	168,977	335,133	258,439	341,952
Total	\$ 4,792,428	\$ 4,260,197	\$ 3,816,850	\$ 3,550,523	\$ 3,394,101	\$ 3,452,865	\$ 3,289,991	\$ 3,379,288	\$ 3,220,859	\$ 3,181,622
Collections	\$ 1,735,835	\$ 3,602,329	\$ 3,491,033	\$ 3,501,134	\$ 3,369,078	\$ 3,198,171	\$ 3,162,173	\$ 3,324,658	\$ 3,151,749	\$ 3,020,316
Percent collections	36.22%	84.56%	91.46%	98.61%	99.26%	92.62%	96.11%	98.38%	97.85%	94.93%

* Assessed valuation for 2008 is estimated.

Statistical Section

This part of the Village of Hazel Crest comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	83-88
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	
Revenue Capacity	89-94
These schedules contain information to help the reader assess the factors affecting the Village's ability to generate its property and sales taxes.	
Debt Capacity	95-98
These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	
Demographic and Economic Information	99-101
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	102-103
These schedules contain information about the Village's operations and resources to help the reader understand how the Village's financial information relates to the services the Village provides and the activities it performs.	

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village implemented Statement 34 in 2004; schedules that present government-wide information include information beginning in that year.

Village of Hazel Crest, Illinois

**Net Assets by Component
Last Five Fiscal Years**

	Fiscal Year				
	2005	2006	2007	2008	2009
Governmental Activities					
Invested in Capital Assets Net of Related Debt	\$ 23,447,641	\$ 21,850,030	\$ 16,750,186	\$ 15,914,004	\$ 15,492,939
Restricted	3,370,345	-	755,837	634,466	732,856
Unrestricted	4,265,665	5,682,785	9,327,739	8,775,659	7,508,602
Total Governmental Activities	\$ 31,083,651	\$ 27,532,815	\$ 26,833,762	\$ 25,324,129	\$ 23,734,397
Business-type Activities					
Invested in Capital Assets Net of Related Debt	\$ 5,207,915	\$ 4,812,536	\$ 4,496,830	\$ 4,091,062	\$ 3,750,564
Unrestricted	(650,978)	(742,436)	(764,252)	(769,741)	(807,805)
Total Business-type Activities	\$ 4,556,937	\$ 4,070,100	\$ 3,732,578	\$ 3,321,321	\$ 2,942,759
Total					
Invested in Capital Assets Net of Related Debt	\$ 28,655,556	\$ 26,662,566	\$ 21,247,016	\$ 20,005,066	\$ 19,243,503
Restricted	3,370,345	-	755,837	634,466	732,856
Unrestricted	3,614,687	4,940,349	8,563,487	8,005,918	6,700,797
Total Primary Government	\$ 35,640,588	\$ 31,602,915	\$ 30,566,340	\$ 28,645,450	\$ 26,677,156

