VILLAGE OF FOREST PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

Year Ended April 30, 2009

VILLAGE OF FOREST PARK, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2009

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Crowe Horwath

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor
Board of Commissioners
Village of Forest Park, 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 Forest Park, Illinois (the Village) as of and for the year ended April 30, 2009, which collectively along with the discretely presented component unit, comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Village of Forest Park Public Library (the discretely presented component unit). The component unit financial statements as of and for the year ended April 30, 2009 were audited by other auditors, whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, 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.

The Management's Discussion and Analysis, schedule of funding progress for pensions and other post employment benefits, schedule of employer contributions for pensions, and budgetary comparison information are not a required part of the basic financial statements but are 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 do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data section for the year ended April 30, 2009, listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplemental data section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on it.

In June, 2004, the GASB released Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement is effective for fiscal periods beginning after December 15, 2007 for phase two governments (those with total annual revenues of $10 million or more but less than $100 million). The Village has implemented this statement prospectively ($22,705 net OPEB obligation at the transition date) as of their fiscal year ended April 30, 2009. The statement addresses post employment benefits other than pension and establishes standards for the measurement, recognition, and display of expense, expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local government employers.

Crowe Horwath LLP

Crowe Horwath LLP

Oak Brook, Illinois
September 30, 2009

VILLAGE OF FOREST PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2009

As management of the Village of Forest Park ("Village"), we offer readers of the financial statements this narrative overview and analysis of the financial activities for the fiscal year ended April 30, 2009. The Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes in net assets and currently known facts. It should be read in conjunction with the auditor's opinion on page 1 and the Village's financial statements beginning on page 15.

Financial Highlights

Net assets in the Village's governmental funds increased during the year by over $2 million. In addition unrestricted net assets increased $1.6 million. Current assets (that are available to pay ongoing bills) are 3.5 times current liabilities, compared to 3.0 times last year. This shows that our ability to pay our current bills in a timely fashion has improved over last year.

General fund revenues (excluding grants) for FY09 were 2.7% over FY08 however revenues fell short of budget estimates by $1.0 million. The municipal share of State taxes fell 6.2% in FY09 after increasing in FY08 2.5%. Shortfalls in sales and village-share of State income taxes totaled $685 thousand. Realizing that needed revenues would not materialize, all departments were requested to cut budgeted expenditures. Efforts were thwarted due to the unusual winter season of snow and ice which forced snow removal efforts, coupled with increased cost of salt, to significantly exceed budget.

Revenue increases came from:

- Increased water rates to cover City of Chicago increases;
- Increase ambulance response fees for reimbursement by insurers;
- Initiated red light enforcement cameras at two major, accident-prone intersections; and
- Collections at the Pay 'n Go machines in downtown and CTA parking areas.

Actual expenditures (excluding grants) were $279.4 thousand, or 1.6 percent, lower than last year. Some of the steps taken to reduce costs were:

- Changed the ambulance billing service provider to reduce fees from 7% to 4%;
- Negotiated lower fees on collections services for unpaid parking tickets; and
- Bargained aggressively with AFSCME and Police unions on wages and benefits.

No major construction projects took place during the year ended April 30, 2009, however, preparations were being made to entirely remove and replace both Harvard Street and Jackson Boulevard from Harlem to Desplaines. Enhancements will include traffic calming curb cuts, decorative lighting and a pocket park on Harvard. Expenditures were made from the VIP fund for approximately $400 thousand in engineering fees to be ready to start in the summer of 2009.

During FY09, the Communications Center was totally revamped and new state-of-the-art software and upgraded equipment were purchased. This major project was funded partially through a State grant from the Department of Commerce and Economic Opportunity for $225,000 and the remainder from E911 Funds and the General Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements, Statements 1 and 2, are designed to provide readers with a broad overview of Village finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. The Village's net assets decreased $1.5 million in FY07 and increased $1.2 million in FY08. Net assets increased in FY09 by $2.4 million.

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 the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Governmental Activities reflect the Village's basic services, which include administration, public safety, streets and alleys, and community outreach. Property taxes, shared state taxes and local utility taxes finance the majority of these services. The Business-Type Activities (also called Proprietary Funds) reflect private sector-type operations, where the fees for services typically cover all or most of the costs of operations, including depreciation. The component unit, which is shown only in the Government-wide financials, is the Forest Park Public Library. Though a separate legal entity, the Library is included because by statute the Village is financially accountable for it.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be 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. However, unlike the 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. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing

decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for six major governmental funds, the general fund, VIP Program Fund, Brown Street, Harlem/Harrison and Roosevelt/Hannah TIFs and the 2002 Bond Fund, nine other special revenue funds and three debt service funds, which are considered to be non-major funds. Individual fund information for these non-major governmental funds is provided in Exhibits 8 and 9.

The Village maintains one type of proprietary fund. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses proprietary funds to account for its water and sewer operations and parking lot operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the water fund and the parking fund, both of which are considered to be major funds of the Village.

Fiduciary funds are used to account for resources held for the benefit of others, in this case, Fire and Police retirees. Fiduciary fund activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

Notes to the Financial Statements

The notes are an integral part of the basic financial statements. They provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to its employees. Detailed non-major fund information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following chart reflects the condensed Statement of Net Assets (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Assets:						
Current assets	$ 14,349.9	$ 12,727.7	$ 4,752.2	$ 4,484.3	$ 19,102.1	$ 17,212.0
Deferred charges	203.4	217.0	-	-	203.4	217.0
Capital assets	23,891.3	24,739.2	8,886.8	9,102.2	32,778.1	33,841.4
Total assets	38,444.6	37,683.9	13,639.0	13,586.5	52,083.6	51,270.4
Liabilities:						
Current liabilities	4,883.9	5,255.5	525.6	467.0	5,409.5	5,722.5
Long-term liabilities	15,148.5	16,091.7	4,838.8	5,145.3	19,987.3	21,237.0
Total liabilities	20,032.4	21,347.2	5,364.4	5,612.3	25,396.8	26,959.5
Net Assets:						
Invested in capita assets, net	7,641.9	7,244.7	3,741.5	3,660.3	11,383.4	10,905.0
Restricted	4,968.3	4,689.5	-	-	4,968.3	4,689.5
Unrestricted	5,802.0	4,411.7	4,533.1	4,313.9	10,335.1	8,725.6
Total Net Assets	$ 18,412.2	$ 16,345.9	$ 8,274.6	$ 7,974.2	$ 26,686.8	$ 24,320.1

Current assets of $19.1 million are 3.5 times current liabilities of $5.4 million, compared to 3.0 times last year. This ratio shows that our ability to pay our current bills in a timely fashion has improved over last year. *This is due mostly to revenues exceeding current expenditures in the TIF funds during FY09.* The net assets (assets less liabilities) are represented by capital assets such as buildings and other structures, parking lots, and infrastructure net of any outstanding debt; funds that are restricted for debt service and construction projects; and unrestricted net assets, which can be used to finance day-to-day operations without constraints established by legal requirements. Unrestricted net assets increased in FY09 after a slight decrease in FY08 from FY07.

The following chart reflects the condensed Statement of Activities (in thousands) compared to last year:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues:						
Charges for services	$ 3,986.2	$ 3,550.6	$ 4,309.5	$ 4,114.2	$ 8,295.7	$ 7,664.8
Oper. grants/contr.	718.4	867.6			718.4	867.6
Capital grants/contr.	638.6	616.3			638.6	616.3
General Revenues:						
Property taxes	8,667.5	6,546.8			8,667.5	6,546.8
Other taxes	7,637.5	8,144.4			7,637.5	8,144.4
Other revenues	520.6	367.7	3.0	6.7	523.6	374.4
Total Revenues	22,168.8	20,093.4	4,312.5	4,120.9	26,481.3	24,214.3
Expenses						
General government	6,315.4	6,457.9			6,315.4	6,457.9
Police protection	4,759.9	4,156.4			4,759.9	4,156.4
Fire protection	2,612.5	2,563.6			2,612.5	2,563.6
Health and safety	446.7	449.7			446.7	449.7
Community outreach	684.2	657.3			684.2	657.3
Public works	5,528.2	5,352.1			5,528.2	5,352.1
Water and sewer			2,586.1	2,223.5	2,586.1	2,223.5
Parking lot operations			467.0	401.2	467.0	401.2
Transfers Out / (In)	(800.0)	(800.0)	800.0	800.0	-	-
Interest on debt	555.7	595.4	159.1	179.0	714.8	774.4
Total Expenses	20,102.6	19,432.4	4,012.2	3,603.7	24,114.8	23,036.1
Change in Net Assets	$ 2,066.2	$ 661.0	$ 300.3	$ 517.2	$ 2,366.5	$ 1,178.2

The principle sources of revenue for the Governmental Activities are fees for services, property taxes and state taxes. In FY09, 18.0 percent of revenue of $22,168.8 million comes from charges for services, about the same percentage as the last three years. Property tax revenue increased 7.1 percent from last year in the general fund and 32.4 percent overall including the TIF funds. Other taxes (mostly the municipal share of State taxes) decreased 6.2 percent after increasing 2.5 percent the previous year. Expenditures increased in governmental activities by 3.4 percent mostly due to increases in wages and benefit costs and 11.3 percent in the business-type activities due to higher costs for water from the City of Chicago.

Virtually all revenue in the Business-type Activities comes from fees for services. There was a 4.7 percent increase in collections in fiscal year 2009 from 2008; due predominantly to increased charges for water to cover higher water costs. Parking lot revenues also increased 6.9 percent due to higher rates at Constitution Court for the full year and increased collections elsewhere.

Together, police and fire protection represent 30.6 percent of the total cost of operating the Village (including infrastructure improvements). Public works and the water department together account for 33.6 percent and other governmental expenses are 35.8 percent of total operating expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

Basic services of the Village are reported in the General Fund, which is the primary major fund in the governmental group. Governmental funds focus on how money flows into and out of the funds and the balances left at year-end are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs.

The changes in the various governmental funds balances are shown (in thousands) on the next page.

Changes in Governmental Fund Balances

	Major Funds				Non-major Funds				
	General Fund	VIP Fund	Brown Street Station TIF	Other TIF Funds	2002 Bond Fund	Special Revenue Funds	Debt Service Funds	Total Governmental Funds as of 4/30/09	As of 4/30/08 Total Governmental Funds
Revenues	$15,060.4	$ 1,035.2	$ 634.8	$ 2,306.9	$ 21.0	$1,650.0	$1,574.8	$ 22,283.1	$ 20,127.8
Expenditures	17,325.0	1,150.3	21.1	738.1	543.2	1,410.6	313.9	21,502.1	20,864.9
Excess (deficiency) of revenues over expenditures	(2,264.6)	(115.1)	613.7	1,568.8	(522.2)	239.4	1,260.9	780.9	(737.1)
Transfer in (out)	1,835.8				1,050.0	(472.6)	(1,418.1)	995.0	800.0
Net change in Fund Balances	(428.8)	(115.1)	613.7	1,568.8	527.8	(233.2)	(157.2)	1,776.0	62.9
FB at beginning of year	729.7	2,083.6	2,312.8	155.2	1,899.5	786.9	823.5	8,791.2	8,728.2
FB at end of year	$ 300.9	$ 1,968.5	$ 2,926.5	$ 1,724.0	$ 2,427.3	$ 553.7	$ 666.3	$ 10,567.2	$ 8,791.1

Proprietary Funds

Proprietary funds are business-type activities where customers pay for the services provided. The major proprietary funds are the Water Fund and the Parking Fund. The non-major proprietary funds were all inactive parking funds and were combined with the major parking fund in FY08 so that there are no longer any non-major proprietary funds.

The changes in the net assets of the various proprietary funds are shown below (in thousands):

	2009			2008
	Water Fund	Parking Fund	Total Proprietary Funds	Total Proprietary Funds
Total revenues	$3,503.0	$ 809.5	$ 4,312.5	$ 4,120.9
Total expenses	2,735.9	476.3	3,212.2	2,803.7
Net Change in Net Assets	767.1	333.2	1,100.3	1,317.2
Transfers in (out)	(800.0)	-	(800.0)	(800.0)
Net change in Net Assets	(32.9)	333.2	300.3	517.2
Net Assets at beginning of year	3,686.5	4,287.8	7,974.3	7,457.0
Net Assets at end of year	$3,653.6	$4,621.0	$ 8,274.6	$ 7,974.2

Transfers from the Water Fund to the General Fund each year of $800,000 cover the approximate cost to the Village of unallocated expenses, such as health and liability insurance, pension, Social Security taxes and other employment costs, and intangible property rights.

Revenues in the Water and Parking Funds combined increased 4.6 percent. Water rates were increased during FY09 to cover the costs of water obtained from the City of Chicago. Net assets of the proprietary funds increased 3.8 percent over FY08.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule (in thousands):

	2009			2008		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance
Revenues:						
Taxes	$10,994.6	$10,146.5	$ (848.1)	$11,233.3	$10,313.3	$ (920.0)
Licenses and permits	847.6	707.9	(139.7)	873.2	780.4	(92.8)
Fees for services	2,270.6	2,100.4	(170.2)	2,146.8	2,059.3	(87.5)
Grant revenue	632.3	333.2	(299.0)	4,073.4	384.3	(3,689.1)
Fines	1,320.5	1,316.5	(4.0)	1,293.5	922.8	(370.7)
Other	335.9	455.7	109.8	561.0	269.0	(292.0)
Total Revenues	16,401.5	15,060.2	(1,341.3)	20,181.2	14,729.1	(5,452.1)
Expenditures:						
General Public Affairs	1,000.8	912.3	88.5	1,206.4	1,212.8	(6.4)
Police Department	4,116.2	3,847.2	269.0	3,877.2	3,867.2	10.0
Fire Department	2,883.3	2,697.2	186.1	2,725.1	2,637.3	87.8
Community services	712.1	684.2	27.9	660.3	657.3	3.0
Accounts and finance	4,712.0	4,688.3	23.7	4,766.3	4,661.8	104.5
Grants	691.4	581.3	110.1	4,053.4	427.0	3,626.4
Public property	1,830.0	1,763.5	66.5	1,950.2	1,965.5	(15.3)
Streets and public improvements	1,649.9	1,711.9	(62.0)	1,574.4	1,570.3	4.1
Health and safety	497.9	439.0	58.9	479.3	442.0	37.3
Total Expenditures	18,093.6	17,324.9	768.7	21,292.6	17,441.2	3,851.4
Excess (deficiency) of revenues over expenditures:	$(1,692.1)	$(2,264.7)		$(1,111.4)	$(2,712.1)	

Overall, revenues were 2.2 percent higher than last year and 8.6 percent lower than budgeted. Most of the variation is in lower than expected tax revenues through the County and State. Excluding grants, general fund revenues were $1.1 million (7.1%) lower than expected. Tax revenue decreased in fiscal year 2009 over 2008 by $166.8 thousand or 1.6 percent lower than last year.

Expenditures (excluding grants) overall were $270.6 thousand, or 1.6 percent, lower than last year. Because of the shortfall in revenues, for the second consecutive year all departments curtailed expenditures in order to spend less than the totals appropriated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Governmental Activities
Change in Capital Assets
(in thousands)

	Balance as of April 30, 2008	Net Additions/ (Deletions)	Balance as of April 30, 2009
Non-Depreciable Assets			
Land	$ 4,516.2	$ -	$ 4,516.2
Other Capital Assets			
Infrastructure	32,979.0	101.1	33,080.1
Buildings and improvements	2,722.0	-	2,722.0
Vehicles/Equipment	3,934.0	253.2	4,187.2
Accum. Depreciation	(19,412.0)	(1,202.2)	(20,614.2)
Net Capital Assets	$ 24,739.2	$ (847.9)	$ 23,891.3

The net increase in depreciable infrastructure assets results from the streets and alleys reconstruction under the CDBG grant program. Equipment purchased this year include a pumper truck for the fire department and three squad cars for the police department.

Business-Type Activities
Change in Capital Assets
(in thousands)

	Balance as of April 30, 2008	Net Additions/ (Deletions)	Balance as of April 30, 2009
Non-Depreciable Assets			
Land	$ 698.3	$ -	$ 698.3
Other Capital Assets			
Infrastructure	8,929.5	-	8,929.5
Buildings and improvements	2,034.9	-	2,034.9
Vehicles, Equipment	301.5	-	301.5
Accum. Depreciation	(2,861.9)	(215.4)	(3,077.3)
Net Capital Assets	$ 9,102.3	$ (215.4)	$ 8,886.9

For additional information on Capital Assets see Note 4 on pages 39 and 40 of the financial statements.

Debt Administration

At April 30, 2009, the Village had outstanding debt as follow:

		Principal & Interest due Within one year
Governmental Activities		
General Obligation TIF Refunding Bonds, 2002	$ 3,475,000	$ 531,396
General Obligation TIF Refunding Bonds, 2003A	665,000	178,070
General Obligation Alternative Revenue Bond, 2005	8,595,000	711,012
Premium on Bonds	120,219	-0-
Total Bonds	$12,855,219	1,420,478
General Obligation Debt Certificate	2,871,013	305,093
Loans Payable	523,205	152,471
Total Governmental Long-term Debt	$16,249,437	$ 1,878,042
Business-type Activities		
General Obligation Debt Certificates	$ 748,492	$ 79,155
Loan Payable (IEPA)	4,396,834	379,415
Total Business-type Long-term Debt	$ 5,145,326	$ 458,570

The governmental general obligation bond payments of $1,420,478 are due from the Debt Service funds, financed through property tax deposits and the VIP Fund, through ½ percent sales tax. Interest rates on the bonds range from 1.40 to 7.50 percent. The General Obligation Debt Certificate ranges in interest rates from 4.15 to 7.50 percent. The General Fund, Water Fund and Parking Fund share the principle and interest payments for the general obligation debt certificate.