Data Source

Audited Financial Statements

Village of Hazel Crest, Illinois

**Change in Net Assets
Last Five Fiscal Years**

	Fiscal Year				
	2005	2006	2007	2008	2009
Expenses					
Governmental Activities					
General Government	\$ 2,808,297	\$ 3,143,886	\$ 5,660,422	\$ 7,083,940	\$ 6,411,941
Public Safety	5,268,721	5,080,102	5,230,464	5,544,852	6,694,508
Public Works	2,340,877	2,338,699	2,333,101	2,440,638	2,578,377
Interest	55,906	153,460	358,355	288,937	92,565
Total Governmental Activities Expenses	10,473,801	10,716,147	13,582,342	15,358,367	15,777,391
Business-type Activities					
Waterworks and Sewerage	2,888,214	3,268,363	2,475,858	2,714,028	2,798,922
Commuter Parking Lot	40,640	38,231	7,778	11,287	75,877
Total Business-type Activities Expenses	2,928,854	3,306,594	2,483,636	2,725,315	2,874,799
Total Primary Government Expenses	\$ 13,402,655	\$ 14,022,741	\$ 16,065,978	\$ 18,083,682	\$ 18,652,190
Program Revenues					
Governmental Activities					
Charges for Services					
General Government	\$ 523,511	\$ 1,204,390	\$ 1,792,161	\$ 1,922,076	\$ 1,940,709
Public Safety	456,980	339,670	265,472	395,549	366,130
Public Works	266,195	14,873	89,728	11,364	-
Operating Grants and Contributions	-	688,915	710,921	771,094	234,864
Developer Contributions to Capital	-	-	57,080	-	-
Total Governmental Activities Program Revenues	1,246,686	2,247,848	2,915,362	3,100,083	2,541,703
Business-type Activities					
Charges for Services					
Waterworks and Sewerage	2,255,059	2,778,528	2,103,009	2,268,814	2,412,475
Commuter Parking Lot	39,304	36,286	38,456	37,142	32,756
Operating Grants and Contributions	-	-	-	-	50,000
Total Business-type Activities Program Revenues	2,294,363	2,814,814	2,141,465	2,305,956	2,495,231
Total Primary Government Program Revenues	\$ 3,541,049	\$ 5,062,662	\$ 5,056,827	\$ 5,406,039	\$ 5,036,934
Net (Expense) Revenue					
Governmental Activities	\$ (9,227,115)	\$ (8,468,299)	\$ (10,666,980)	\$ (12,258,284)	\$ (13,235,688)
Business-type Activities	(634,491)	(491,780)	(342,171)	(419,359)	(379,568)
Total Primary Government Net (Expense) Revenue	\$ (9,861,606)	\$ (8,960,079)	\$ (11,009,151)	\$ (12,677,643)	\$ (13,615,256)

(Continued)

Village of Hazel Crest, Illinois

**Change in Net Assets (Continued)
Last Five Fiscal Years**

	Fiscal Year				
	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets					
Governmental Activities					
Taxes					
Property	\$ 4,297,505	\$ 4,243,737	\$ 5,442,857	\$ 5,745,652	\$ 5,925,950
Sales	603,416	580,015	694,475	784,883	629,913
Income and Use	1,217,052	1,348,880	1,475,612	1,600,594	1,490,817
Utility	1,321,900	1,460,390	1,669,226	1,928,191	2,217,613
Other	613,477	34,907	-	106,250	125,000
Interest	85,666	200,128	301,286	303,776	104,095
Miscellaneous	288,303	144,694	159,143	279,305	1,152,568
Total Governmental Activities	8,427,319	8,012,751	9,742,599	10,748,651	11,645,956
Business-type Activities					
Interest	1,323	4,943	4,649	8,102	1,005
Total Business-type Activities	1,323	4,943	4,649	8,102	1,005
Total Primary Government	\$ 8,428,642	\$ 8,017,694	\$ 9,747,248	\$ 10,756,753	\$ 11,646,961
Change in Net Assets					
Governmental Activities	\$ (799,796)	\$ (455,548)	\$ (924,381)	\$ (1,509,633)	\$ (1,589,732)
Business-type Activities	(633,168)	(486,837)	(337,522)	(411,257)	(378,563)
Total Primary Government	\$ (1,432,964)	\$ (942,385)	\$ (1,261,903)	\$ (1,920,890)	\$ (1,968,295)

Data Source

Audited Financial Statements

Village of Hazel Crest, Illinois

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 197,125	\$ 353,520	\$ 294,640	\$ 434,188	\$ -	\$ 410,929	\$ -	\$ 656,294	\$ 1,584,877	\$ 1,753,982
Designated	264,687	289,477	306,690	9,765	-	-	-	-	-	-
Unreserved	2,387,611	2,738,384	2,585,884	3,221,613	3,800,032	3,584,443	4,021,948	3,465,514	2,485,503	2,506,671
Total General Fund	\$ 2,849,423	\$ 3,381,381	\$ 3,187,214	\$ 3,665,566	\$ 3,800,032	\$ 3,995,372	\$ 4,021,948	\$ 4,121,808	\$ 4,070,380	\$ 4,260,653
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 369,139	\$ 2,232,416	\$ 760,224	\$ 725,229	\$ 696,856	\$ 46,189
Unreserved, reported in										
Special Revenue Funds	320,716	575,469	735,681	473,262	1,351,879	927,111	1,366,700	1,625,309	1,546,933	712,856
Capital Project Funds	260,967	319,821	373,998	413,734	557,777	-	520,696	3,903,705	3,507,955	4,430,236
Debt Service Funds	775,203	752,193	1,305,295	663,108	509,563	-	1,318,196	-	-	-
Total All Other Governmental Funds	\$ 1,356,886	\$ 1,647,483	\$ 2,414,974	\$ 1,550,104	\$ 2,788,358	\$ 3,159,527	\$ 3,965,816	\$ 6,254,243	\$ 5,751,744	\$ 5,189,281

Data Source

Audited Financial Statements

Village of Hazel Crest, Illinois

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$ 5,202,703	\$ 5,196,234	\$ 4,886,296	\$ 5,302,710	\$ 6,043,149	\$ 5,697,688	\$ 5,674,120	\$ 7,047,634	\$ 7,602,794	\$ 7,610,871
Licenses	245,237	235,306	237,643	233,887	276,494	272,063	269,234	225,746	303,028	270,120
Intergovernmental	2,607,154	2,580,025	2,681,171	2,479,434	2,384,668	2,462,404	2,650,855	2,839,101	3,179,440	3,216,958
Charges for services	400,880	441,741	419,498	403,005	409,727	140,906	404,075	90,000	95,564	173,600
Fines, fees and permits	515,889	581,065	575,777	588,041	743,260	833,717	797,308	1,743,490	1,839,657	1,766,156
Interest	202,729	223,653	115,784	76,251	57,943	85,666	200,128	301,286	303,776	104,095
Miscellaneous	416,955	414,037	1,073,437	579,068	448,891	310,293	264,879	353,624	524,475	1,045,858
Total Revenues	9,591,547	9,672,061	9,989,606	9,662,396	10,364,132	9,802,737	10,260,599	12,600,881	13,848,734	14,187,658
Expenditures										
General Services	1,279,724	1,407,684	1,410,308	1,687,816	1,539,136	1,466,126	2,314,136	3,250,733	3,686,137	3,864,716
Police and Fire	3,602,905	3,862,077	3,785,274	3,960,072	4,462,029	4,915,997	4,775,722	4,963,655	5,248,561	5,634,480
Administrative Office	266,834	273,806	270,788	293,470	305,158	267,939	295,837	281,233	333,203	298,151
Public Works	821,854	1,035,282	1,697,098	988,051	992,931	1,011,076	1,033,578	988,992	1,127,894	1,279,406
Community Relations	23,921	5,180	14,777	8,781	1,374	-	39,303	-	-	-
Economic Development	142,116	176,951	142,082	142,288	19,451	163,515	68,915	550,259	1,148,226	697,150
Civil Defense	-	-	-	6,020	6,014	5,362	3,303	3,282	2,958	5,334
Insurance	581,747	369,929	520,822	513,913	528,684	434,508	374,126	537,226	724,242	884,655
Capital Outlay	672,518	681,381	571,963	523,563	674,122	346,222	1,187,936	385,919	493,156	1,506,991
Debt Service										
Principal	935,984	510,317	533,943	509,921	445,585	84,000	140,693	224,106	229,333	195,000
Interest	195,670	150,759	88,880	20,608	13,519	6,827	39,318	45,365	108,951	92,564
Other Charges	502,105	486,140	470,028	-	-	12,577	-	-	-	-
Surplus Distribution	-	-	-	-	755,000	550,000	-	1,250,000	650,000	760,000
Total Expenditures	9,025,378	8,959,506	9,505,963	8,654,503	9,743,003	9,264,149	10,272,867	12,480,770	13,752,661	15,218,447
Excess of Revenues over (under) Expenditures	566,169	712,555	483,643	1,007,893	621,129	538,588	(12,268)	120,111	96,073	(1,030,789)

(Continued)