Under Illinois law, the Village's outstanding debt is limited to 8.625 percent of the assessed valuations in our jurisdiction. The Village's debt limit under this law is $32.98 million compared to legal debt outstanding at April 30, 2009, of $12.735 million (excludes premium on bonds). For additional information on Debt Administration see Note 5 on pages 40-45 of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Revenues in the FY10 budget were expected to increase a modest 2.1% due to increases in ticket fines and operating the red light enforcement program for an entire year at two intersections on Roosevelt Road which began in November, 2008. Other revenues which were expected to increase somewhat or decrease slightly have instead dropped dramatically, leaving the budgeted revenue totals for the year in doubt. In the water fund, Forest Park fees for water have been increased an average of 11% to make up for the 15% and 14% increases in City of Chicago water rates that were effective 1/1/08 and 1/1/09 respectively. In the parking fund, no further fee increases are anticipated for metered parking or permit parking in FY10. Increased collections from the Pay 'n Go systems in the downtown lots continue, and overall revenue in the parking fund is expected to increase less than 1% in FY10.

Expenditures in the FY10 budget were projected to increase 1.8% over the FY09 budget. Because the approved budget was pared back due to reduced revenues, some necessary expenditures were deferred to FY10. If all funds are spent as budgeted, the increase in FY10 over FY09 actual would be 5.8%. It does not appear at this point that the full budget can be spent because of the decrease in expected revenues.

It is intended that costs will be curtailed without reducing village services if at all possible, mostly by postponing vehicle purchases and other capital expenses. Two of the six union contracts are being negotiated at this time. Non union employees received a small increase in pay beginning 5/1/09 and we are taking an aggressive posture with the two unions in negotiation.

The largest budget increase for non-employment costs is from restoring the Police department training budget after cutting it out entirely in FY09. New vehicle purchases which were deferred in FY09 and are included in the FY10 budget will be further deferred unless revenues increase dramatically in the second half of the year. Purchased water costs will go up another 14% 1/1/10 and we are projecting lower costs for electricity ($22,600) and level natural gas expense in the water fund. There are no purchases of Pay and Go parking machines in the Parking Fund budget for FY10.

The Village and the West Cook YMCA have not closed on the sale of Altenheim property to the YMCA As the contract is being extended month to month the Y has begun paying an additional amount into the escrow account approximately equivalent to the interest cost of carrying the loan on the property. Proceeds from the sale will be used to satisfy the debt and annual savings from debt service payments in the future will free up approximately $380,000 per year. Once construction begins, the Village will realize increases in licenses and permit fees in connection with the $15 million project.

Infrastructure improvements planned from the Village Improvement Projects (VIP) sales tax revenue began in June for Harvard Street and Jackson Boulevard improvements. Primarily funded with federal grants totaling $4.5 million, the Village portion of approximately $800,000 will be reimbursed to the Illinois Department of Transportation over 36 months. Sales tax revenue from the half-percent non home rule sales tax is expected to be considerably lower in FY10 than in FY09. After debt service payments of $711,000, we expect to have $233,000 to begin paying IDOT in FY10.

After ten years of the Police detective division being cramped into a trailer behind Village Hall, the Village-owned building on the corner of Desplaines and Adams will be built out to house the detectives and evidence technicians. We hope to receive a grant to partially fund the build-out and the remainder will be paid from the Federal Seizure Fund account.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Village Clerk, Village of Forest Park, 517 Desplaines Avenue, Forest Park, Illinois, 60130.

VILLAGE OF FOREST PARK, ILLINOIS
Statement of Net Assets
April 30, 2009

	Primary Government			
	Governmental Activities	Business-type Activities	Total Primary Government	Component Unit
ASSETS				
Current assets:				
Cash and cash equivalents	$ 8,759,083	$ 4,262,670	$ 13,021,753	$ 1,399,414
Receivables:				
Property tax receivable	2,675,710	-	2,675,710	852,008
Due from other governments	1,863,164	-	1,863,164	-
Interest receivable	738	-	738	-
Accounts receivable	496,352	471,407	967,759	-
Prepaid Items	554,900	18,078	572,978	6,677
Total current assets	14,349,947	4,752,155	19,102,102	2,258,099
Noncurrent assets:				
Deferred charges	203,366	-	203,366	-
Capital assets not being depreciated	4,516,150	698,257	5,214,407	134
Capital assets being depreciated, net	19,375,154	8,188,540	27,563,694	1,100,158
Total noncurrent assets	24,094,670	8,886,797	32,981,467	1,100,292
Total assets	$ 38,444,617	$ 13,638,952	$ 52,083,569	$ 3,358,391
LIABILITIES AND NET ASSETS				
Liabilities				
Current liabilities:				
Accounts payable	$ 302,715	$ 185,462	$ 488,177	$ 49,098
Accrued payroll	34,245	-	34,245	19,570
Other liabilities	16,896	9,065	25,961	-
Deferred revenue	3,032,296	-	3,032,296	833,029
Interest payable	319,278	24,524	343,802	-
Long-term obligations, due within one year:				
Bonds payable	880,000	-	880,000	-
Debt certificates payable	166,722	43,278	210,000	-
Loans payable	131,753	263,296	395,049	-
Total current liabilities	4,883,905	525,625	5,409,530	901,697
Noncurrent liabilities:				
Long-term obligations, due in more than one year:				
Bonds payable	11,975,219	-	11,975,219	-
Debt certificates payable	2,704,291	705,214	3,409,505	-
Loans payable	391,452	4,133,538	4,524,990	-
Net pension obligation	54,830	-	54,830	-
Other post employment benefit obligation	22,705	-	22,705	-
Total noncurrent liabilities	15,148,497	4,838,752	19,964,544	-
Total liabilities	20,032,402	5,364,377	25,396,779	901,697
Net assets				
Invested in capital assets, net of related debt	7,641,867	3,741,471	11,383,338	1,100,292
Restricted for:				
Debt service	2,774,361	-	2,774,361	-
Capital projects	2,193,954	-	2,193,954	-
Other purposes	-	-	-	146,602
Unrestricted	5,802,033	4,533,104	10,335,137	1,209,800
Total net assets	18,412,215	8,274,575	26,686,790	2,456,694
TOTAL LIABILITIES AND NET ASSETS	$ 38,444,617	$ 13,638,952	$ 52,083,569	$ 3,358,391

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS
Statement of Activities
Year ended April 30, 2009

Functions/Programs	Expenses	Program Revenues: Fees, Fines & Charges for Services	Program Revenues: Operating grants and contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Total	Net (Expense) Revenue and Changes in Net Assets: Component Unit
Primary government:								
Governmental activities:								
General government	$ 6,315,418	$ 2,311,841	$ -	$ -	$ (4,003,577)		$ (4,003,577)	
Police protection	4,759,934	430,528	231,280	-	(4,098,126)		(4,098,126)	
Fire protection	2,612,485	18,464	6,265	568,562	(2,019,194)		(2,019,194)	
Health and safety	446,729	-	-	-	(446,729)		(446,729)	
Community outreach	684,174	493,084	-	-	(191,090)		(191,090)	
Public works	5,528,151	732,234	480,853	70,000	(4,245,064)		(4,245,064)	
Interest on debt	555,672	-	-	-	(555,672)		(555,672)	
Total governmental activities	20,902,563	3,986,151	718,398	638,562	(15,559,452)		(15,559,452)	
Business-type activities:								
Water operations	2,622,753	3,500,015	-	-	-	$ 877,262	877,262	
Sewer operations	113,112	-	-	-	-	(113,112)	(113,112)	
Parking lot operations	476,289	809,468	-	-	-	333,179	333,179	
Business-type activities:	3,212,154	4,309,483	-	-	-	1,097,329	1,097,329	
Total primary government	$ 24,114,717	$ 8,295,634	$ 718,398	$ 638,562	(15,559,452)	1,097,329	(14,462,123)	
Component unit								
Public library	$ 1,145,767	$ 33,046	$ 24,074	$ -				$ (1,088,647)
General revenues:								
Taxes:								
Property taxes					8,667,512	-	8,667,512	1,319,065
Replacement tax					187,719	-	187,719	38,836
Income tax					1,253,861	-	1,253,861	-
Sales tax					4,114,096	-	4,114,096	-
Other taxes					2,081,865	-	2,081,865	-
Investment earnings					198,275	3,014	201,289	13,285
Other general revenues					322,337	-	322,337	6,558
Transfers					800,000	(800,000)	-	-
Total general revenues and transfers					17,625,665	(796,986)	16,828,679	1,377,744
Change in net assets					2,066,213	300,343	2,366,556	289,097
Net assets, beginning of year					16,346,002	7,974,232	24,320,234	2,167,597
Net assets, end of year					$ 18,412,215	$ 8,274,575	$ 26,686,790	$ 2,456,694

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET
April 30, 2009

	Major Funds							
	General Fund	VIP Program Fund	Brown Street Station TIF Fund	Harlem / Harrison TIF Fund	Roosevelt / Hannah TIF Fund	2002 Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ -	$ 1,716,297	$ 1,387,898	$ 28,580	$ 1,796,707	$ 2,369,193	$ 1,460,408	$ 8,759,083
Receivables:								
Property tax receivable	2,399,413	-	-	-	-	-	276,297	2,675,710
Due from other governments	1,576,907	212,142	-	-	-	-	74,115	1,863,164
Accounts receivable	496,352	-	-	-	-	-	-	496,352
Interest receivable	738	-	-	-	-	-	-	738
Interfund receivable	539,330	113,184	1,539,234	-	3,797	59,931	280,390	2,535,866
Prepaid items	554,900	-	-	-	-	-	-	554,900
Total assets	$ 5,567,640	$ 2,041,623	$ 2,927,132	$ 28,580	$ 1,800,504	$ 2,429,124	$ 2,091,210	$ 16,885,813
LIABILITIES AND FUND BALANCE								
Liabilities								
Accounts payable	$ 286,638	$ 5,748	$ 756	$ 756	$ 6,271	$ 989	$ 1,557	$ 302,715
Accrued payroll	34,245	-	-	-	-	-	-	34,245
Other liabilities	16,896	-	-	-	-	-	-	16,896
Deferred revenue	3,085,362	67,321	-	-	-	-	276,297	3,428,980
Interfund payable	1,843,665	-	-	98,081	-	804	593,316	2,535,866
Total liabilities	5,266,806	73,069	756	98,837	6,271	1,793	871,170	6,318,702
Fund balance								
Reserved for:								
Prepaid items	554,900	-	-	-	-	-	-	554,900
Separate tax levies	854,693	-	-	-	-	-	-	854,693
Debt service	-	-	-			2,427,331	666,308	3,093,639
Capital projects	-	1,968,554	-	-	-	-	-	1,968,554
Unreserved, reported in:								
General fund	(1,108,759)	-	-	-	-	-	-	(1,108,759)
Special revenue funds	-	-	2,926,376	(70,257)	1,794,233	-	553,732	5,204,084
Total fund balance	300,834	1,968,554	2,926,376	(70,257)	1,794,233	2,427,331	1,220,040	10,567,111
TOTAL LIABILITIES AND FUND BALANCE	$ 5,567,640	$ 2,041,623	$ 2,927,132	$ 28,580	$ 1,800,504	$ 2,429,124	$ 2,091,210	$ 16,885,813

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET ASSETS
April 30, 2009

Total fund balances - governmental funds		$ 10,567,111
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:		
Capital assets	44,505,494	
Accumulated depreciation	(20,614,190)	
Net capital assets		23,891,304
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Sales taxes receivable	315,364	
Other taxes receivable	81,320	
Total long-term assets		396,684
Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets.		203,366
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(319,278)
Some liabilities reported in the statement of activities do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of :		
Bonds payable	(12,855,219)	
Debt certificates payable	(2,871,013)	
Loans payable	(523,205)	
Net pension obligation	(54,830)	
Other post employment benefit obligation	(22,705)	
Total long-term liabilities		(16,326,972)
Net assets of governmental activities		$ 18,412,215

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2009

	Major Funds							
	General Fund	VIP Program Fund	Brown Street Station TIF Fund	Harlem / Harrison TIF Fund	Roosevelt / Hannah TIF Fund	2002 Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Property tax revenue	$ 4,038,313	$ -	$ 576,478	$ 12,797	$ 2,288,397	$ -	$ 1,751,527	$ 8,667,512
Personal property replace tax	166,877	-	-	-	-	-	20,842	187,719
Sales tax	2,615,539	964,266	-	-	-	-	338,956	3,918,761
Intergovernmental revenues	450,115	-	-	-	-	-	632,865	1,082,980
Auto rental tax	17,053	-	-	-	-	-	-	17,053
Income tax	1,253,861	-	-	-	-	-	-	1,253,861
Utility taxes	1,604,750	-	-	-	-	-	-	1,604,750
Licenses and permits	707,904	-	-	-	-	-	-	707,904
Fees for services	2,100,435	-	-	-	-	-	-	2,100,435
Grant revenue	333,245	-	-	-	-	-	-	333,245
Fines	1,316,546	-	-	-	-	-	465,852	1,782,398
Interest on investments	32,074	70,961	58,282	189	939	21,032	14,798	198,275
Other revenue	423,654	-	-	-	4,597	-	-	428,251
Total revenues	15,060,366	1,035,227	634,760	12,986	2,293,933	21,032	3,224,840	22,283,144
Expenditures								
Current:								
Office of the mayor	5,443,725	-	-	-	-	-	844,762	6,288,487
Office of accounts and finance	7,966,827	-	-	-	-	11,698	565,811	8,544,336
Office of public property	1,763,450	-	-	-	-	-	-	1,763,450
Office of streets and public improvement	1,711,940	439,826	21,143	1,847	553,576	-	-	2,728,332
Office of health and safety	439,009	-	-	-	-	-	-	439,009
Debt service:								
Principal retired	-	340,000	-	-	155,000	355,000	305,000	1,155,000
Interest and charges	-	370,463	-	-	27,720	176,483	8,868	583,534
Total expenditures	17,324,951	1,150,289	21,143	1,847	736,296	543,181	1,724,441	21,502,148
Excess (deficiency) of revenues over expenditures	(2,264,585)	(115,062)	613,617	11,139	1,557,637	(522,149)	1,500,399	780,996
Other financing sources (uses)								
Transfers in	1,640,764	-	-	-	-	1,049,975	2,065	2,692,804
Transfers out	-	-	-	-	-	-	(1,892,804)	(1,892,804)
Loan proceeds	195,000	-	-	-	-	-	-	195,000
Total other financing sources (uses)	1,835,764	-	-	-	-	1,049,975	(1,890,739)	995,000
Net change in fund balances	(428,821)	(115,062)	613,617	11,139	1,557,637	527,826	(390,340)	1,775,996
Fund balances at beginning of year	729,655	2,083,616	2,312,759	(81,396)	236,596	1,899,505	1,610,380	8,791,115
Fund balances at end of year	$ 300,834	$ 1,968,554	$ 2,926,376	$ (70,257)	$ 1,794,233	$ 2,427,331	$ 1,220,040	$ 10,567,111

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
Year Ended April 30, 2009

Net change in total fund balances		$ 1,775,996
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2008 to 2009 consists of:		
Sales taxes received from the state of Illinois	50,373	
Other taxes received	(80,047)	
Total change in deferred revenues		(29,674)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Increase in net pension liability	(64,097)	
Increase in other postemployment benefit liability	(22,705)	
Decrease in accrued interest on debt	23,189	
Amortization of deferred bond issuance costs	(13,623)	
Amortization of bond premium	4,673	
Total expenses of non-current resources		(72,563)
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital expenditures, net of disposals	354,305	
Depreciation, net of disposals	(1,202,216)	
Capital expenditures in excess of depreciation		(847,911)
In governmental funds, long-term debt is considered an other financing source, but in the statement of net assets, debt is reported as a liability. In the current period, proceeds were received from an installment contract to purchase a fire truck.		(195,000)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net assets.		
General obligation bonds	1,155,000	
Installment contracts payable	2,336	
Debt certificates payable	154,813	
Loans payable	123,216	
Total retirement of debt		1,435,365
Change in net assets of governmental activities		$ 2,066,213