Village of Hazel Crest, Illinois

Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Other financing Sources (Uses)										
Transfers (Out)	\$ -	\$ 2,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (904,556)
Transfers In	-	(2,559)	-	-	-	-	-	-	-	904,556
Proceeds from Notes Payable	-	-	-	-	-	-	-	-	-	658,599
Proceeds from General Obligation Bond	153,000	110,000	109,000	110,000	-	-	-	2,042,848	-	-
Proceeds from Installment Note	99,239	-	-	-	-	-	118,132	-	-	-
Proceeds from Tax Incremental Revenue Note	-	-	-	-	-	-	-	-	-	-
Sale of Debt Certificate	-	-	-	-	-	727,000	-	-	-	-
Total Other Financing Sources (Uses)	252,239	110,000	109,000	110,000	-	727,000	118,132	2,042,848	-	658,599
Net Change in Fund Balances	\$ 818,408	\$ 822,555	\$ 592,643	\$ 1,117,893	\$ 621,129	\$ 1,265,588	\$ 105,864	\$ 2,162,959	\$ 96,073	\$ (372,190)
Debt Service as a Percentage of Noncapital Expenditures	13.55%	7.99%	6.97%	6.52%	5.06%	1.02%	1.98%	2.23%	2.55%	2.10%

Data Source

Audited Financial Statements

Village of Hazel Crest, Illinois

**Assessed Value and Actual Value of Taxable Property
Last Ten Levy Years**

Levy Year	EQUALIZED ASSESSED VALUATION							
	Real Property Equalized Assessed Value	Estimated Actual Value	Ratio of Total Assessed to Estimated Actual Value	Estimated Actual Taxable Value	Commercial		Residential	
					Number of permits	Value (1)	Number of permits	Value (1)
2000	\$ 122,157,987	\$ 366,840,802	33.3000	\$ 1,100,522,406	-	\$ -	42	\$ 6,920,092
2001	123,609,348	371,199,243	33.3000	1,113,597,729	3	2,950,000	31	4,745,663
2002	152,738,655	458,215,965	33.3000	1,374,647,895	4	549,000	22	3,410,276
2003	152,334,566	457,003,698	33.3000	1,371,011,094	-	-	23	4,085,780
2004	157,083,399	471,250,197	33.3000	1,413,750,591	5	4,887,969	41	3,855,832
2005	182,781,075	548,892,117	33.3000	1,646,676,351	1	13,110,000	39	1,315,000
2006	183,449,470	550,899,309	33.3000	1,652,697,927	-	-	57	2,667,106
2007	194,599,212	578,444,276	33.3000	1,735,332,828	7	1,489,706	34	1,897,417
2008	194,599,212	578,444,276	33.3000	1,735,332,828	6	8,355,152	38	1,925,744
2009	194,599,212	578,444,276	33.3000	1,735,332,828	10	1,262,384	21	831,607