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
April 30, 2009

	Major Funds		
	Water Fund	Vehicle Parking Fund	Total Proprietary Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 445,533	$ 3,817,137	$ 4,262,670
Receivables:			
Accounts receivable	471,407	-	471,407
Prepaids	13,868	4,210	18,078
Total current assets	916,940	3,817,137	4,734,077
Noncurrent assets:			
Capital assets not being depreciated	-	698,257	698,257
Capital assets being depreciated, net	7,911,988	276,552	8,188,540
Total noncurrent assets	7,911,988	974,809	8,886,797
Total assets	$ 8,842,796	$ 4,796,156	$ 13,638,952
LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities:			
Accounts payable	$ 185,462	$ -	$ 185,462
Other liabilities	9,065	-	9,065
Debt certificates	33,428	9,850	43,278
Loans payable	263,296	-	263,296
Interest payable	24,524	-	24,524
Total current liabilities	515,775	9,850	525,625
Noncurrent liabilities:			
Debt certificates	539,846	165,368	705,214
Loans payable	4,133,538	-	4,133,538
Total noncurrent liabilities	4,673,384	165,368	4,838,752
Total liabilities	5,189,159	175,218	5,364,377
Net assets			
Invested in capital assets, net of related debt	2,941,880	799,591	3,741,471
Unrestricted	711,757	3,821,347	4,533,104
Total net assets	3,653,637	4,620,938	8,274,575
TOTAL LIABILITIES AND NET ASSETS	$ 8,842,796	$ 4,796,156	$ 13,638,952

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
Year Ended April 30, 2009

	Major Funds		
	Water Fund	Vehicle Parking Fund	Total Proprietary Funds
Operating revenues			
Charges for services	$ 3,500,015	$ 803,829	$ 4,303,844
Total operating revenues	3,500,015	803,829	4,303,844
Operating expenses			
Operations	2,418,258	419,437	2,837,695
Depreciation	167,857	47,543	215,400
Total operating expenses	2,586,115	466,980	3,053,095
Operating income (loss)	913,900	336,849	1,250,749
Nonoperating revenues and (expenses)			
Interest revenue	3,014	5,639	8,653
Interest expense	(149,750)	(9,309)	(159,059)
Total nonoperating revenues and (expenses)	(146,736)	(3,670)	(150,406)
Income (loss) before transfers	767,164	333,179	1,100,343
Transfers			
Transfers out	(800,000)	-	(800,000)
Total transfers	(800,000)	-	(800,000)
Change in net assets	(32,836)	333,179	300,343
Net assets at beginning of year	3,686,473	4,287,759	7,974,232
Net assets at end of year	$ 3,653,637	$ 4,620,938	$ 8,274,575

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2009

	Major Funds		
	Water Fund	Vehicle Parking Fund	Total Proprietary Funds
Cash flows from operating activities:			
Cash received from customers	$ 3,460,333	$ 806,279	$ 4,266,612
Cash payments for goods and services	(2,139,659)	(87,315)	(2,226,974)
Cash payments to employees for services	(240,790)	(336,332)	(577,122)
Net cash provided by operating activities:	1,079,884	382,632	1,462,516
Cash flows from noncapital financing activities:			
Transfers out	(800,000)	-	(800,000)
Interfund lending	-	1,197,302	1,197,302
Net cash used for noncapital financing activities:	(800,000)	1,197,302	397,302
Cash flows from capital and related financing activities:			
Principal paid on debt	(287,431)	(9,147)	(296,578)
Interest paid on debt	(152,777)	(9,309)	(162,086)
Net cash used for capital and related financing activities:	(440,208)	(18,456)	(458,664)
Cash flows from investing activities:			
Interest received	3,014	5,639	8,653
Net cash provided by investing activities:	3,014	5,639	8,653
Net increase (decrease) in cash	(157,310)	1,567,117	1,409,807
Cash and cash equivalents, beginning of year	602,843	2,250,020	2,852,863
Cash and cash equivalents, end of year	$ 445,533	$ 3,817,137	$ 4,262,670
Reconciliation of operating income to Net cash provided by operating activities:			
Operating income (loss)	$ 913,900	$ 336,849	$ 1,250,749
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	167,857	47,543	215,400
Decrease (increase) in accounts receivable	(39,682)	2,450	(37,232)
Decrease (increase) in prepaids	(13,868)	(4,210)	(18,078)
Increase (decrease) in accounts payable	51,677	-	51,677
Total adjustments	165,984	45,783	211,767
Net cash provided by operating activities:	$ 1,079,884	$ 382,632	$ 1,462,516

See accompanying notes to the financial statements.

STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
April 30, 2009

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	$ 1,648,526
Investments	
Government securities	17,570,541
Mutual Funds	3,538,793
Insurance contracts	7,591,675
Total investments	28,701,009
Receivables:	
Interest receivable	83,391
Prepaid items	5,707
Total assets	30,438,633
LIABILITIES	
Accounts payable	1,566
Total liabilities	1,566
NET ASSETS	
Plan net assets held in trust for employees' pension benefits	$ 30,437,067

See accompanying notes the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY
NET ASSETS
PENSION TRUST FUNDS
Year ended April 30, 2009

	Pension Trust Funds
ADDITIONS	
Contributions	
Employer	$ 1,027,056
Plan members	445,745
Total contributions	1,472,801
Net investment income	(1,178,418)
Miscellaneous revenue	1,889
Total additions	296,272
DEDUCTIONS	
Benefits and refunds	2,345,819
Administrative expenses	73,362
Total deductions	2,419,181
Increase in plan net assets	(2,122,909)
Plan net assets at beginning of year	32,559,976
Plan net assets at end of year	$ 30,437,067

See accompanying notes to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Forest Park (Village) was incorporated in 1856 under the provisions of the Illinois Revised Statutes, as amended. The Village operates under a Mayor-Commissioner form of government. Education and social services are provided by separate governing bodies that are beyond the direct or indirect control of the Village's government. The accounting policies of the Village of Forest Park conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies.

Financial Reporting Entity: The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity,* and Statement No. 39, *Determining Whether Certain Organizations are Component Units – An Amendment to Statement No. 14,* under which these basic financial statements include all organizations, activities, functions and component units for which the Village is financially accountable, or that are fiscally dependent upon the Village or that would cause these financial statements to be misleading to exclude. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden with the Village.

In conformity with GAAP, the Village's Police and Firefighters' Pension Funds have been included as component units in the Village's basic financial statements. Although they are separate legal entities, these funds exist to provide pension benefits for the Village's police officers and firefighters. Thus, their financial information has been blended within the Village's basic financial statements as fiduciary funds.

The Forest Park Public Library is included in the reporting entity because of its operational and financial relationship with the Village of Forest Park. The Forest Park Public Library meets the criteria for discrete presentation and is shown in the component unit column in the Village-wide financial statements. The Forest Park Public Library is reported in a separate column to emphasize that it is legally separate from the Village of Forest Park. The Forest Park Public Library has issued separate financial statements for the year ended April 30, 2009. Separate financial statements can be obtained by contacting its office at 7555 Jackson Boulevard, Forest Park, Illinois 60130.

Basis of Presentation: The Village's basic financial statements consist of Village-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The Village-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Village-wide Financial Statements – The statement of net assets and the statement of activities display information about the Village as a whole. In the Village-wide statement of net assets, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (proprietary funds), which rely to a significant extent on fees and charges for support. The Village-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds.

Measurement Focus and Basis of Accounting:

Village-Wide Financial Statements – The Village-wide financial statements, component unit financial statements, and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounts, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Village and its component units apply all GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

pronouncements. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Village has elected not to follow subsequent private-sector guidance.

The Village has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net assets to remove the "grossing up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net assets as accounts receivable or payable to external parties.

Fund Financial Statements – Governmental fund financial statements 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 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes, and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds separate all activity into two categories: operating revenues and expenses and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Differences occur from the manner in which the governmental activities and the Village-wide financial statements are prepared because of the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the Village-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

General Fund - The General Fund, sometimes referred to by the Village as the General Corporate Fund, is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

VIP Program Fund - The Village Improvement Program (VIP) Program Fund is a special revenue fund of the Village. It is used to account for the 2005 General Obligation Bond issuance and the non-home rule sales tax revenues which fund improvements to the Village's public infrastructure.

Brown Street Station TIF Fund - This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from the area in far north Forest Park. This is a residential area TIF and funds will be used to improve streetscapes and for future development.

2002 Bond Fund - The 2002 Bond Fund, also known as the Forest Park Mall TIF, is a debt service fund used to pay principle and interest on $5,765,000 general obligation bond. The original TIF was divided in 2001 and currently comprises the Wal-Mart property, including the parking lot. The bond debt service is totally funded by incremental property taxes paid by Wal-Mart.

Harlem / Harrison TIF Fund - This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from its specific area in Forest Park. This is a residential area TIF and funds will be used to improve streetscapes and for future development.

Roosevelt / Hannah TIF Fund - This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from its specific area in Forest Park. This is a residential area TIF and funds will be used to improve streetscapes and for future development.

Harrison / Circle TIF Fund - This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from its specific area in Forest Park. This is a residential area TIF and funds will be used to improve streetscapes and for future development.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds: Proprietary funds are used to account for those Village activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The Village reports the following major proprietary funds:

Water Fund - This fund accounts for the revenues and expenses related to the operation of the Village's water and sewer. Revenues are generated through charges to users based upon water and sewer consumption.

Vehicle Parking Fund - This fund accounts for the revenues and expenses related to the operation of the Village's parking lots. Revenues are generated through charges to users based upon usage of the parking spaces.

Governmental Funds: In addition to the general fund type mentioned above, the Village uses the following governmental fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds – The Debt Service Funds are used to account for the Village's accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the following fund types: pension trust funds.

Cash, Cash Equivalents, and Investments

Description of Village Policy

Separate checking accounts are maintained to satisfy legal restrictions or as authorized by the Village Board. The Village maintains a cash checking account pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is included on the combined balance sheet as "cash and cash equivalents." The deposits and investments of the pension trust funds are held separately from those of other funds.

All investments are reported at fair value, which generally represents quoted market price as of the last business day of the year. Gains or losses on the sale or maturity of investments are recorded as current investment income at the date of sale or maturity. Cash equivalents are stated at cost.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village maintains an investment pool that is available for use by all funds except the pension trust funds. Village investments are in either certificates of deposit with local financial institutions or deposits with the Illinois Funds Money Market Fund.

The value of the Illinois Funds Money Market Fund and Illinois Metropolitan Investment Fund equates to the number of shares owned as of April 30, 2009. These deposits are regulated by the Comptroller of the State of Illinois.

Cash Flows: For purposes of the statement of cash flows for the Proprietary Funds, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Capital Assets: Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the Village-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than $10,000 and a useful life of more than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis as described below.

Public domain infrastructure capital assets including roads, curbs and gutters, drainage systems, and lighting systems are also capitalized. Depreciation of the assets listed below is computed using the straight-line method over the following estimated useful lives:

Buildings	100 Years
Equipment	5-20 Years
Infrastructure - roads	30-40 Years
Infrastructure - water	100 Years
Building improvement	100 Years

Compensated Absences: The Village has no compensated absence program that would require an accrual in the financial statements.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Vacation Policy: Full-time permanent employees of the Village other than firefighters in the Fire Department, police officers in the Police Department, and members of the Local 705 Teamsters Union shall be entitled to paid vacations based on the following years of service:

Less than 1 year	Nothing
After 1 year	10 working days
After 8 years	15 working days
After 15 years	20 working days

For each year of service over 15 years, one additional vacation day up to a maximum of 25 working days.

Vacation time must be taken within one year in which the time is earned and may not be accumulated from year to year.

Members of the firefighters and police officers unions and Local 705 Teamsters union are entitled to and receive vacation benefits as stated in the current contracts.

Deferred Revenue: Deferred revenue liabilities are those items satisfying the asset recognition criteria that have not satisfied the revenue recognition criteria of measurable and available for the current period. To meet the available criteria, the revenue must be received within 60 days of the end of year. If received later, the revenue is reflected as a deferred revenue liability in the financial statements. The Village recognizes deferred revenue liabilities for property taxes and amounts due from other governmental agencies. Revenues are measurable and available if received within 60 days of the fiscal year end.

Net Assets and 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. Designations of fund balance represent tentative management plans that are subject to change.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Post-Employment Health Care Benefits: The Village provides health insurance to its retired employees, with over 20 years of service, at their own expense.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Grants: The Village participated in the Community Development Block Grant Program (CDBG). The CDBG Program funded a public construction project. Revenue from this grant is recorded as earned in an amount equal to expenditures incurred.

Interfund Receivables and Payables: Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the Village-wide financial statements as "internal balances." All receivables are shown net of an allowance for uncollectibles.

Long-Term Debt: In the Village-wide financial statements and in the proprietary funds in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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 are reported as debt service expenditures.

Use of Estimates: The preparation of the basic financial statements in conformity with GAAP requires Village's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and/or the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates, but the Village believes that the differences will be insignificant.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Village

At year end, the carrying amount of the Village's (excluding the Police and Firefighters' Pension Funds) deposits were $13,019,369. In addition, the Village maintained two petty cash accounts with a carrying value of $2,384. The bank balances were $13,666,834.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard & Poor's).

The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. As of April 30, 2009 the Village bank balances were fully collateralized.

Concentration of Credit Risk – The Village places no limit on the amount it may invest in any one issuer.

The following is a reconciliation between Note 2 and the basic financial statements of the primary government:

Note 2		Financial Statements	
Carrying value of cash and		Statement 1 (Primary Government)	
cash equivalents	$ 13,019,369	Cash and cash equivalents	$ 13,021,753
Petty cash	2,384	Total financial statements	$ 13,021,753
Total notes	$ 13,021,753		

Police Pension Fund

At year end, the Police Pension Fund's carrying amount of cash was $880,896 while the bank balances were also $886,738. The FDIC insures bank balances up to $250,000. As of April 30, 2009, $886,738 of the bank balance was collateralized with securities of the U.S. government held in the Police Pension Fund's name by a financial institution acting as the fund's agent.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The Police Pension Fund is authorized to invest in Illinois Funds Money Market deposits, deeply discounted federal securities (strips, etc.), certificates of deposit, guaranteed investment contracts, and stocks and mutual funds.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Fund's investments at April 30, 2009:

		Investment Maturities			
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
U.S. Treasury securities	$ 1,282,645	$ -	$1,282,645	$ -	$ -
GNMA	5,651,023	40	-	2,441	5,648,542
State of Israel bonds	297,540	297,540	-	-	-
FHLMC	2,503,245	-	-	-	2,503,245
FNMA	2,143,853	-	-	-	2,143,853
Mutual funds	1,023,740	1,023,740	-	-	-
Insurance contracts	4,329,403	4,329,403	-	-	-
Total investments	$ 17,231,449	$5,650,723	$1,282,645	$ 2,441	$10,295,640

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension Fund's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard & Poor's). The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. One of the U.S. Treasury Department's objectives for conversatorships is to protect bondholders. As such, declines in fair value below cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end the Pension Fund's intent is to hold the bonds until they recover.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit ratings for the Police Pension Fund's investments in debt securities at April 30, 2009 (excluding investments in U.S. Treasuries, which are not considered to have credit risk) were as follows:

Disclosure Ratings for Debt Securities (S&P/Moody's)
(As a percentage of total fair value for debt securities)

Investment Type	AAA/Aaa
State of Israel Bonds	100%
FHLMC	100%
FNMA	100%
Mutual Funds	100%
Insurance Contracts	100%

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Pension Fund's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Police Pension Fund was fully collateralized as of April 30, 2009.

Concentration of Credit Risk – The Village places no limit on the amount the Police Pension Fund may invest in any one issuer. More than 5% of the Police Pension Fund's investments are in invested in individual GNMA's and guaranteed insurance contracts. These investments are 11.34% and 20.3%, respectively, of the Village's total Police Pension Fund investments.

Firefighters' Pension Fund

At year end, the Firefighters' Pension Fund's carrying amount of demand deposits and certificates of deposit was $767,630 and $5,692,235, respectively, while the bank balances were $6,633,186. The FDIC insures bank balances up to $250,000. As of April 30, 2009, $244,308 of the bank balances were uninsured and uncollateralized. The Firefighters' Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the fund's deposits with financial institutions.

The Firefighters' Pension Fund is authorized to invest in Illinois Funds Money Market deposits, deeply discounted federal securities (strips, etc.), certificates of deposit, guaranteed investment contracts, and stocks and mutual funds.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighters' Pension Fund's investments at April 30, 2009.

		Investment Maturities	
	Fair Value	Less than One Year	One to Five Years
Certificates of deposit	$ 5,692,235	$1,175,519	$4,516,716
Insurance Contracts	3,262,272	3,262,272	-
Equity Mutual Funds	2,515,053	2,515,053	-
Total investments	$ 11,469,560	$6,952,844	$4,516,716

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Firefighters' Pension Fund's investment policy, the fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities; additionally the fixed income portfolio is structured allowing for duration between three and eight years.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Firefighters' Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements the Illinois Pension Code. The Firefighters' Pension Fund's investment policy also prescribes "that investments be made in a prudent manner. That is, with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person would use considering the primary objective of preserving one's capital."