Data Source

Office of the County Clerks and Township Assessors

Note : Most recent data available

Village of Hazel Crest, Illinois

**Property Tax Rates - Direct and Overlapping Governments
Last Ten Levy Years**

	Levy Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Village Direct Rates										
General Corporate	\$ 2.8320	\$ 2.5500	\$ 2.6370	\$ 2.7340	\$ 2.1540	\$ 2.2010	\$ 2.1610	\$ 1.9430	\$ 2.0810	\$ 2.1900
Overlapping Rates										
County of Cook	0.9110	0.0854	0.0824	0.7460	0.6900	0.6300	0.5930	0.5330	0.5000	0.4460
Cook County Forest Preserve District	0.0720	0.0700	0.0690	0.0670	0.0610	0.0590	0.0600	0.6000	0.5700	0.0530
Suburban TB Sanitarium	0.0080	0.0080	0.0080	0.0070	0.0060	0.0040	0.0010	0.0050	0.0050	0.2630
Consolidated Elections	-	0.0230	-	0.0320	-	0.0290	-	0.0140	-	-
Bremen Township	0.0630	0.0610	0.0630	0.0620	0.0510	0.0530	0.0540	0.0490	0.0510	0.0060
Bremen Twp. Road & Bridge	0.0400	0.0380	0.0400	0.0410	0.0350	0.0370	0.0190	0.0320	0.0330	0.0120
Bremen Twp. General Assistance	0.0040	0.0030	0.0050	0.0050	0.0060	0.0080	0.0080	0.0080	0.0080	0.0510
Rich Township	0.2270	0.2130	0.2230	0.2300	0.2020	0.2110	0.2110	0.1930	0.1990	0.0330
Rich Twp. Road & Bridge	0.0650	0.0062	0.0650	0.0680	0.0600	0.0630	0.0630	0.0580	0.0570	0.0080
Rich Twp. General Assistance	0.0240	0.0024	0.0250	0.0260	0.0230	0.0240	0.0240	0.0220	0.0220	0.1960
Thornton Township	0.2320	0.2140	0.1750	0.1710	0.1560	0.4110	0.4050	0.3600	0.3740	0.0560
Thornton Twp. Road & Bridge	0.0220	0.0210	0.0180	0.0180	0.0160	0.0160	0.0160	0.0150	0.0160	0.0220
Thornton Twp. General Assistance	0.0300	0.0280	0.0740	0.0730	0.0610	0.1000	0.0980	0.0880	0.0920	0.3720
Metro Water Reclamation District of Chicago	0.4440	0.0419	0.0415	0.4010	0.3710	0.3610	0.3470	0.3150	0.2840	0.0160
So. Cook County Mosquito Abatement	0.0130	0.0130	0.0140	0.0150	0.0110	0.0130	0.0120	0.0100	0.0070	0.0920
Hazel Crest Park District	0.8730	0.7730	0.8010	0.8140	0.6490	0.7070	0.7030	0.6440	0.6590	0.6030
Grande Prairie Pub. Library District	0.4580	0.3560	0.3710	0.3760	0.3080	0.3230	0.3120	0.2770	0.2790	0.2730
School District #144	4.7100	4.3410	5.0250	4.9610	3.9850	4.1520	3.9350	3.3380	3.4130	3.2990
School District #152 1/2	3.8020	2.8580	3.0930	3.1890	2.7260	4.5720	4.5630	4.1600	4.3350	4.2860
School District #152 1/2 School Finance Authority	-	-	-	-	2.0780	0.5080	0.4900	0.4290	0.4280	0.4100
School District #153	4.8830	4.5730	4.6270	4.5710	3.9980	4.1440	4.1180	3.7960	3.7770	3.6710
School District #161	4.7680	4.5390	4.7750	4.7750	4.0810	4.2620	4.2380	3.8820	3.9450	3.8060
Thornton Twp. HSD #205	4.6250	4.4090	4.6120	5.3780	4.6140	4.1110	4.1170	3.6730	3.7950	3.7410
Community HSD #228	3.9610	3.7200	3.8900	3.8380	3.1580	3.3280	3.3310	2.9530	3.5090	3.4120
Homewood Flossmoor Comm. HSD #233	3.8920	3.7050	3.8900	3.7990	4.0830	4.3480	4.3450	4.0730	4.1030	3.9660
So. Suburban Comm. College #510	0.4700	0.4420	0.4570	0.4540	0.3860	0.4030	0.4000	0.3590	0.3670	0.3620
Prairie State Comm. College #515	0.3970	0.3680	0.3760	0.3790	0.3380	0.3460	0.3410	0.2920	0.2920	0.2940

Data Source

Cook County Clerk

Note: Most recent data available

Village of Hazel Crest, Illinois

**Principal Property Taxpayers
Current Year and One Year Ago**

Taxpayer	2007*			2006		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Imperial Real Estate	\$ 4,196,777	1	2.29%	\$ 4,196,777	1	2.30%
Continental Wingate Assoc.	4,133,880	2	2.25%	4,133,880	2	2.26%
Graycor Services LLC	3,883,191	3	2.12%	3,883,191	3	2.12%
Taxpayer of 5049 W 159th St. Oak Forest	3,481,735	4	1.90%	3,798,259	4	2.08%
Paradise Prop	2,842,975	5	1.55%	2,842,975	5	1.56%
MI-Jack Products, Inc.	2,520,527	6	1.37%	2,710,746	6	1.48%
Hazel Crest Center, LLC	2,335,189	7	1.27%	2,552,817	7	1.40%
GLR Medical PPTY One	2,243,517	8	1.22%	2,243,517	8	1.23%
Manor Care Health 628	2,166,072	9	1.18%	2,166,072	9	1.19%
Co Marvin Poer & Comp	<u>1,970,756</u>	10	<u>1.07%</u>	<u>1,970,756</u>	10	<u>1.08%</u>
	<u>\$ 29,774,619</u>		<u>16.23%</u>	<u>\$ 30,498,990</u>		<u>16.70%</u>