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. At April 30, 2009, $244,308 of the bank balance of the deposits was uninsured and uncollateralized. The Firefighters' Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the fund's deposits with financial institutions.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of the Firefighters' Pension Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration of credit risk for investments. At April 30, 2009, the Firfighters' Fund has over 5% of plan net assets invested in Discover Bank Greenwood Delaware certificates of deposit in the amount of $719,936, Allianz Small Cap Mutual Fund in the amount of $747,562 and the GF of America Mutual Fund in the amount of $829,950. The Fund's investment policy has a stated target that 55 to 75 percent of its portfolio be in fixed income securities, 35 to 45 percent target in equities with the remaining 2 to 10 percent cash and equivalents.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The following is a reconciliation between the Note 2 and the basic financial statements of the fiduciary funds:

Note 2		Financial Statements	
Carrying value of cash and cash equivalents (police $880,896, fire $767,630)	$ 1,648,526	Statement 10 Cash and cash equivalents	$ 1,648,526
Carrying value of investments (police $17,231,449, fire $11,469,560)	28,701,009	Investments	28,701,009
Total notes	$ 30,349,535	Total financial statements	$ 30,349,535

NOTE 3 - PROPERTY TAX REVENUE RECOGNITION

Property taxes for 2008 are attached as an enforceable lien on January 1, 2008 on property values assessed as of the same date. Taxes are levied by December of the subsequent year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and August 1 and are payable in two installments on or about March 1 and September 1. The County collects such taxes and remits them to the Village periodically. The Village receives the majority of its real estate taxes in March and October. The property tax revenue in the financial statements represents approximately one-half of the 2007 and one-half of the 2008 property tax levies.

Property taxes for the current 2008 tax levy are received in two installments in March 2009 and October 2009.

Property taxes receivable, constituting primarily the second installment due in October 2009, is recorded as deferred revenue since the Village budgets for these revenues to be used to finance the operations of fiscal year 2010.

In the final tax extension, the County Clerk provides for an allowance for loss and cost of 3.0% for all tax levying funds except debt service, which has a 5.0% factor. All uncollected taxes over six years old are written off. An allowance for uncollectible taxes is established for all uncollected taxes over two years old. The receivable for uncollected taxes from the current levy is offset by a liability for deferred revenue property taxes.

The Public Library (Library) receives its own distribution of real estate taxes directly from the Cook County Collector to the Library's own money market account.

(Continued)

NOTE 4 - CAPITAL ASSETS

A summary of changes in the Village's capital assets for the period from May 1, 2008 through April 30, 2009 follows:

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 4,516,150	$ -	$ -	$ 4,516,150
Capital assets being depreciated:				
Infrastructure	32,979,039	101,088	-	33,080,127
Building and improvements	2,721,955	-	-	2,721,955
Fixtures and equipment	3,934,045	475,851	222,634	4,187,262
Subtotal	39,635,039	576,939	222,634	39,989,344
Accumulated depreciation				
Infrastructure	(16,661,144)	(1,068,473)	-	(17,729,617)
Building and improvements	(566,014)	(27,144)	-	(593,158)
Fixtures and equipment	(2,184,816)	(321,565)	(214,966)	(2,291,415)
Total accumulated depreciation	(19,411,974)	(1,417,182)	(214,966)	(20,614,190)
Total capital assets being depreciated, net	20,223,065	(840,243)	7,668	19,375,154
Governmental activities, net	$ 24,739,215	$ (840,243)	$ 7,668	$ 23,891,304
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 698,257	$ -	$ -	$ 698,257
Capital assets being depreciated:				
Building and improvements	2,034,854	-	-	2,034,854
Equipment	301,501	-	-	301,501
Infrastructure	8,929,458	-	-	8,929,458
Subtotal	11,265,813	-	-	11,265,813
Accumulated depreciation				
Building and improvements	(1,372,931)	(41,075)	-	(1,414,006)
Equipment	(67,455)	(43,111)	-	(110,566)
Infrastructure	(1,421,487)	(131,214)	-	(1,552,701)
Total accumulated depreciation	(2,861,873)	(215,400)	-	(3,077,273)
Total capital assets being depreciated, net	8,403,940	(215,400)	-	8,188,540
Business-type activities, net	$ 9,102,197	$ (215,400)	$ -	$ 8,886,797

(Continued)

NOTE 4 - CAPITAL ASSETS (Continued)

Depreciation expense of $1,417,182 and $215,400 for the Village's governmental and business-type activities, respectively, was charged to the following functions:

Governmental Activities	Amount
General government	$ 124,500
Health and public safety	15,208
Public works	1,141,685
Police protection	135,789
Total depreciation expense	$ 1,417,182

Business-Type Activities	Amount
Water	$ 167,857
Parking lots	47,543
Total depreciation expense	$ 215,400

NOTE 5 - LONG-TERM DEBT

General Long-Term Debt

The following is a summary of changes in long-term obligation transactions of the Village for the year ended April 30, 2009:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Principal Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds:					
G.O. TIF Refunding Bonds, 2002	$ 3,830,000	$ -	$ 355,000	$ 3,475,000	$ 370,000
G.O. Refunding Bonds, 2003	305,000	-	305,000	-	-
G.O. TIF Alternative Revenue, 2003A	820,000	-	155,000	665,000	155,000
G.O. Alternative Revenue Series 2005	8,935,000	-	340,000	8,595,000	355,000
Premium on Bonds	124,892	-	4,673	120,219	-
Total Bonds	14,014,892	-	1,159,673	12,855,219	880,000
G.O. Debt Certificates	3,025,826	-	154,813	2,871,013	166,722
Installment Contracts	2,336	-	2,336	-	-
Loans Payable	451,421	195,000	123,216	523,205	131,753
Total Governmental Long-Term Debt	$ 17,494,475	$ 195,000	$ 1,440,038	$ 16,249,437	$ 1,178,475
BUSINESS-TYPE ACTIVITIES					
G.O. Debt Certificates	$ 788,679	$ -	$ 40,187	$ 748,492	$ 43,278
Loan Payable	4,653,225	-	256,391	4,396,834	263,296
Total Business-type Long-Term Debt	$ 5,441,904	$ -	$ 296,578	$ 5,145,326	$ 306,574

(Continued)

NOTE 5 - LONG-TERM DEBT (Continued)

Components of Long-Term Obligations: Long-term obligations of the governmental long-term debt at April 30, 2009 consist of the following individual issues:

General Obligation Tax Increment Refunding Bonds $5,765,000 Series 2002 issue dated May 1, 2002, interest payable each June 1 and December 1, matures serially starting December 1, 2002 through December 1, 2016, with interest ranging from 3.00% to 4.85%. The principal and interest are payable from the 2002 Bond Fund.

The Village has pledged a portion of future sales tax revenues to repay these bonds issued in May 2002 to finance certain eligible costs within the Forest Park Mall Tax Increment Financing (TIF) District. The bonds are payable solely from the incremental sales taxes generated by increased retail sales in the refurbished district. Total principal and interest remaining on the 2002 bonds is $4,248,412, payable through 2017. For the current year, principal and interest paid and total incremental sales tax revenues were $531,482 and $1,071,007, respectively.

General Obligation Refunding Bonds – Public Library $2,695,000 Series 2003 issue February 25, 2003, interest payable each June 1 and December 1, matures serially through December 1, 2009, with interest ranging from 1.40% to 2.85%. The principal and interest are payable from the Library Bonds Fund.

General Obligation Tax Increment Alternative Revenue Bonds $1,115,000 Series 2003A issue dated October 1, 2003, interest payable each June 1 and December 1, matures serially starting December 1, 2002 through December 1, 2012, with interest ranging from 3.00% to 4.85%. The principal and interest are payable from the Roosevelt/Hannah TIF Fund.

The Village has pledged a portion of future sales tax revenues to repay these bonds issued in October 2003 to finance certain eligible costs within the Roosevelt/Hannah Tax Increment Financing (TIF) District. The bonds are payable solely from the incremental sales taxes generated by increased retail sales in the refurbished district. Total principal and interest remaining on the 2003A bonds is $724,911, payable through 2013. For the current year, principal and interest paid and total incremental sales tax revenues were $182,720 and $2,289,336, respectively.

(Continued)

NOTE 5 - LONG-TERM DEBT (Continued)

General Obligation Alternative Revenue Bonds $9,600,000 Series 2005 issue dated June 14, 2005, interest payable each June 1 and December 1, matures serially starting December 1, 2005 through December 1, 2025, with interest ranging from 4.25% to 4.35%. The principal and interest are payable from the VIP Program Fund. The Village has pledged future VIP Program revenues, net of specified operating expenses, to repay these bonds issued in June 2005. The bonds are payable solely from VIP Program net revenues and are payable through 2025. Annual principal and interest payments on the bonds are expected to require 75 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $12,153,586. Principal and interest paid for the current year and total VIP Program net revenues were $710,462 and $1,035,227, respectively.

General Obligation Debt Certificates $4,600,000 Series 2001 principal for purchase of land, due in annual installments, interest payable each May 1 and November 1, matures serially through November 1, 2021, with interest ranging from 4.15% to 7.50%. The principal is payable from the General Fund, Water Fund (Enterprise Fund), and Vehicle Parking Fund (Enterprise Fund).

Installment Contract $51,143 principal is for Village Police Department vehicles, due in various installments through fiscal year 2009. The principal is payable from the U.S. Customs.

Loan Payable $643,479 principal is for the purchase of a fire truck, due in installments ranging from $26,153 through $38,997, interest payable semiannually on March 15 and September 15, with an interest rate of 4.25%. The principal is payable from the General Fund.

Loan Payable $130,000 principal is for the purchase of an ambulance, due in installments ranging from $9,616 through $27,986, principal and interest payable monthly, with an interest rate of 4.55%. The principal is payable from the General Fund.

Loan Payable $195,000 principal is for the purchase of a fire truck, due in installments of $3,641, principal and interest payable monthly, with an interest rate of 4.50%. The principal is payable from the General Fund.

Debt Service Requirements to Maturity

Annual principal and interest debt service requirements to maturity are as follows:

A schedule of all future principal and interest obligations for general long-term liability of the Village is as follows:

(Continued)

NOTE 5 - LONG-TERM DEBT (Continued)

Year Ending	GO TIF Refunding Bonds 2002		GO TIF Alt Rev 2003A		GO Alt Rev 2005	
April 30,	Principal	Interest	Principal	Interest	Principal	Interest
2010	$ 370,000	$ 161,396	$ 155,000	$ 23,070	$ 355,000	$ 356,012
2011	385,000	145,670	165,000	18,032	375,000	340,926
2012	405,000	128,346	170,000	12,422	390,000	324,988
2013	425,000	109,108	175,000	6,387	405,000	308,412
2014	445,000	88,920	-	-	425,000	291,200
2015-2019	1,445,000	139,972	-	-	2,390,000	1,182,874
2020-2024	-	-	-	-	2,910,000	666,198
2025-2026	-	-	-	-	1,345,000	87,976
Totals	$ 3,475,000	$ 773,412	$ 665,000	$ 59,911	$ 8,595,000	$ 3,558,586

Year Ending	Ambulance Loan Payable		Fire Truck Loan Payable		2009 Fire Truck Loans Payable	
April 30,	Principal	Interest	Principal	Interest	Principal	Interest
2010	$ 27,986	$ 1,134	$ 66,618	$ 13,036	$ 37,149	$ 6,548
2011	9,616	91	69,479	10,174	38,855	4,842
2012	-	-	72,463	7,191	40,640	3,057
2013	-	-	75,576	4,079	42,508	1,190
2014	-	-	39,061	830	3,254	12
Totals	$ 37,602	$ 1,225	$ 323,197	$ 35,310	$ 162,406	$ 15,649

Year Ending	Debt Certificates	
April 30,	Principal	Interest
2010	$ 210,000	$ 174,248
2011	220,000	161,858
2012	230,000	149,978
2013	240,000	137,558
2014	250,000	127,598
2015-2019	1,435,000	460,624
2020-2022	1,034,505	103,112
Totals	$ 3,619,505	$ 1,314,976

Legal Debt Margin: Villages under Illinois law are subject to a debt limit since they are not home-rule units. Currently, the total outstanding debt of non-referendum bonding of Illinois villages is 8.625% of their assessed valuations. The Village at April 30, 2009 satisfies this requirement as follows:

(Continued)

NOTE 5 - LONG-TERM DEBT (Continued)

Assessed valuation for 2008 (Draft)		$432,613,550
At maximum outstanding debt rate		8.625%
Maximum debt		37,312,919
Legal debt outstanding at April 30, 2009		
Series 2002	$3,475,000	
Series 2003A	665,000	
Series 2005	8,595,000	
Legal debt outstanding at April 30, 2009		12,735,000
Remaining Legal Debt Margin		$ 24,577,919

Business-Type Long-Term Debt: I.E.P.A. Loan Payable issued June 13, 2002, and February 1, 2005 principal and interest payable each October 29 and April 29, matures serially starting October 29, 2003 through April 29, 2023, with an interest rate of 2.675%. The Village has been approved to borrow a total of $8,076,363. The principal and interest are payable from the Water Fund. A schedule of all future debt obligations follows:

Year Ending April 30,	Principal	Interest
2010	$ 263,296	$ 116,119
2011	270,386	109,029
2012	277,667	101,748
2013	285,144	94,270
2014	292,823	86,592
2015-2019	1,576,630	320,444
2020-2023	1,430,899	87,417
Totals	$ 4,396,845	$ 915,619

Defeasance of Debt: In May of 2002, the Village issued $5,765,000 of General Obligation Tax Increment Financing Refunding Bonds Series 2002 payable in installments as described above. The bonds were issued to advance refund $5,545,000 of 1994 G.O. TIF Bonds. The proceeds from the 2002 Bonds have been placed in an irrevocable trust with an escrow agent who purchased U.S. government securities to provide for all future debt service payments due in the years 2003-2014 on the 1994 G.O. Bonds. As of April 30, 2009, $3,065,000 of the bonds remains outstanding; however, these bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements.

(Continued)

NOTE 5 - LONG-TERM DEBT (Continued)

In February of 2003, the Village issued $1,695,000 of General Obligation Refunding Bonds Series 2003 payable in installments as described above. The bonds were issued to advance refund $1,570,000 of G.O. Library Bonds. The proceeds from the 2003 bonds have been placed in an irrevocable trust with an escrow agent who purchased U.S. government securities to provide for all future debt service payments due in the years 2005-2009 on the G.O. Library Bonds. As a result, the G.O. Library Bonds have been paid in full as of April 30, 2009; therefore, these bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements.

NOTE 6 - INTERFUND ACTIVITY

The following interfund balances existed as of April 30, 2009:

	Due From	Due To
Major Governmental Fund - General Fund	$ 539,330	$ 1,843,665
Major Governmental Fund - VIP Program Fund	113,184	-
Major Governmental Fund - Brown Street Station TIF Fund	1,539,234	-
Major Governmental Fund - Roosevelt / Hannah TIF Fund	3,797	-
Major Governmental Fund - Harlem / Harrison TIF Fund	-	98,081
Major Governmental Fund - 2002 Bond Fund	59,931	804
Nonmajor Governmental Funds	280,390	593,316
Total Interfunds	$ 2,535,866	$ 2,535,866

All interfund balances are temporary balances resulting mainly from funds being advanced by the General Fund for expenditures.

The following transfers occurred during fiscal year 2009:

	Transfer In	Transfer Out
Major Governmental Fund - General Fund	$ 1,640,764	$ -
Major Governmental Fund - Harrison / Circle TIF Fund	2,065	-
Major Governmental Fund - 2002 Bond Fund	1,049,975	-
Nonmajor Governmental Funds	-	1,892,804
Major Proprietary Funds - Water Fund	-	800,000
Total Interfunds	$ 2,692,804	$ 2,692,804

The transfers represent both routine and non-routine items. Generally, routine transfers occur to meet the operating purposes of another fund, such as the transfers by the Water Fund of $800,000 to the General Fund for operating and overhead expenses. Other routine transfers occur to reimburse the General Fund for road repair and maintenance expenditures covered by the Motor Fuel Tax and expenditures on behalf of TIF districts and debt service funds. Transfers to/from other funds offset one another and are therefore not reported in the Village-wide statement of activities.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS

ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) AND SHERIFF'S LAW ENFORCEMENT PERSONNEL (SLEP) DEFINED BENEFIT PENSION PLANS

Plan Description: The Village's defined benefit pension plan for Regular employees (IMRF) and Sheriff's Law enforcement employees (SLEP) 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 and the Sheriff's Law Enforcement Personnel, 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. The IMRF issues publicly available financial reports that include financial statements and required supplementary information. Those reports 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%(7.50% for SLEP) 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 Village contribution rate for calendar year 2008 was 6.66% (11.14% for SLEP) 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 December 31, 2008, the Village's annual pension cost of $242,315 ($13,466 for SLEP) for the Regular plan was equal to your employer's required and actual contributions.

Three-Year Trend Information for the Regular Plan

IMRF:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	$242,315	100%	$0
12/31/07	$249,698	100%	0
12/31/06	$231,055	100%	0

SLEP:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	$13,466	100%	$0
12/31/07	$13,540	100%	0
12/31/06	$14,992	100%	0

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

The required contribution was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006(December 31, 2005 for SLEP), included (a) 7.50% investment rate of return (net of administrative and direct investment expenses); (b) projected salary increases of 4.0% a year, attributable to inflation; (c) additional projected salary increases ranging from 0.4% to 11.6%(10.0% for SLEP) per year depending on age and service, attributable to seniority/merit; and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer 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%(15% for SLEP) corridor between the actuarial and market value of assets. The Village Regular plan's unfunded(overfunded for SLEP) actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was 24 years (28 years for SLEP).