Data Source

Cook County Clerk's and Assessor's Offices

* Includes only those parcels with 2007 equalized assessed valuations of \$120,000 and over as recorded in the Assessor's office

Village of Hazel Crest, Illinois

**Property Tax Levies and Collections
Last Ten Levy Years**

Levy Year	Tax Levied	Collected within the Fiscal Year after the Levy	
		Amount	Percentage of Levy
1999	\$ 3,181,622	\$ 3,020,316	94.93%
2000	3,220,859	3,151,749	97.85%
2001	3,379,288	3,324,658	98.38%
2002	3,289,991	3,162,173	96.11%
2003	3,452,865	3,198,171	92.62%
2004	3,394,101	3,369,078	99.26%
2005	3,550,523	3,501,134	98.61%
2006	3,816,850	3,491,033	91.46%
2007	4,260,197	3,602,329	84.56%
2008	4,792,428	1,735,835	36.22%

Data Source

Office of the County Clerk

Note: Most recent date available

Village of Hazel Crest, Illinois

**Sales Tax Base and Number of Principal Payers
Taxable Sales by Category
Last Ten Calendar Years**

	Calendar Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Merchandise	\$ 3,178	\$ 11,571	\$ 13,046	\$ 15,804	\$ -	\$ 26,444	\$ 25,944	\$ 20,100	\$ 22,026	\$ 22,255
Food	119,370	148,019	157,747	155,842	162,596	150,153	158,539	150,510	148,691	146,394
Restaurants	63,511	60,840	59,484	71,751	68,764	64,897	66,306	68,906	75,413	71,169
Apparel	8	138	599	-	4,922	5,413	4,883	6,282	10,156	6,683
Furniture & Radio	26,418	2,079	2,213	3,091	1,091	-	-	-	-	1,550
Lumber, Building, Hardware	1,927	3,045	1,944	-	-	-	-	-	-	-
Automobile and Filling Stations	105,033	108,441	111,104	107,978	103,204	114,205	111,797	121,248	241,375	100,336
Drugs and Miscellaneous Retail	61,917	68,072	77,287	91,434	98,563	112,184	114,702	127,309	134,769	147,940
Agriculture and All Others	52,552	59,695	61,787	72,479	41,820	35,932	37,517	36,105	45,461	37,885
Manufacturers	67,420	162,045	156,797	167,483	127,589	84,694	72,402	51,428	101,356	121,553
Total	\$ 501,334	\$ 623,945	\$ 642,008	\$ 685,862	\$ 608,549	\$ 593,922	\$ 592,090	\$ 581,888	\$ 779,247	\$ 655,765
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%
Village home rule sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

Village of Hazel Crest, Illinois

**Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

Fiscal Year	Village Direct Rate	State Rate
2000	1.00%	5.00%
2001	1.00%	5.00%
2002	1.00%	5.00%
2003	1.00%	5.00%
2004	1.00%	5.00%
2005	1.00%	5.00%
2006	1.00%	5.00%
2007	2.00%	5.00%
2008	2.00%	5.00%
2009	2.00%	5.00%

Data Source

Per Illinois Department of Revenue
Local Tax Allocation Office

Village of Hazel Crest, Illinois

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended	Governmental Activities					Business-Type Activities	Total Primary Government	Ratio of Total Outstanding Debt To Equalized Assessed Valuation*	Total Outstanding Debt Per Capita*
	General Obligation Bonds	General Obligation Debt Certificates	Alternative Revenue Bonds	Tax Incremental Revenue Notes	Note Payable	Note Payable			
2000	\$ 403,000	\$ 227,664	\$ 279,000	\$ 1,321,147	\$ -	\$ -	\$ 2,230,811	0.61%	157.63
2001	398,000	170,637	195,000	1,411,857	-	-	2,175,494	1.46%	146.83
2002	392,000	113,681	105,000	1,358,501	-	-	1,969,182	2.06%	132.91
2003	386,000	56,802	6,000	1,233,641	-	-	1,682,443	1.71%	113.56
2004	270,000	-	-	1,064,123	-	45,051	1,379,174	1.44%	93.09
2005	186,000	727,000	-	994,462	-	-	1,907,462	1.22%	128.74
2006	137,000	677,000	-	1,108,604	76,439	47,310	2,046,353	2.26%	138.12
2007	2,105,000	627,000	-	1,028,884	39,333	-	3,800,217	1.98%	256.49
2008	1,965,000	577,000	-	1,028,884	-	-	3,570,884	1.98%	241.02
2009	1,820,000	527,000	-	622,695	658,599	-	3,628,294	1.86%	244.89

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Demographic and Economic Statistics for equalized assessed valuation of property and population data.
Personal income information is not available.