Funded Status and Funding Progress: As of December 31, 2008, the most recent actuarial valuation date, the Regular plan was 88.92%(140.74% for SLEP) funded. The actuarial accrued liability for benefits was $9,450,384($106,482 for SLEP) and the actuarial value of assets was $8,403,299($149,863 for SLEP), resulting in an underfunded(overfunded for SLEP) actuarial accrued liability (UAAL) of $1,047,085($43,381 for SLEP). The covered payroll (annual payroll of active employees covered by the plan) was $3,638,369($120,884 for SLEP) and the ratio of the UAAL to the covered payroll was 29%(0% for SLEP).

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year 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 Description: Police sworn personnel are covered by the Police Pension Fund 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 contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. At April 30, 2008, the Police Pension Fund plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	32
Current employees	
Vested	24
Nonvested	10
Total	66

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

The following is a summary of the Police Pension Fund plan as provided for in Illinois Compiled Statutes.

The Police Pension Fund plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly pension of a police officer who retires with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as additions in the period in which employee services are performed.

Method Used to Value Investments

Fixed-income securities are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Fund plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee-contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings. Employer contributions for 2008 were $421,385. Schedules of funding progress and employer contributions are presented in RSI-2 and RSI-3.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Change in net pension obligation (NPO) for the past three fiscal years:

	April 30, 2008	April 30, 2007	April 30, 2006
Annual required contribution	$ 468,488	$ 431,845	$ 477,484
Interest on net pension obligation	(524)	-	-
Adjustment to annual required contribution	363	-	-
Annual pension cost	468,327	431,845	477,484
Contributions made	421,385	438,825	477,484
Increase (decrease) in net pension obligation	46,942	(6,980)	-
Net pension obligation (asset) beg of year	(6,980)	-	-
Net pension obligation (asset) end of year	$ 39,962	$ (6,980)	$ -

The net pension obligation has been reported in the Village's government-wide financial statements.

Concentrations of Investments: The Police Pension Fund has the following investments, other than those issued or guaranteed by the U.S. government, which represent 5% or more of net assets:

Jackson National Life	$ 1,060,892
Lincoln Benefit Life	1,026,769
AIG Insurance Co.	1,396,623

Funded Status and Funding Progress:

The funded status for the Police Pension Fund as of the most recent actuarial valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2008	$ 16,984,836	$ 21,352,857	79.54%	$ 4,368,021.00	$ 2,191,554	199.3%

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

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 future employment, mortality, and the healthcare cost trend. Amounts determined regarding 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.

The April 30, 2008 actuarial assumptions for the Police Pension Fund are as follows:

Actuarial valuation date	April 30, 2008
Actuarial cost method	Entry age normal cost
Amortization method	Level % payroll, closed
Remaining amortization period	25 years
Actuarial valuation method	Market value
Significant actuarial assumptions:	
Rate of return on investments of present and future assets	7.50%
Projected salary increases -	5.00%
attributed to inflation	3.00%

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Police pension financial statements for the fiscal year ended April 30, 2009 are as follows:

Statement of Net Assets		
ASSETS		
Cash and cash equivalents	$	880,896
Investments		
Government securities		11,878,306
Mutual funds		1,023,740
Insurance contracts		4,329,403
Total Investments		17,231,449
Receivables:		
Interest receivable		24,029
Prepaid items		2,069
Total assets		18,138,443
LIABILITIES		
Accounts payable		961
Total liabilities		961
NET ASSETS		
Plan net assets held in trust for employees' pension benefits	$	18,137,482

Statement of Changes in Plan Net Assets		
ADDITIONS		
Contributions		
Employer	$	496,890
Plan members		278,140
Total contributions		775,030
Net investment income		528,799
Miscellaneous income		1,889
Total additions		1,305,718
DEDUCTIONS		
Benefits and refunds		1,202,494
Administrative expenses		46,550
Total deductions		1,249,044
Increase (decrease) in net assets		56,674
Plan net assets at beginning of year		18,080,808
Plan net assets at end of year	$	18,137,482

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

FIRE PENSION

Plan Description: Firefighter sworn personnel are covered by the Firefighters' Pension Fund plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. At April 30, 2008, the Firefighters' Pension Fund plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	30
Current employees	
Vested	11
Nonvested	12
Total	53

The following is a summary of the Firefighters' Pension Fund plan as provided for in Illinois State Statutes.

The Firefighters' Pension Fund plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement.

The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service for each additional month over 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a Firefighter who retires with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as additions in the period in which employee services are performed.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Method Used to Value Investments: Fixed-income securities are reported at fair value. Short-term investments are reported at cost which approximates fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Contributions: Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9 1/4%) necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings. Employer contributions for 2008 were $460,437. Schedules of funding progress and employer contributions are presented in RSI-2 and RSI-3.

Change in net pension obligation for the past three fiscal years:

	April 30, 2008	April 30, 2007	April 30, 2006
Annual required contribution	$ 477,645	$ 435,481	$ 485,999
Interest on net pension obligation	(172)	-	-
Adjustment to annual required contribution	119	-	-
Annual pension cost	477,592	435,481	485,999
Contributions made	460,437	437,768	485,999
Increase (decrease) in net pension obligation	17,155	(2,287)	-
Net pension obligation (asset) beg of year	(2,287)	-	-
Net pension obligation (asset) end of year	$ 14,868	$ (2,287)	$ -

The net pension obligation has been reported in the Village's government-wide financial statements.

Concentrations of Investments: The Firefighters' Pension Fund has the following investments, other than those issued or guaranteed by the U.S. government, which represent 5% or more of net assets:

SunLife Insurance Contract(Cert #101050058765)	$ 602,172
SunLife Insurance Contract(Cert #101050058773)	602,172
ING SmartDesign Insurance Contract	1,600,433

Funded Status and Funding Progress:

The funded status for the Firefighters' Pension Fund as of the most recent actuarial valuation date is as follows:

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2008	$ 13,679,540	$ 18,347,111	74.56%	$ 4,667,571.00	$ 1,513,245	308.4%

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 future employment, mortality, and the healthcare cost trend. Amounts determined regarding 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.

The April 30, 2008 actuarial assumptions for the Firefighters' Pension Fund are as follows:

Actuarial valuation date	April 30, 2008
Actuarial cost method	Entry age normal cost
Amortization method	Level % payroll, closed
Remaining amortization period	26 years
Actuarial valuation method	Market value
Significant actuarial assumptions:	
Rate of return on investments of present and future assets	7.50%
Projected salary increases -	5.00%
attributed to inflation	3.00%

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' pension financial statements for the fiscal year ended April 30, 2009 are as follows:

Statement of Net Assets		
ASSETS		
Cash and cash equivalents	$	767,630
Investments		
Government securities		5,692,235
Mutual funds		2,515,053
Insurance contracts		3,262,272
Total Investments		11,469,560
Receivables:		
Interest receivable		59,362
Prepaid items		3,638
Total assets		12,300,190
LIABILITIES		
Accounts payable		19,581
Total liabilities		19,581
NET ASSETS		
Plan net assets held in trust for employees' pension benefits	$	12,280,609

Statement of Changes in Plan Net Assets		
ADDITIONS		
Contributions		
Employer	$	511,190
Plan members		167,605
Total contributions		678,795
Net investment income		(1,707,217)
Total additions		(1,028,422)
DEDUCTIONS		
Benefits and refunds		1,143,325
Administrative expenses		26,812
Total deductions		1,170,137
Increase (decrease) in net assets		(2,198,559)
Plan net assets at beginning of year		14,479,168
Plan net assets at end of year	$	12,280,609

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description. The Village of Forest Park provides limited health care insurance for its eligible retired employees.

Retirees and beneficiaries currently receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	41
Active nonvested plan members	52
Total	109

Funding Policy. Funding is provided by The Village on a pay-as-you-go basis with no contribution from the retiree. The Village's contribution on behalf of the employees to the insurance provider was $41,883 for 2008.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method,* an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for 2008, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

Annual OPEB Cost and Net OPEB Obligation	April 30, 2008
Annual required contribution	$ 64,588
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	64,588
Contributions made	41,883
Increase (decrease) in net OPEB obligation	22,705
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	$ 22,705

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

Three Year Trend Information

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2008	$ 64,588	64.8%	$ 22,705

April 30, 2008 was the first year an actuarial valuation was performed.

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Funded Status and Funding Progress. As of April 30, 2008, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was $1.25 million.

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)
4/30/2008	$ -	$ 1,307,299	0.00%	$ 1,307,299	$ -	0.00%

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 future employment, mortality, and the healthcare cost trend. Amounts determined regarding 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.

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

In the April 30, 2008 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and 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 8 percent initially, reduced by decrements to an ultimate rate of 6 percent. Both rates included a 3.0 percent inflation assumption. The actuarial value of assets was marked to the market value of the retiree healthcare account as of April 30, 2008. The UAAL is being amortized as a level percentage of projected payroll on an closed basis. The remaining amortization period at April 30, 2008, was thirty years.

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done once every two years; above is the information from the most recent valuation as of April 30, 2008.

NOTE 9 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. Medical and liability risks are covered by commercial insurance purchased from independent third parties. There has been no significant change in coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

NOTE 10 - FUND BALANCES

Reserved for Separate Tax Levies

Included in the General Fund's balance are the financial position and results of operations of six separate tax levies. The Village considers these six tax levies as departments of the General Fund since none of these "funds" are self-sufficient. The changes in the fund balances of these tax levies for the fiscal year ended April 30, 2009 are as follows:

	Reserved Fund Balance 4/30/08	Revenue			Reserved Fund Balance 4/30/09
		Specified	Subsidized	Expenditures	
Fire Protection	$ -	$ 562,103	$ 2,135,135	$ 2,697,238	$ -
Trees and Forestry	43,608	100,040	43,384	187,032	-
Garbage	-	174,288	755,113	929,401	-
Insurance	-	471,798	1,828,711	2,300,509	-
Playground/Recreation	902,052	-	-	47,359	854,693
Police Protection	-	562,103	3,285,121	3,847,224	-
Totals	$ 945,660	$ 1,870,332	$ 8,047,464	$10,008,763	$ 854,693

Subsidized revenue, per above, is the subsidy needed from the Village to fund the total expenditures of the six separate tax levies.

Deficit Fund Equity: The following funds had deficit fund balances/net assets as of April 30, 2009 these balances are expected to be reduced through future revenues or transfers:

Social Security Fund	$ 86,817
Harlem/Harrison TIF Fund	70,257
MFT Fund	10,290

(Continued)

NOTE 11 - FRANCHISE FEES

The Village has granted two franchises, one to AT&T (formerly SBC/Ameritech) for telephone service and one to AT&T Comcast (formerly Media One of Northern Illinois, Inc., a division of AT&T).

The Ameritech franchise agreement dated November 19, 1984 provides that the Village will share in the aggregate franchise payment Ameritech pays to all Illinois municipalities (except Chicago). The aggregate franchise fee is negotiated between the State and Ameritech. The franchise fee is allocated to the Village based on the number of access lines into the community. Franchise fees are paid monthly to the Village. The franchise can be terminated by either party with 60-day written notice.

The Media One of Northern Illinois, Inc., a division of AT&T, franchise agreement dated June 12, 2000, is a 15-year agreement for the operation of cable television in the Village. The contract is continued under the successor company, AT&T Comcast Corp. As of 2002, the franchise fee is 5% of gross revenues and is paid to the Village quarterly for sales in the preceding quarter.

NOTE 12 - TAX INCREMENT FINANCING

The Village issued $6,200,000 of General Obligation Tax Increment Bonds Series 1994 to fund certain eligible costs within its Forest Park Mall Tax Increment Financing (TIF) District. The original Series 1994 was refunded in fiscal year 2003 with General Obligation Refunding Tax Increment Bonds Series 2003. The principal economic activity stimulated was the construction and subsequent opening of a Wal-Mart Store.

The redevelopment agreement and the bond ordinance for the 1994 bonds allocate the proceeds of the bond issue as follows:

$4,500,000	(Plus one-half of the total amount of interest having accrued in the escrow) To Wal-Mart Stores, Inc., payable no later than 30 days after the store opens and conducts sales activity.
$600,000	To Teachers Retirement System or the State of Illinois, the developer, payable once Wal-Mart Stores, Inc. acquires title to the property.
$935,500	For capitalized interest payment made semiannually starting June 1, 1994 through December 1, 1996.
$164,500	For bond issuance costs.

All construction activity and payouts under the tax increment financing were completed in 1995 and that Capital Projects Fund was closed. Debt service is still required annually and is paid from tax increment revenues.

Covenants: The bond ordinance required the Village to establish and fund separate accounts held by U.S. Bank as trustee for the principal and interest payments on the bond issue. Three separate accounts have been established.

(Continued)

NOTE 12 - TAX INCREMENT FINANCING (Continued)

The Village has deposited into the first account the capitalized interest payments as well as the bond premium and accrued interest received at sale. In February 1994, deposits were made into this account to satisfy interest payment requirements through December 1997.

The second account is for the deposit of the TIF real estate taxes received on all parcels within the redevelopment area. TIF real estate taxes represent additional real estate taxes assessed because of the increase in the Equalized Assessed Valuation prior to the effective date of the TIF establishment. That is, all taxing entities (i.e., County, Village, Schools, etc.) continue to receive their share of taxes attributable to the 1993 Equalized Assessed Valuation in effect at the TIF establishment. The Village receives the entire portion of incremental real estate taxes, if any, because of the increase in the Equalized Assessed Valuation in 1993 and subsequent years, solely for deposit into a Special Tax Allocation Fund. All TIF real estate taxes are to be used first for the retirement of principal and interest. If TIF real estate tax collections exceed principal and interest requirements plus other redevelopment costs, under state law the Village is required to declare a "surplus" and send to Cook County, any such monies for the purpose of distribution to all relevant taxing entities (County, Schools, Park District, etc.).

U.S. Bank, the bond trustee, is to make an accounting each November of the available funds in the various trustee accounts. The bond ordinance requires a sufficient fund balance first from the incremental property taxes account and then from the sales tax account to meet the next three semi-annual principal and interest payments. If the accounting determines that excess funds are available beyond the next three payments, then the trustee can transfer any excess sales taxes to the Village for its unrestricted use. Also, the bond issue does provide for early retirement under certain conditions. If a proper accounting determines that insufficient funds are available to meet the next three payments then the trustee informs the Village of the deficiency amount, which should then be deposited into the third account. The elected Village officials decide whether to fund the deficiency from other available resources or by not fully abating property taxes secured by the bonds.

NOTE 13 - BUSINESS DEVELOPMENT AGREEMENT

Gleason Dodge: The Village has entered into a business development agreement with the 7911 Corporation to encourage the building of a Jerry Gleason Dodge Auto and Truck Dealership (Gleason Dodge) within the Village.

Commencing on the opening date of the dealership, the Village shall rebate to the 7911 Corporation a portion of the Municipal Sales Tax generated by the automobile dealership and received by the Village in accordance with the percentage formula set forth below:

Out of the first $200,000 in Municipal Sales Tax generated in each sales tax year, 60% thereof shall be rebated by the Village to the 7911 Corporation, and

On all amounts of Municipal Sales Tax over $200,000 generated in each sales tax year, 75% thereof shall be rebated by the Village to the 7911 Corporation.

(Continued)

NOTE 13 - BUSINESS DEVELOPMENT AGREEMENT (Continued)

Within 120 days after the end of the sixth and twelfth month of each sales tax year, the Village shall pay the applicable sales tax rebate for that portion of the particular sales tax year to 7911 Corporation, based on the records of the Illinois Department of Revenue except as stated below:

The date that is 120 days after there ceases to be an automobile dealership actively doing business on the property provided; however, if there is a resumption of the automobile dealership's business before the 120 days elapse, then the Village's obligations to make payments under this agreement shall continue;

The Village has made sales tax rebate payments to 7911 Corporation in the total sum of $1,000,000; 7911 Corporation materially breaches the agreement and said breach remains uncured for a period of 30 days after written notice of breach is given by the Village to the 7911 Corporation.

The Gleason Dodge dealership commenced business in September 1997. As of April 30, 2009, the Village made payments totaling $904,170 to the 7911 corporation.

Famous Liquors: In June 1998, the Village Council approved a business development agreement with Famous Liquors. The incentive to Famous Liquors will end at the earlier of 12 years, or the $300,000 accumulated incentive paid to Famous Liquors. During the first two years of the agreement, sales taxes from Famous Liquors will be evenly split between Famous Liquors and the Village. In years 3 to 12, the Village will receive a yearly $40,000 based on sales tax collections. In addition, 60% of the sales tax collections in excess of $40,000 will be rebated to Famous Liquors with the Village retaining the remaining 40%.

As of April 30, 2009, the Village made payments totaling $128,214 to Famous Liquors.

Trage Brothers, Inc.: In September 2001, the Village entered into a development and economic incentive agreement with Trage Brothers, Inc. for renovation and expansion of their Madison Street store. After certification that the work was satisfactorily completed, the Village agreed to rebate 50% of the municipal sales taxes (MST) collected in the first two years of the agreement, 60% of MST over $30,000 in years three and four, and 30% of MST over $30,000 in years five through nine. The maximum sales tax rebate is $100,000.

As of April 30, 2009, the Village made payments totaling $43,854 to Trage Brothers.