Village of Hazel Crest, Illinois

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Estimated Actual Taxable Value of Property*	Per Capita
2000	\$ 403,000	0.72%	28.48 ³
2001	398,000	0.58%	28.12 ²
2002	392,000	1.69%	27.70 ³
2003	386,000	1.43%	27.28 ³
2004	270,000	1.23%	19.08 ³
2005	186,000	1.04%	13.14 ³
2006	137,000	1.81%	9.68 ³
2007	2,105,000	1.60%	148.74 ³
2008	1,965,000	1.60%	138.85 ³
2009	1,820,000	1.60%	128.60 ³

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

Per Capita:

1 - Special Census

2 - Federal Census

3 - Estimate

Village of Hazel Crest, Illinois

**Direct and Overlapping Governmental Activities Debt
As of April 30, 2009**

Governmental unit	Gross Debt	Percentage Debt Applicable to the Village of Hazel Crest*	Village of Hazel Crest Share of Debt
Cook County	\$ 2,897,975,000	0.12%	\$ 3,535,530
Cook County Forest Preserve	115,105,000	0.12%	140,428
Metropolitan Water Reclamation District	1,379,237,302	0.13%	1,724,047
Hazel Crest Park District	1,050,000	100.00%	1,050,000
School Districts:			
#144	3,708,574	32.96%	1,222,346
#152 1/2	3,321,772	26.37%	875,984
#153	12,039,550	1.25%	150,374
#161	2,373,120	8.42%	199,817
High School District #205	62,031,815 #	1.49%	924,894
High School District #228	22,480,000	7.94%	1,784,462
High School District #233	17,752,677	5.60%	994,505
Community College District #510	20,669,286	3.63%	749,882
Community College District #515	12,257,040	1.13%	137,892
Subtotal, overlapping debt	<u>4,550,001,136</u>		<u>13,490,161</u>
Village of Hazel Crest direct debt	<u>\$ 1,820,000</u>	100.00%	<u>\$ 1,820,000</u>
Total direct and overlapping debt	<u><u>\$ 4,551,821,136</u></u>		<u><u>\$ 15,310,161</u></u>

* Determined by ratio of assessed valuation of property subject to taxation in the Village of Hazel Crest to valuation of property subject to taxation in overlapping unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village of Hazel Crest. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Village of Hazel Crest, Illinois

Schedule of Legal Debt Margin

April 30, 2009

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 in aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

Village of Hazel Crest, Illinois

**Demographic and Economic Information
Last Ten Fiscal Years**

Fiscal Year	Population		Equalized Assessed Value (EAV)	Per Capita EAV	Unemployment Rate	Per Capita Income
2000	14,152 (A)	\$	121,060,549	\$ 8,554	6.8%	\$ 14,112
2001	14,816 (A)		122,157,987	8,245	8.3%	14,112
2002	14,816 (A)		123,609,348	8,343	10.1%	19,908
2003	14,816 (A)		152,738,655	10,309	10.3%	19,908
2004	14,816 (A)		157,083,399	10,602	9.5%	19,908
2005	14,816 (A)		182,781,075	12,337	9.1%	19,908
2006	14,249 (A)		183,449,470	12,875	6.8%	19,908
2007	14,164 (E)		183,449,470	12,952	6.9%	19,908
2008	14,094 (E)		194,599,212	13,807	7.7%	19,908
2009	14,075 (E)	N.A.		N.A.	9.6%	19,908

Note: 2009 Equalized Assessed Value is not yet available.