(Continued)

NOTE 13 - BUSINESS DEVELOPMENT AGREEMENT (Continued)

Molly Malone's, Inc.: The Village entered into a development and economic incentive agreement with Molly Malone's, Inc. in February 2002 for improvements to the facility. The agreement provides for a rebate of municipal sales taxes in the amount of 60% of taxes generated for ten years up to a maximum rebate of $125,000.

As of April 30, 2009, the Village made payments totaling $39,536 to Molly Malone's.

Forest Park Mall: The Village entered into a redevelopment agreement with the Living Word Christian Center (LWCC) as developer of the Forest Park Mall in 2001. Upon satisfaction of conditions contained in the agreement, the Village agrees to rebate 50% of the municipal sales taxes (MST) generated by new businesses in the Forest Park Mall and 50% of incremental real estate taxes received by the Village. The agreement expires January 1, 2015 or upon payment of a total of $4,900,000.

In addition, the Village agrees to pay to SVT, LLC, doing business as Ultra Foods, $78,000 per year for two years, payable quarterly, and 50% of MST generated in years 10 through 20 of the lease with LWCC, not to exceed $1,260,000.

As of April 30, 2009, the Village made payments totaling $1,869,829 to LWCC and $78,000 to SVT, LLC.

Bed Bath and Beyond, Inc.: In February, 2004, the Village entered into an agreement with NWC Harlem Washington LLC to facilitate the redevelopment, remodeling and upgrading of the property to be leased by Bed Bath and Beyond at the corner of Washington and Harlem in Forest Park. The property was subsequently sold to Bed Bath and Beyond of Forest Park, LLC and the agreement was assigned. Under the terms, the Village agrees to rebate 50% of municipal sales taxes generated for 13 years up to a maximum of $400,000.

As of April 30, 2009, the Village paid $119,615 to Bed Bath and Beyond of Forest Park, LLC.

NOTE 14 - FOREST PARK PUBLIC LIBRARY

Cash and Investments

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments."

Permitted Deposits and Investments - Statutes authorize the Library to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Deposits - At year end, the carrying amount of the Library's deposits totaled $17,025 and the bank balances totaled $16,186. Additionally, at year end the Library has $1,382,389 invested in the Illinois Funds.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy states that investments will be made only in securities guaranteed by the U.S. government, or in FDIC insured institutions including SAIF of the FDIC. The policy further states that the fund should maintain sufficient liquidity to meet current obligations and those reasonably to be anticipated. Specifically, investments should be managed to meet liquidity needs for the current month plus one month (based on forecasted needs) and any reasonably anticipated special needs. The Library's investment in the Illinois Funds has a maturity of less than one year.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under state statute, the Library's investment policy states that investments are to be limited to securities guaranteed by the U.S. government, or in FDIC insured institutions including SAIF of the FDIC. At year end, the Library's investment in the Illinois Funds is rated AAAm by Standard & Poor's.

Custodial Credit Risk - In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC coverage unless adequately collateralized pursuant to regulations of the Federal Reserve regarding custody and safekeeping of collateral. At year end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's investment policy does not specifically address custodial credit risk for investments. At year end, the Library's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk - This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy states funds should be diversified appropriately to the nature and amount of the funds. At year end, the Library's investment in the Illinois Funds represents more than 5% of the total cash and investments portfolio.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Property Taxes

The Library submits its tax levy to the Village Council of the Village of Forest Park, Illinois for approval. One approved, the Village submits the Library's tax levy to the Cook County Clerk's office. The Library's property taxes are levied each calendar year on all taxable real property located within the current fiscal year and collected within 60 days subsequent to year-end are recorded as revenue. The Cook County Assessor is responsible for assessment of all taxable real property within Cook County.

The Cook County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the Coook County Collector as the basis for issuing tax bills to Cook County taxpayers. The Cook County Collector collects all property taxes and submits them to the County Treasurer, who remits them to the Library. Taxes must be levied by the last Tuesday in December and are payable in two installments, on March 1 and August 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1 of the levy year.

Interfund Transfers

Interfund transfers for the year consisted of the following:

	Transfer In	Transfer Out
General Fund	$ -	$ 150,000
Capital Project Fund	150,000	-
Total Transfers	$ 150,000	$ 150,000

The above transfer used unrestricted revenues collected in the General Fund to finance various programs accounted for in the Capital Projects Fund in accordance with budgetary authorizations.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Capital Assets

	Balance at April 30, 2008	Additions	Deletions	Balance at April 30, 2009
Capital assets not being depreciated:				
Land	$ 134	$ -	$ -	$ 134
Capital assets being depreciated:				
Buildings	1,171,952	16,601	-	1,188,553
Furniture and equipment	116,885	-	-	116,885
Computer equipment	126,683	27,655	-	154,338
Collections	518,538	224,998	87,669	655,867
Subtotal	1,934,058	269,254	87,669	2,115,643
Accumulated depreciation				
Buildings	(474,984)	(41,768)	-	(516,752)
Furniture and equipment	(96,062)	(2,469)	-	(98,531)
Computer equipment	(126,683)	(2,766)	-	(129,449)
Collections	(240,982)	(117,440)	(87,669)	(270,753)
Subtotal	(938,711)	(164,443)	(87,669)	(1,015,485)
Total capital assets being depreciated, net	995,347	104,811	-	1,100,158
Capital assets, net	$ 995,481	$ 104,811	$ -	$ 1,100,292

Operating Lease

The Library rents telecommunication and copier equipment under an operating lease. Lease expense under these leases for the year was $10,254. Future minimum lease payments are as follows:

Year Ended April 30	Amount
2010	$ 10,254
2011	2,100
	$ 12,354

Net Asset Restrictions

The following is a summary of the changes in restricted net assets during the year:

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
General Fund				
Unemployment Insurance	$ 1,688	$ 2,497	$ 1,789	$ 2,396
Workers Compensation	37,713	2,127	1,490	38,350
Special Revenue Funds				
Audit	3,325	6,773	6,700	3,398
Insurance	77,363	3,477	12,886	67,954
Social Security	23,507	91,114	80,117	34,504
Total	$ 143,596	$ 105,988	$ 102,982	$ 146,602

Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library carries commercial insurance for all risks of loss including worker's compensation and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past fiscal year.

Employee Retirement System - Defined Benefit Pension Plan

Illinois Municipal Retirement System

The Library contributes to the Illinios Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employe public employee retirement system that acts as a common investment and administrative agent for 2,640 local governments and school districts in Illinois. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

IMRF covers all Library employees who work mre than 1,000 hours per year. Pension bendfits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions, and all other requirements are established by State statutes.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Participating member are required to contribute 4.5% of their annual salary to IMRF. The Library is required to contribute the remaining amounts necessary to fund the system, using the actuarial basis specified by statute(entry age normal); for the calendar year 2008 the rate was 6.66%

The employees of the Library are poled with the employees of the Village of Forest Park for purposes of actuarial valuation. Therefore, the amount of accumulated retirement liability and normal costs related specifically to Library personnel is not available.

The Library remits amounts withheld from employees for IMRF as well as the employer's share of IMRF to the Village of Forest Park. For the year ending April 30, 2009, the employer's share fo IMRF amounts to $35,319.

NOTE 15 - NEW GOVERNMENT ACCOUNTING STANDARDS

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets.* It defines an intangible asset's required characteristics, and generally requires that they be treated as capital assets. Statement 51 is effective for the Village's fiscal year ending April 30, 2011. The Village is currently evaluating the impact of adopting Statement No. 51.

In November 2007, the GASB issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments.* This Statement establishes consistent standards for the reporting of land and other real estate held as investments. It requires endowments to report their land and other real estate investments at fair value. Statement 52 is effective for the Village's fiscal year ending April 30, 2010. The Village is currently evaluating the impact of adopting Statement No. 52.

In June 2008, GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments.* This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Statement 53 is effective for financial statements for periods beginning after June 15, 2009. The Village is currently evaluating the impact of adopting Statement No. 53.

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This Statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance amounts will be reported in the following classifications: restricted, committed, assigned, and unassigned. Statement 54 is effective for financial statements for periods beginning after June 15, 2010. The Village is currently evaluating the impact of adopting Statement No. 54.

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2009

Regular

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - 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)
12/31/08	$ 8,403,299	$ 9,450,384	$ 1,047,085	88.92%	$ 3,638,369	28.78%
12/31/07	9,764,806	9,127,092	(637,714)	106.99%	3,472,854	-18.36%
12/31/06	9,714,688	8,779,894	(934,794)	110.65%	3,249,713	-28.77%
12/31/05	8,820,682	8,135,136	(685,546)	108.43%	3,026,126	-22.65%
12/31/04	7,918,057	7,158,176	(759,881)	110.62%	3,043,389	-24.97%
12/31/03	8,287,762	7,426,374	(861,388)	111.60%	3,539,767	-24.33%

On a market value basis, the actuarial value of assets as of December 31, 2008 was $6,058,597. On a market basis, the funded ratio would be 64.11%

SLEP

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - 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)
12/31/08	$ 149,863	$ 106,482	$ (43,381)	140.74%	$ 120,884	-35.89%
12/31/07	136,314	75,099	(61,215)	181.51%	119,608	-51.18%
12/31/06	107,815	46,957	(60,858)	229.60%	117,953	-51.60%
12/31/05	81,377	20,652	(60,725)	394.04%	111,323	-54.55%
12/31/04	58,600	7,307	(51,293)	801.97%	103,735	-49.45%
12/31/03	36,844	(11,668)	(48,512)	-315.77%	33,656	-144.14%

On a market value basis, the actuarial value of assets as of December 31, 2008 was $124,278. On a market basis, the funded ratio would be 116.71%

* Digest of changes

2008 Assumptions
The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005-2007 Experience Study.

VILLAGE OF FOREST PARK, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS - PENSION FUNDS
APRIL 30, 2009

POLICE PENSION FUND

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
4/30/08	$ 16,984,836	$ 21,352,857	79.54%	$ 4,368,021	$ 2,191,554	199.3%
4/30/07	17,914,643	23,472,490	76.32%	5,557,847	2,385,947	232.9%
4/30/06	16,984,836	21,352,857	79.54%	4,368,021	2,191,554	199.3%
4/30/05	16,832,594	20,620,264	81.63%	3,787,670	2,150,281	176.1%
4/30/04	17,275,786	19,008,679	90.88%	1,732,893	1,998,588	86.7%
4/30/03	16,617,156	17,721,660	93.77%	1,104,504	2,042,359	54.1%

FIREFIGHTERS' PENSION FUND

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
4/30/08	$ 13,679,540	$ 18,347,111	74.56%	$ 4,667,571	$ 1,513,245	308.4%
4/30/07	14,308,807	18,175,470	78.73%	3,866,663	1,607,852	240.5%
4/30/06	13,679,540	18,347,111	74.56%	4,667,571	1,513,245	308.4%
4/30/05	12,596,622	16,676,651	75.53%	4,080,029	1,477,442	276.2%
4/30/04	12,432,616	16,776,933	74.11%	4,344,317	1,331,174	326.4%
4/30/03	11,251,059	14,484,284	77.68%	3,233,225	1,321,786	244.6%

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, and the unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the unfunded actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Public Employee Retirement System (PERS). Trends in unfunded actuarial accrued liability and covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effect of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

VILLAGE OF FOREST PARK, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION FUNDS
APRIL 30, 2009

	POLICE PENSION			FIRE PENSION		
Fiscal Year Ended	Required Contribution	Percentage Contributed	Net Pension Asset (Obligation)	Required Contribution	Percentage Contributed	Net Pension Asset (Obligation)
4/30/08	$ 468,327	90.00%	$ 39,962	$ 477,592	96.40%	$ 14,868
4/30/07	431,845	101.60%	6,980	435,481	100.50%	2,287
4/30/06	477,484	100.00%	-	485,999	100.00%	-
4/30/05	372,623	100.00%	-	443,034	100.00%	-
4/30/04	335,750	78.85%	(301,159)	429,927	107.67%	140,173
4/30/03	N/A	N/A	N/A	358,544	81.57%	155,829

N/A - Information not available.

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. The actual contribution is made from the Village general fund and is based on the property tax levy apportioned to the pension funds. Additional information as of the latest actuarial valuations follows.

	Police Pension	Fire Pension
Actuarial valuation date	April 30, 2008	April 30, 2008
Actuarial cost method	Entry age normal cost	Entry age normal cost
Amortization method	Level % payroll, closed	Level % payroll, closed
Remaining amortization period	25 years	26 years
Actuarial valuation method	Fair Value	Fair Value
Significant actuarial assumptions:		
a) Rate of return on investments of present and future assets	7.50%	7.50%
b) Projected salary increases-attributable to inflation	5.00% inc. inflation at 3.00%	5.00% inc. inflation at 3.00%

VILLAGE OF FOREST PARK, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS
APRIL 30, 2009

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
4/30/08	$ -	$ 1,307,299	0.00%	$ 1,307,299	$ -	0.0%
4/30/07	-	-	0.00%	-	-	0.0%
4/30/06	-	-	0.00%	-	-	0.0%
4/30/05	-	-	0.00%	-	-	0.0%
4/30/04	-	-	0.00%	-	-	0.0%
4/30/03	-	-	0.00%	-	-	0.0%

*April 30, 2008 was the first year of actuarial valuation

Actuarial valuation date	April 30, 2008
Actuarial cost method	Entry Age
Amortization method	Level % payroll, open
Remaining amortization period	30 years
Actuarial valuation method	Fair Value
Significant actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate
Percentage of Active Employees Assumed to Elect Benefit	50.00%
Employer Provided Benefit	20% of $700/month to age 65; Current Health Insurance Premium for Life for Disabled Public Safety Employees ($597 - 1,074/month)
*Includes inflation at	3.00%

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, MAJOR SPECIAL REVENUE FUNDS AND MAJOR DEBT SERVICE FUNDS
Year Ended April 30, 2009

	GENERAL FUND			SPECIAL REVENUE FUNDS					
				VIP PROGRAM FUND			BROWN STREET STATION TIF FUND		
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues									
Property tax revenue	$ 4,033,000	$ 4,038,313	$ 5,313	$ -	$ -	$ -	$ 500,000	$ 576,478	$ 76,478
Personal property replace tax	167,309	166,877	(432)	-	-	-	-	-	-
Sales tax	2,935,000	2,615,539	(319,461)	940,000	964,266	24,266	-	-	-
Intergovernmental revenues	442,013	450,115	8,102	-	-	-	-	-	-
Auto rental tax	18,000	17,053	(947)	-	-	-	-	-	-
Income tax	1,619,237	1,253,861	(365,376)	-	-	-	-	-	-
Utility taxes	1,780,000	1,604,750	(175,250)	-	-	-	-	-	-
Licenses and permits	847,598	707,904	(139,694)	-	-	-	-	-	-
Fees for services	2,270,581	2,100,435	(170,146)	-	-	-	-	-	-
Grant revenue	632,265	333,245	(299,020)	-	-	-	-	-	-
Fines	1,320,500	1,316,546	(3,954)	-	-	-	-	-	-
Interest on investments	75,117	32,074	(43,043)	78,000	70,961	(7,039)	65,000	58,282	(6,718)
Other revenue	260,800	423,654	162,854	-	-	-	-	-	-
Total revenues	16,401,420	15,060,366	(1,341,054)	1,018,000	1,035,227	17,227	565,000	634,760	69,760
Expenditures									
Current:									
Office of the mayor	5,829,175	5,443,725	385,450	-	-	-	-	-	-
Office of accounts and finance	8,286,648	7,966,827	319,821	-	-	-	-	-	-
Office of public property	1,859,988	1,763,450	96,538	-	-	-	-	-	-
Office of streets and public improvement	1,619,932	1,711,940	(92,008)	316,000	439,826	(123,826)	1,010,000	21,143	988,857
Office of health and safety	497,882	439,009	58,873	-	-	-	-	-	-
Debt service:									
Principal retired	-	-	-	340,000	340,000	-	-	-	-
Interest and charges	-	-	-	370,463	370,463	-	-	-	-
Total expenditures	18,093,625	17,324,951	768,674	1,026,463	1,150,289	(123,826)	1,010,000	21,143	988,857
Excess (deficiency) of revenues over expenditures	(1,692,205)	(2,264,585)	(572,380)	(8,463)	(115,062)	(106,599)	(445,000)	613,617	1,058,617
Other financing sources (uses)									
Transfers in	1,400,000	1,640,764	240,764	-	-	-	-	-	-
Loan proceeds	195,000	195,000	-	-	-	-	-	-	-
Total other financing sources (uses)	1,595,000	1,835,764	240,764	-	-	-	-	-	-
Net change in fund balance	$ (97,205)	(428,821)	$ (331,616)	$ (8,463)	(115,062)	$ (106,599)	$ (445,000)	613,617	$ 1,058,617
Fund balance at beginning of year		729,655			2,083,616			2,312,759	
Fund balance at end of year		$ 300,834			$ 1,968,554			$ 2,926,376	

See accompanying notes to schedule.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, MAJOR SPECIAL REVENUE FUNDS AND MAJOR DEBT SERVICE FUNDS
Year Ended April 30, 2009

	SPECIAL REVENUE FUNDS						DEBT SERVICE FUND		
	HARLEM / HARRISON TIF FUND			ROOSEVELT / HANNAH TIF FUND			2002 BOND FUND		
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues									
Property tax revenue	$ 12,000	$ 12,797	$ 797	$ 700,000	$ 2,288,397	$ 1,588,397	$ -	$ -	$ -
Personal property replace tax	-	-	-	-	-	-	-	-	-
Sales tax	-	-	-	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-	-	-	-
Auto rental tax	-	-	-	-	-	-	-	-	-
Income tax	-	-	-	-	-	-	-	-	-
Utility taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Interest on investments	150	189	39	1,000	939	(61)	70,150	21,032	(49,118)
Other revenue	-	-	-	5,000	4,597	(403)	-	-	-
Total revenues	12,150	12,986	836	706,000	2,293,933	1,587,933	70,150	21,032	(49,118)
Expenditures									
Current:									
Office of the mayor	-	-	-	-	-	-	-	-	-
Office of accounts and finance	-	-	-	-	-	-	4,000	11,698	(7,698)
Office of public property	-	-	-	-	-	-	-	-	-
Office of streets and public improvement	6,000	1,847	4,153	639,000	553,576	85,424	-	-	-
Office of health and safety	-	-	-	-	-	-	-	-	-
Debt service:									
Principal retired	-	-	-	155,000	155,000	-	355,000	355,000	-
Interest and charges	-	-	-	27,720	27,720	-	176,482	176,483	(1)
Total expenditures	6,000	1,847	4,153	821,720	736,296	85,424	535,482	543,181	(7,699)
Excess (deficiency) of revenues over expenditures	6,150	11,139	4,989	(115,720)	1,557,637	1,673,357	(465,332)	(522,149)	(56,817)
Other financing sources (uses)									
Transfers in	-	-	-	-	-	-	(235,000)	1,049,975	1,284,975
Loan proceeds	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(235,000)	1,049,975	1,284,975
Net change in fund balance	$ 6,150	11,139	$ 4,989	$ (115,720)	1,557,637	$ 1,673,357	$ (700,332)	527,826	$ 1,228,158
Fund balance at beginning of year		(81,396)			236,596			1,899,505	
Fund balance at end of year		$ (70,257)			$ 1,794,233			$ 2,427,331	

See accompanying notes to schedule.

Budgetary Data:

1. The Village Budget Officer submits to the Village Council, in early May, a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.

2. The budget document is available for public inspection for at least 30 days prior to the Village Council's passage of the Annual Appropriations Ordinance.

3. The Village Council must hold at least one public hearing on the budget prior to its passage.

4. The budget is legally enacted through the passage of the Annual Appropriations Ordinance.

5. The Village Council by a two-thirds vote is authorized to transfer budgeted amounts among departments within any fund. The Village Council must approve any revisions, which alter the total expenditures of any fund. The budget information stated in the financial statements includes adjustments made during the year.

6. The level of control where expenditures may not exceed the budget is the department level of activity. Unspent budgetary amounts lapse at year end and, therefore, are not carried over to succeeding years.

7. The Village prepares budgets for the following funds in accordance with accounting principles generally accepted in the United States of America (GAAP):

General Fund	E-911 Fund
IMRF Fund	Social Security Fund
Motor Fuel Tax Fund	2002 Bond Fund
Library Bond Fund	VIP Program Fund
Special Tax Allocation Fund	Incremental Sales Tax Fund
Harlem / Harrison TIF Fund	Brown Street Station TIF Fund
Water and Sewer Fund	Vehicle Parking Fund
Roosevelt / Hannah TIF Fund	

8. The following funds had expenditures in excess over budget:

Fund	Excess over Budget
VIP Program Fund	$ 123,826
2002 Bond Fund	7,698
Social Security Fund	74,715

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 4,033,000	$ 4,038,313	$ 5,313
Personal property replacement tax	167,309	166,877	(432)
Sales tax	2,935,000	2,615,539	(319,461)
Intergovernmental revenues			
Use tax	214,263	225,009	10,746
Foreign fire insurance tax	16,000	18,464	2,464
Pull tabs/jar games	1,250	1,215	(35)
Franchise tax - cable	210,000	205,427	(4,573)
Photo processing	500	-	(500)
Total intergovernmental revenues	442,013	450,115	8,102
Auto rental tax	18,000	17,053	(947)
Local share-income tax	1,619,237	1,253,861	(365,376)
Utility taxes			
Telephone utility tax	770,000	680,923	(89,077)
Electric utility tax	700,000	571,388	(128,612)
Gas utility tax	310,000	352,439	42,439
Total utility taxes	1,780,000	1,604,750	(175,250)
Licenses and permits			
Liquor license	91,200	91,650	450
Liquor license application fee	2,000	739	(1,261)
Business license	52,000	40,854	(11,146)
Sidewalk use permit	47,500	800	(46,700)
Solicitor's license	200	645	445
Amusement devises	32,500	29,850	(2,650)
Amusement tax video rental	45,000	40,375	(4,625)
Vending machines	5,700	5,972	272
Tobacco license	7,700	5,600	(2,100)
Gasoline stations' license	14,248	14,648	400
Taxicabs' license	8,000	10,655	2,655
Scavenger services' license	20,000	15,000	(5,000)
Contractors' license	16,600	17,451	851
Vehicle license	215,000	230,779	15,779
Animal license	2,600	2,492	(108)
Building permits	198,750	117,650	(81,100)
Electric permits	20,000	15,944	(4,056)
Plumbing permits	25,000	24,385	(615)
HVAC permits	2,000	675	(1,325)
Water permit fees	3,000	(191)	(3,191)
Sign permits	30,000	29,706	(294)
Dumpster permits	4,000	3,400	(600)

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Final Budget	Actual	Variance from Budget Positive (Negative)
FOIA	$ 250	$ 909	$ 659
Garage sale permits	1,200	1,165	(35)
Parkway landscaping permit	150	-	(150)
Dog park permits	3,000	6,751	3,751
Total licenses and permits	847,598	707,904	(139,694)
Fees for services			
Plats and sub-division fees	3,500	3,018	(482)
Plan review fees	2,000	650	(1,350)
Elevator inspection fees	18,000	6,480	(11,520)
Food service inspection fees	18,000	12,975	(5,025)
Certificate of compliance fees	87,500	58,200	(29,300)
Sign inspection fees	-	24	24
Zoning application fees	3,750	5,842	2,092
Ambulance charges	250,000	228,538	(21,462)
Emergency fire suppression services	374,065	340,024	(34,041)
Sidewalk replacement	8,000	4,660	(3,340)
Highway maintenance - IDOT	70,000	62,248	(7,752)
Police/fire testing fees	2,000	2,912	912
Refuse collection charges	619,300	586,183	(33,117)
Recycling fees	105,000	93,975	(11,025)
Yard waste fees	49,000	47,416	(1,584)
Accident reports	3,500	3,862	362
SORA registration fees	100	140	40
Water towers	111,366	112,550	1,184
Real estate	30,000	30,000	-
Picnic grove rental/fees	1,500	858	(642)
Community center	6,000	7,687	1,687
Day care-after school program	195,000	166,726	(28,274)
Day care-summer program	65,000	49,472	(15,528)
Youth activities	3,600	3,449	(151)
Classes	2,500	2,350	(150)
Trips - tours - excursions	145,000	192,586	47,586
Taxi - cab fares/fees	3,800	3,162	(638)
Meals-on-wheels	8,700	2,904	(5,796)
Community Events	35,000	25,380	(9,620)
RTA - administration subsidy	33,000	32,246	(754)
RTA - PACE advertisement	10,000	6,796	(3,204)
RTA - dial-a-ride	6,000	6,199	199
RTA - PACE passes/fares	400	923	523
Total fees for services	2,270,581	2,100,435	(170,146)

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Final Budget	Actual	Variance from Budget Positive (Negative)
Grant revenue			
Cook county - PEER/PIPE	$ 6,445	$ 7,327	$ 882
Federal FF training grant	190,000	190,000	-
Parking facilities #06203643	292,434	-	(292,434)
U.S. DOJ police vests grant	7,686	742	(6,944)
Cook county UASI grant	-	30,281	30,281
DCCA - fire equipment	35,000	6,265	(28,735)
CDBG 2007 alley project	75,000	70,000	(5,000)
Tabacco control gr-liquor commission	-	2,930	2,930
Operating - non-categorical	25,700	25,700	-
Total grant revenue	632,265	333,245	(299,020)
Fines			
Traffic and parking fines	1,125,000	943,861	(181,139)
Compliance tickets	175,000	339,285	164,285
Code violation fines	20,000	28,678	8,678
Other fines and penalties	500	4,722	4,222
Total fines	1,320,500	1,316,546	(3,954)
Interest on investments	75,117	32,074	(43,043)
Other revenue			
Miscellaneous revenue	215,600	332,896	117,296
NSF - agency collections	200	150	(50)
Centennial sales	-	55	55
Workmen's comp reimbursements	15,000	14,424	(576)
Health care reimbursements	-	13,202	13,202
FEMA/IEMA disaster relief	-	10,176	10,176
Claims and damages	30,000	52,751	22,751
Total other revenue	260,800	423,654	162,854
Total revenues	$ 16,401,420	$ 15,060,366	$ (1,341,054)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP) BASIS AND ACTUAL
Year Ended April 30, 2009

	Final Budget	Actual	Variance from Budget Positive (Negative)
Expenditures			
Office of the mayor			
General public affairs	$ 1,000,823	$ 912,327	$ 88,496
Police	4,116,225	3,847,224	269,001
Community services	712,127	684,174	27,953
Total office of the mayor	5,829,175	5,443,725	385,450
Office of accounts and finance			
Village clerk	4,223,336	4,200,259	23,077
Grant expenditures	691,435	581,291	110,144
Finance	488,626	488,039	587
Fire	1,006,596	917,212	89,384
Fire protection	1,876,655	1,780,026	96,629
Total office of accounts and finance	8,286,648	7,966,827	319,821
Office of public property			
Public property	1,005,152	984,686	20,466
Public property/street lights	382,000	371,661	10,339
Forestry	199,336	187,032	12,304
Playground and recreation	59,500	47,359	12,141
Property maintenance	184,000	172,712	11,288
Total office of public property	1,829,988	1,763,450	66,538
Office of streets and public improvement			
Streets and public improvement	769,371	782,539	(13,168)
Garbage	880,561	929,401	(48,840)
Total office of streets and public improvement	1,649,932	1,711,940	(62,008)
Office of health and safety			
Public health and safety	497,882	439,009	58,873
Total office of health and safety	497,882	439,009	58,873
Total expenditures	$ 18,093,625	$ 17,324,951	$ 768,674

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 3

VIP PROGRAM FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Sales tax revenues	$ 940,000	$ 964,266	$ 24,266
Interest on investments	78,000	70,961	(7,039)
Total revenues	1,018,000	1,035,227	17,227
Expenditures			
Office of streets and public improvement			
Operating expenditures	316,000	439,826	(123,826)
Debt service:			
Principal retired	340,000	340,000	-
Interest and charges	370,463	370,463	-
Total expenditures	1,026,463	1,150,289	(123,826)
Net change in fund balance	$ (8,463)	(115,062)	$ (106,599)
Fund balance at beginning of year		2,083,616	
Fund balance at end of year		$ 1,968,554	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 4

BROWN STREET STATION TIF FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 500,000	$ 576,478	$ 76,478
Interest on investments	65,000	58,282	(6,718)
Total revenues	565,000	634,760	69,760
Expenditures			
Office of streets and public improvement			
Operating expenditures	1,010,000	21,143	988,857
Total expenditures	1,010,000	21,143	988,857
Net change in fund balance	$ (445,000)	613,617	$ 1,058,617
Fund balance at beginning of year		2,312,759	
Fund balance at end of year		$ 2,926,376	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 5

2002 BOND FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Interest on investments	$ 70,150	$ 21,032	$ (49,118)
Total revenues	70,150	21,032	(49,118)
Expenditures			
Office of accounts and finance			
Bank fees	3,000	7,200	(4,200)
Other expenditures	1,000	4,498	(3,498)
Debt service:			
Principal retired	355,000	355,000	-
Interest and charges	176,483	176,483	-
Total expenditures	535,483	543,181	(7,698)
Excess (deficiency) of revenues over expenditures	(465,333)	(522,149)	(56,816)
Other financing sources (uses)			
Transfers in	(235,000)	1,049,975	1,284,975
Total other financing sources (uses)	(235,000)	1,049,975	1,284,975
Net change in fund balance	$ (700,333)	527,826	$ 1,228,159
Fund balance at beginning of year		1,899,505	
Fund balance at end of year		$ 2,427,331	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 6

HARLEM / HARRISON TIF FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 12,000	$ 12,797	$ 797
Interest on investments	150	189	39
Total revenues	12,150	12,986	836
Expenditures			
Office of streets and public improvement			
Operating expenditures	6,000	1,847	4,153
Total expenditures	6,000	1,847	4,153
Net change in fund balance	$ 6,150	11,139	$ 4,989
Fund balance at beginning of year		(81,396)	
Fund balance at end of year		$ (70,257)	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 7

ROOSEVELT / HANNAH TIF FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 700,000	$ 2,288,397	$ 1,588,397
Interest on investments	1,000	939	(61)
Miscellaneous revenue	5,000	4,597	(403)
Total revenues	706,000	2,293,933	1,587,933
Expenditures			
Office of streets and public improvement			
Operating expenditures	639,000	553,576	85,424
Debt service:			
Principal retired	155,000	155,000	-
Interest and charges	27,720	27,720	-
Total expenditures	821,720	736,296	85,424
Net change in fund balance	$ (115,720)	1,557,637	$ 1,673,357
Fund balance at beginning of year		236,596	
Fund balance at end of year		$ 1,794,233	

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
April 30, 2009

	Special Revenue Funds						
	Emergency 911 Fund	Narcotics Fund	U.S. Customs Fund	Police Vehicle Fund	Foreign Fire Insurance Fund	Illinois Municipal Retirement Fund	Social Security Fund
ASSETS							
Cash and cash equivalents	$ 151,237	$ 98,712	$ 252,350	$ -	$ 13,525	$ -	$ -
Receivables:							
Property tax receivable	-	-	-	-	-	137,502	138,795
Due from other governments	-	-	-	-	-	-	-
Interfund receivable	-	-	-	16,240	-	123,558	-
TOTAL ASSETS	$ 151,237	$ 98,712	$ 252,350	$ 16,240	$ 13,525	$ 261,060	$ 138,795
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	$ -	$ -	$ 1,557	$ -	$ -	$ -	$ -
Deferred revenue	-	-	-	-	-	137,502	138,795
Interfund payable	-	3,226	-	-	-	-	86,817
Total liabilities	-	3,226	1,557	-	-	137,502	225,612
FUND BALANCE							
Reserved for debt service	-	-	-	-	-	-	-
Unreserved, special revenue funds	151,237	95,486	250,793	16,240	13,525	123,558	(86,817)
Total fund balance	151,237	95,486	250,793	16,240	13,525	123,558	(86,817)
TOTAL LIABILITIES AND FUND BALANCE	$ 151,237	$ 98,712	$ 252,350	$ 16,240	$ 13,525	$ 261,060	$ 138,795

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
April 30, 2009

	Special Revenue Funds			Debt Service Funds				
	Motor Fuel Tax Fund	Harrison / Circle Fund	Total Nonmajor Special Revenue Funds	Special Tax Allocation Fund	Incremental Sales Tax Fund	Library Bond Fund	Total Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS								
Cash and cash equivalents	$ 382,978	$ -	$ 898,802	$ 414,159	$ 147,447	$ -	$ 561,606	$ 1,460,408
Receivables:								
Property tax receivable	-	-	276,297	-	-	-	-	276,297
Due from other governments	74,115	-	74,115	-	-	-	-	74,115
Interfund receivable	-	-	139,798	-	61,381	79,211	140,592	280,390
TOTAL ASSETS	$ 457,093	$ -	$ 1,389,012	$ 414,159	$ 208,828	$ 79,211	$ 702,198	$ 2,091,210
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts payable	$ -	$ -	$ 1,557	$ -	$ -	$ -	$ -	$ 1,557
Deferred revenue	-	-	276,297	-	-	-	-	276,297
Interfund payable	467,383	-	557,426	35,890	-	-	35,890	593,316
Total liabilities	467,383	-	835,280	35,890	-	-	35,890	871,170
FUND BALANCE								
Reserved for debt service	-	-	-	378,269	208,828	79,211	666,308	666,308
Unreserved, special revenue funds	(10,290)	-	553,732	-	-	-	-	553,732
Total fund balance	(10,290)	-	553,732	378,269	208,828	79,211	666,308	1,220,040
TOTAL LIABILITIES AND FUND BALANCE	$ 457,093	$ -	$ 1,389,012	$ 414,159	$ 208,828	$ 79,211	$ 702,198	$ 2,091,210