(A) Actual

(E) Estimate

Note: Personal Income data not available

Village of Hazel Crest, Illinois

**Principal Employers
Current Year and Two Years Ago**

Employer	2007			2008*		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Advocate South Suburban Hospital	1,400	1	9.88%	1,400 (2)	1	9.95%
MI-Jack Products, Inc.	500	2	3.53%	500 (1)	2	3.55%
	450		3.19%	450 (3)		3.20%
In-Terminal Services Corp.	350	3	2.47%	350 (2)	3	2.49%
Lanco International	350	4	2.47%	350 (2)(3)	4	2.49%
Meany Electrical Engineering Co., Inc.	-	-	-	150 (2)	5	1.07%
Alloy Sling Chains Inc.	-	-	-	100 (3)	6	0.71%
Illinois Brick	55	5	0.39%	55 (1)	7	0.39%
Best Homes	55	6	0.39%	55 (3)	8	0.39%
				50 (1)		0.36%
Alpha Construction	50	7	0.35%	50 (3)	9	0.36%
Interstate Scaffolding, Inc.	-	-	-	30 (2)	10	0.21%
Bank Financial	25	9	0.18%	25 (2)	11	0.18%
Hill Concrete Products, Inc.	-	-	-	23 (1)	12	0.16%
McBride Engineering	21	10	0.15%	21 (2)	13	0.15%
AB&D Custom Furniture	15	-	0.11%	15 (1)	14	0.11%
ASC Industries, Ltd.	50	8	0.35%			

Data Source

*2008 Estimated population by the US Census Bureau is 14,075.

- (1) 2009 Illinois Manufacturers Directory
- (2) 2009 Illinois Services Directory
- (3) 2009 Harris Illinois Industrial Directory

Village of Hazel Crest, Illinois

**Full-Time Equivalent Employees
Last Ten Fiscal Years**

Full-Time-Equivalent Employees as of April 30

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Administration / Office	7	7	8	8	8	8	7	7	8	4
Public Safety										
Police	37	34	36	39	39	39	33	33	32	34
Fire	17	16	16	16	17	17	21	22	23	20
Public Works										
Public Works Administration	22	21	21	22	22	22	19	19	20	21
Total	83	78	81	85	86	86	80	81	83	79

Data Source

Village Finance Department

Note: Valuing Pool employees full-time-equivalence considered immaterial because most employees are part-time and all employees are seasonal for no more than three months.

Village of Hazel Crest, Illinois

**Operating Indicators
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Community Development										
Building permits issued	410	53	53	52	46	46	71	41	44	31
Public Safety										
Police										
Physical arrests	480	351	389	278	438	368	352	275	374	360
Parking violations	2,636	1,236	1,958	2,459	2,188	2,614	2,084	1,626	2,491	2,800
Traffic violations	N/A	N/A	N/A	N/A	N/A	N/A	415	333	705	689
Public Works										
Streets										
Street resurfacing (miles)	-	0.25	1.15	0.64	0.25	0.44	2.00	6.19	5.60	2.25
Potholes repaired	450	620	630	570	720	430	620	580	725	650
Recreation and Culture										
Parks										
Open space (acres)	13	13	13	13	13	13	13	13	13	13
Water										
New Connections (tap-ons)	-	-	-	-	-	-	24	10	5	1
Average daily consumption*	1.46	1.25	1.24	1.28	1.28	1.28	1.30	1.43	1.41	1.36
Sewers										
Sanitary Sewers (miles)										
Storm Sewers (miles)	47	47	47	47	47	47	47	50	50	50
Sewers										
Sanitary Sewers (miles)	32	32	32	32	32	32	32	34	34	34

* (thousands of gallons)

Data Source

Various village departments

Village of Hazel Crest, Illinois

Capital Asset Statistics

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Geographic Patrol Areas	3	3	3	3	3	3	3	3	3	3
Public Works										
Streets										
Streets (miles)	56	56	56	56	56	56	58	57	58	58
Streetlights	650	650	650	650	650	650	652	654	654	654
Recreation and Culture										
Number of Parks and Open Space	13	13	13	13	13	13	13	13	13	13
Number of Libraries	1	1	1	1	1	1	1	1	1	1
Number of Volumes	87,000	87,000	N/A							
Water										
Water mains (miles)	60	60	60	60	60	60	61	63	63	63
Wastewater										
Sanitary sewers (miles)	47	47	47	47	47	47	47	50	50	50
Storm Sewers (miles)	32	32	32	32	32	32	32	34	34	34

Data Source

Various village departments