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2009

	Special Revenue Funds						
	Emergency 911 Fund	Narcotics Fund	U.S. Customs Fund	Police Vehicle Fund	Foreign Fire Insurance Fund	Illinois Municipal Retirement Fund	Social Security Fund
Revenues							
Property tax revenue	$ -	$ -	$ -	$ -	$ -	$ 235,476	$ 288,297
Personal property replace tax	-	-	-	-	-	10,960	9,882
Sales tax	-	-	-	-	-	-	-
Intergovernmental revenues	195,796	-	-	-	18,464	-	-
Fines	-	105,997	321,619	38,236	-	-	-
Interest on investments	1,257	2,743	996	-	39	-	-
Total revenues	197,053	108,740	322,615	38,236	18,503	246,436	298,179
Expenditures							
Current:							
Office of the mayor	397,350	214,313	184,434	48,665	-	-	-
Office of accounts and finance	-	-	-	-	16,774	229,322	319,715
Debt service:							
Principal retired	-	-	-	-	-	-	-
Interest and charges	-	-	-	-	-	-	-
Total expenditures	397,350	214,313	184,434	48,665	16,774	229,322	319,715
Excess (deficiency) of revenues over expenditures	(200,297)	(105,573)	138,181	(10,429)	1,729	17,114	(21,536)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	(200,297)	(105,573)	138,181	(10,429)	1,729	17,114	(21,536)
Fund balances at beginning of year	351,534	201,059	112,612	26,669	11,796	106,444	(65,281)
Fund balances at end of year	$ 151,237	$ 95,486	$ 250,793	$ 16,240	$ 13,525	$ 123,558	$ (86,817)

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2009

	Special Revenue Funds			Debt Service Funds				
	Motor Fuel Tax Fund	Harrison / Circle Fund	Total Nonmajor Special Revenue Funds	Special Tax Allocation Fund	Incremental Sales Tax Fund	Library Bond Fund	Total Debt Service Funds	Total Nonmajor Governmental Funds
Revenues								
Property tax revenue	$ -	$ -	$ 523,773	$ 1,047,660	$ -	$ 180,094	$ 1,227,754	$ 1,751,527
Personal property replace tax	-	-	20,842	-	-	-	-	20,842
Sales tax	-	-	-	-	338,956	-	338,956	338,956
Intergovernmental revenues	418,605	-	632,865	-	-	-	-	632,865
Fines	-	-	465,852	-	-	-	-	465,852
Interest on investments	1,664	-	6,699	5,521	1,787	791	8,099	14,798
Total revenues	420,269	-	1,650,031	1,053,181	340,743	180,885	1,574,809	3,224,840
Expenditures								
Current:								
Office of the mayor	-	-	844,762	-	-	-	-	844,762
Office of accounts and finance	-	-	565,811	-	-	-	-	565,811
Debt service:								
Principal retired	-	-	-	-	-	305,000	305,000	305,000
Interest and charges	-	-	-	-	-	8,868	8,868	8,868
Total expenditures	-	-	1,410,573	-	-	313,868	313,868	1,724,441
Excess (deficiency) of revenues over expenditures	420,269	-	239,458	1,053,181	340,743	(132,983)	1,260,941	1,500,399
Other financing sources (uses)								
Transfers in	-	2,065	2,065	-	-	-	-	2,065
Transfers out	(474,703)	-	(474,703)	(1,049,976)	(368,125)	-	(1,418,101)	(1,892,804)
Total other financing sources (uses)	(474,703)	2,065	(472,638)	(1,049,976)	(368,125)	-	(1,418,101)	(1,890,739)
Net change in fund balances	(54,434)	2,065	(233,180)	3,205	(27,382)	(132,983)	(157,160)	(390,340)
Fund balances at beginning of year	44,144	(2,065)	786,912	375,064	236,210	212,194	823,468	1,610,380
Fund balances at end of year	$ (10,290)	$ -	$ 553,732	$ 378,269	$ 208,828	$ 79,211	$ 666,308	$ 1,220,040

VILLAGE OF FOREST PARK, ILLINOIS

EMERGENCY 911 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
911 emergency surcharge	$ 227,013	$ 195,796	$ (31,217)
Interest on investments	2,000	1,257	(743)
Total revenues	229,013	197,053	(31,960)
Expenditures			
Office of the mayor			
Bank service fees	250	216	34
Regular	35,000	34,590	410
E-911 - expenditures/costs	400,000	362,544	37,456
Total expenditures	435,250	397,350	37,900
Net change in fund balance	$ (206,237)	(200,297)	$ 5,940
Fund balance at beginning of year		351,534	
Fund balance at end of year		$ 151,237	

VILLAGE OF FOREST PARK, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
Property tax revenue	$ 235,000	$ 235,476	$ 476
Personal property replacement tax	9,100	10,960	1,860
Total revenues	244,100	246,436	2,336
Expenditures			
Office of accounts and finance			
IMRF fund contributions	250,000	229,322	20,678
Total expenditures	250,000	229,322	20,678
Net change in fund balance	$ (5,900)	17,114	$ 23,014
Fund balance at beginning of year		106,444	
Fund balance at end of year		$ 123,558	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 12

SOCIAL SECURITY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
Property tax revenue	$ 325,000	$ 288,297	$ (36,703)
Personal property replacement tax	8,500	9,882	1,382
Total revenues	333,500	298,179	(35,321)
Expenditures			
Office of accounts and finance			
IMRF fund contributions	245,000	319,715	(74,715)
Total expenditures	245,000	319,715	(74,715)
Net change in fund balance	$ 88,500	(21,536)	$ (110,036)
Fund balance at beginning of year		(65,281)	
Fund balance at end of year		$ (86,817)	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 13

MOTOR FUEL TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
Motor fuel tax allotment	$ 400,000	$ 418,605	$ 18,605
Interest on investments	8,000	1,664	(6,336)
Total revenues	408,000	420,269	12,269
Excess (deficiency) of revenues over expenditures	408,000	420,269	(12,269)
Other financing (uses)			
Transfer out	(400,000)	(474,703)	(74,703)
Total other financing (uses)	(400,000)	(474,703)	(74,703)
Net change in fund balance	$ 8,000	(54,434)	$ (62,434)
Fund balance at beginning of year		44,144	
Fund balance at end of year		$ (10,290)	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 14

SPECIAL TAX ALLOCATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 615,000	$ 1,047,660	$ 432,660
Interest on investments	19,000	5,521	(13,479)
Total revenues	634,000	1,053,181	419,181
Excess (deficiency) of revenues over expenditures	634,000	1,053,181	(419,181)
Other financing (uses)			
Transfer out	(400,000)	(1,049,976)	(649,976)
Total other financing (uses)	(400,000)	(1,049,976)	(649,976)
Net change in fund balance	$ 234,000	3,205	$ (230,795)
Fund balance at beginning of year		375,064	
Fund balance at end of year		$ 378,269	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 15

INCREMENTAL SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Sales tax revenue	$ 350,000	$ 338,956	$ (11,044)
Interest on investments	10,000	1,787	(8,213)
Total revenues	360,000	340,743	(19,257)
Excess (deficiency) of revenues over expenditures	360,000	340,743	19,257
Other financing (uses)			
Transfer out	(400,000)	(368,125)	31,875
Total other financing (uses)	(400,000)	(368,125)	31,875
Net change in fund balance	$ (40,000)	(27,382)	$ 12,618
Fund balance at beginning of year		236,210	
Fund balance at end of year		$ 208,828	

VILLAGE OF FOREST PARK, ILLINOIS

EXHIBIT 16

LIBRARY BOND FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax revenue	$ 313,693	$ 180,094	$ (133,599)
Interest on investments	1,500	791	(709)
Total revenues	315,193	180,885	(134,308)
Expenditures			
Debt service:			
Principal retired	305,000	305,000	-
Interest and charges	9,193	8,868	325
Total expenditures	314,193	313,868	325
Net change in fund balance	$ 1,000	(132,983)	$ (133,983)
Fund balance at beginning of year		212,194	
Fund balance at end of year		$ 79,211	

VILLAGE OF FOREST PARK, ILLINOIS

WATER FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Operating revenues			
Charges for services	$ 3,644,474	$ 3,500,015	$ (144,459)
Operating expenses			
Operations	2,471,366	2,418,258	53,108
Depreciation	160,000	167,857	(7,857)
Total operating expenses	2,631,366	2,586,115	45,251
Operating income (loss)	1,013,108	913,900	(189,710)
Nonoperating revenues and (expenses)			
Interest revenue	5,400	3,014	(2,386)
Interest expense	(152,778)	(149,750)	3,028
Total nonoperating revenues and (expenses)	(147,378)	(146,736)	642
Other financing uses			
Transfers out	(800,000)	(800,000)	-
Total other financing uses	(800,000)	(800,000)	-
Net change in net assets	$ 65,730	(32,836)	$ (189,068)
Net assets at beginning of year		3,686,473	
Net assets at end of year		$ 3,653,637	

EXHIBIT 18

VILLAGE OF FOREST PARK, ILLINOIS

VEHICLE PARKING FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
Year Ended April 30, 2009

	Budget	Actual	Variance from Budget Positive (Negative)
Operating revenues			
Charges for services	$ 786,000	$ 803,829	$ 17,829
Operating expenses			
Operations	598,354	419,437	178,917
Depreciation	50,000	47,543	2,457
Total operating expenses	648,354	466,980	181,374
Operating income (loss)	137,646	336,849	(163,545)
Nonoperating revenues and (expenses)			
Interest revenue	15,800	5,639	(10,161)
Interest expense	(9,033)	(9,309)	(276)
Total nonoperating revenues and (expenses)	6,767	(3,670)	(10,437)
Net change in net assets	$ 144,413	333,179	$ (173,982)
Net assets at beginning of year		4,287,759	
Net assets at end of year		$ 4,620,938	

VILLAGE OF FOREST PARK, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
April 30, 2009

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ASSETS			
Cash and cash equivalents	$ 880,896	$ 767,630	$ 1,648,526
Investments			
Government securities	11,878,306	5,692,235	17,570,541
Mutual Funds	1,023,740	2,515,053	3,538,793
Insurance contracts	4,329,403	3,262,272	7,591,675
Total investments	17,231,449	11,469,560	28,701,009
Receivables:			
Interest receivable	24,029	59,362	83,391
Prepaid items	2,069	3,638	5,707
Total assets	18,138,443	12,300,190	30,438,633
LIABILITIES			
Accounts payable	961	605	1,566
Total liabilities	961	605	1,566
NET ASSETS			
Plan net assets held in trust for employees' pension benefits	$ 18,137,482	$ 12,299,585	$ 30,437,067

VILLAGE OF FOREST PARK, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
For the Year ended April 30, 2009

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ADDITIONS			
Contributions			
Employer	$ 496,890	$ 530,166	$ 1,027,056
Plan members	278,140	167,605	445,745
Total contributions	775,030	697,771	1,472,801
Net investment income	528,799	(1,707,217)	(1,178,418)
Miscellaneous revenue	1,889	-	1,889
Total additions	1,305,718	(1,009,446)	296,272
DEDUCTIONS			
Benefits and refunds	1,202,494	1,143,325	2,345,819
Administrative expenses	46,550	26,812	73,362
Total deductions	1,249,044	1,170,137	2,419,181
Increase (decrease) in net assets	56,674	(2,179,583)	(2,122,909)
Plan net assets at beginning of year	18,080,808	14,479,168	32,559,976
Plan net assets at end of year	$ 18,137,482	$ 12,299,585	$ 30,437,067

VILLAGE OF FOREST PARK
SCHEDULE OF EXPENDITURES FOR TORT IMMUNITY PURPOSES
FOR THE YEAR ENDED APRIL 30, 2009

Unemployment	$	15,976
Workman's comp insurance		474,474
Total tort immunity purposes expenditures	$	490,450

The Village levies property taxes for tort immunity/liability insurance purposes. As required by Public Act 91-0628 passed by the Illinois General Assembly, the Village is including the above list of tort immunity purposes expenditures in its annual financial report.

The Village's tax extension for liability insurance purposes for tax year 2007 as levied by Cook County was $320,027. Any shortfall to cover expenditures in excess of taxes collected is derived from other revenues of the Village. Any excess of revenues over expenditures is carried forward to subsequent fiscal years subject to a statutory formula.

VILLAGE OF FOREST PARK, ILLINOIS
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES
AND COMPARATIVE TAX STATISTICS
YEAR ENDED APRIL 30, 2008

SCHEDULE 1

Tax levy year:	Assessed Valuation	Extended Village Tax Rate
1999	222,486,219	1.643
2000	215,727,348	2.004
2001	224,465,995	1.718
2002	287,578,558	1.373
2003	280,570,295	1.449
2004	283,806,070	1.467
2005	356,616,601	1.221
2006	354,116,468	1.286
2007	382,322,592	1.263
2008	434,122,065	1.041

	2007 Levy		2006 Levy	
	Amount	Rate	Amount	Rate
General fund:				
Corporate	$ 1,160,356	0.304	$ 905,424	0.256
Fire protection	556,836	0.146	543,254	0.153
Forestry	100,879	0.026	100,880	0.029
Garbage	254,688	0.067	511,473	0.144
Insurance	320,027	0.084	330,426	0.093
Police protection	556,836	0.146	543,254	0.153
Police pension	482,543	0.126	444,800	0.126
Firefighters' pension	491,974	0.129	448,545	0.127
Total general fund	3,924,139	1.026	3,828,056	1.081
Special revenue funds:				
Illinois municipal retirement fund	239,340	0.063	71,511	0.020
Social security fund	334,750	0.088	325,000	0.092
Total special revenue funds	574,090	0.150	396,511	0.112
Debt service funds:	329,378	0.086	326,466	0.092
Total tax levy:	$ 4,827,607	1.263	$ 4,551,033	1.285
Collections as of April 30, 2008	$ 2,039,768	42.25%	$ 4,455,777	97.91%

VILLAGE OF FOREST PARK, ILLINOIS
LONG-TERM DEBT OBLIGATION
SCHEDULE OF BONDS OUTSTANDING
APRIL 30, 2009

General Obligation Tax Increment Refunding Bonds:
Series 2002
Dated: April 8, 2002
Interest Payable June 1 and December 1 of each year
Paying Agent - U.S. Bank

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2010	4.25%	$ 370,000	$ 161,396	$ 531,396
2011	4.50%	385,000	145,670	530,670
2012	4.75%	405,000	128,346	533,346
2013	4.75%	425,000	109,108	534,108
2014	4.55%	445,000	88,920	533,920
2015	4.65%	465,000	68,672	533,672
2016	4.75%	480,000	47,050	527,050
2017	4.85%	500,000	24,250	524,250
Totals		$ 3,475,000	$ 773,412	$ 4,248,412

VILLAGE OF FOREST PARK, ILLINOIS
LONG-TERM DEBT OBLIGATION
SCHEDULE OF BONDS OUTSTANDING
APRIL 30, 2009

General Obligation Alternative Revenue Bonds:
Series 2003A
Dated: October 1, 2003
Interest Payable January 1 and July 1 of each year
Paying Agent - U.S. Bank

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2010	3.25%	$ 155,000	$ 23,070	$ 178,070
2011	3.40%	165,000	18,032	183,032
2012	3.55%	170,000	12,422	182,422
2013	3.65%	175,000	6,387	181,387
Totals		$ 665,000	$ 59,911	$ 724,911

VILLAGE OF FOREST PARK, ILLINOIS
LONG-TERM DEBT OBLIGATION
SCHEDULE OF BONDS OUTSTANDING
APRIL 30, 2009

General Obligation Alternative Revenue Bonds:
Series 2005
Dated: June 28, 2005
Interest Payable June 1 and December 1 of each year
Paying Agent - Amalgamated Bank of Chicago

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2010	4.25%	$ 355,000	$ 356,012	$ 711,012
2011	4.25%	375,000	340,926	715,926
2012	4.25%	390,000	324,988	714,988
2013	4.25%	405,000	308,412	713,412
2014	4.25%	425,000	291,200	716,200
2015	4.25%	440,000	273,138	713,138
2016	3.75%	460,000	254,438	714,438
2017	3.85%	480,000	237,188	717,188
2018	3.90%	495,000	218,708	713,708
2019	3.95%	515,000	199,402	714,402
2020	4.05%	535,000	179,060	714,060
2021	4.10%	560,000	157,392	717,392
2022	4.15%	580,000	134,432	714,432
2023	4.20%	605,000	110,362	715,362
2024	4.25%	630,000	84,952	714,952
2025	4.30%	660,000	58,178	718,178
2026	4.35%	685,000	29,798	714,798
Totals		$ 8,595,000	$ 3,558,586	$ 12,153,586

VILLAGE OF FOREST PARK, ILLINOIS
LONG-TERM DEBT OBLIGATION
SCHEDULE OF DEBT CERTIFICATES OUTSTANDING
APRIL 30, 2009

General Obligation Debt Certificates:
Dated: November 1, 2001
Interest Payable May 1 and November 1 of each year
Paying Agent - Cole Taylor Bank

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2010	5.90%	$ 210,000	$ 174,248	$ 384,248
2011	5.40%	220,000	161,858	381,858
2012	5.40%	230,000	149,978	379,978
2013	4.15%	240,000	137,558	377,558
2014	4.30%	250,000	127,598	377,598
2015	4.40%	260,000	116,848	376,848
2016	4.55%	275,000	105,408	380,408
2017	4.60%	285,000	92,896	377,896
2018	4.70%	300,000	79,786	379,786
2019	4.80%	315,000	65,686	380,686
2020	4.80%	330,000	50,566	380,566
2021	4.90%	345,000	34,726	379,726
2022	4.95%	360,000	17,820	377,820
Totals		$ 3,620,000	$ 1,314,976	$ 4,934,976