

McGladrey & Pullen

Certified Public Accountants

City of Country Club Hills, Illinois

Financial Report

April 30, 2008

City of Country Club Hills, Illinois

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City of Country Club Hills, Illinois

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and Members
of the City Council
City of Country Club Hills, 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 City of Country Club Hills, Illinois, as of and for the year ended April 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the City of Country Club Hills, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Country Club Hills, Illinois, as of April 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplemental information which includes management's discussion and analysis (pages 2 – 13), pension related schedules (pages 51 – 55) and budgetary comparison information (pages 56 - 58) is not a required part of the basic financial statements but is supplemental 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 supplemental information. However, we did not audit the information and express no opinion on it.

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

McGladrey & Pullen, LLP

Chicago, Illinois
October 22, 2008

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

CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2008

This section of the City of Country Club Hills's (the "City") Financial Report presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2008.

USING THE FINANCIAL SECTION OF THIS REPORT

Government-Wide Financial Statements

The government-wide financial statements (see pages 14-16) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (see pages 14-15) is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources management focus.

The Statement of Activities (see page 16) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the City's basic services, including police, fire fighting, public works, community development and administration. Shared state sales and income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for the service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

The Governmental Funds (see pages 17-20) presentation is presented on a sources and uses of liquid resources basis (modified accrual). This is the manner in which the financial plan (the budget) is typically developed.

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters' Pension, see page 25-26). While this fund represents trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-Type Fund Financial Statements (see pages 21-24) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 18 and 20). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and other liabilities) into the Governmental Activities column (in the Governmental-wide financial statements).

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$10.16 million as of April 30, 2008.

A significant portion of the City's net assets reflects its investment in capital assets (i.e., land, storm sewers, water mains, streets, sidewalks and bridges, building and improvements). The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

The following reflects the condensed Statement of Net Assets. For more detailed information see the Statement of Net Assets (pages 14-15).

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-Wide Financial Statements (continued)

**Table 1
Statement of Net Assets
As of April 30, 2008**

	Governmental Activities	Business-Type Activities	Total Primary Government
Current and Other Assets	\$ 27,217,463	\$ 2,151,073	\$ 29,368,536
Capital Assets, net	44,184,592	2,010,677	46,195,269
Total Assets	\$ 71,402,055	\$ 4,161,750	\$ 75,563,805
Current Liabilities	\$ 16,327,553	\$ 458,864	\$ 16,786,418
Noncurrent Liabilities	48,621,809	-	48,621,809
Total Liabilities	\$ 64,949,362	\$ 458,864	\$ 65,408,226
Net Assets:			
Invested in Capital Assets, net of related debt	\$ 6,465,133	\$ 2,010,677	\$ 8,475,810
Unrestricted	(12,440)	1,692,209	1,679,769
Total Net Assets	\$ 6,452,693	\$ 3,702,886	\$ 10,155,579

**Statement of Net Assets
As of April 30, 2007**

	Governmental Activities	Business-Type Activities	Total Primary Government
Current and Other Assets	\$ 17,110,085	\$ 2,306,149	\$ 19,416,234
Capital Assets, net	38,147,883	2,183,634	40,331,517
Total Assets	\$ 55,257,968	\$ 4,489,783	\$ 59,747,751
Current Liabilities	\$ 15,381,035	\$ 249,412	\$ 15,630,447
Noncurrent Liabilities	23,085,678	-	23,085,678
Total Liabilities	\$ 38,466,713	\$ 249,412	\$ 38,716,125
Net Assets:			
Invested in Capital Assets, net of related debt	\$ 14,761,974	\$ 2,183,634	\$ 16,945,608
Unrestricted	2,029,281	2,056,737	4,086,018
Total Net Assets	\$ 16,791,255	\$ 4,240,371	\$ 21,031,626

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-Wide Financial Statements (continued)

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The City's combined net assets decreased from \$21.03 million to \$10.16 million during fiscal year 2008. Of this \$10.87 million decrease, \$10.33 million is attributable to governmental activities and \$.54 million related to business-type activities. The decrease is attributable to an increase in governmental activity expenses.

Analysis of Changes in Net Assets

The following chart compares the revenue and expenses for the current and prior fiscal years.

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-Wide Financial Statements (continued)

**Table 2
Changes in Net Assets
For the Fiscal Year Ended April 30, 2008**

	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	\$ 3,856,693	\$ 3,235,077	\$ 7,091,770
Operating Grants and Contributions	871,275	-	871,275
General Revenues			
Property Taxes	10,295,479	-	10,295,479
Other Taxes	6,396,591	-	6,396,591
Investment Income	346,822	51,681	398,503
Miscellaneous	368,457	-	368,457
Total Revenues	22,135,318	3,286,758	25,422,076
EXPENSES			
General Government	17,949,370	-	17,949,370
Public Safety	11,093,016	-	11,093,016
Public Works	2,302,998	3,575,451	5,878,449
Interest Expense	1,377,287	-	1,377,287
Total Expenses	32,722,671	3,575,451	36,298,122
EXCESS REVENUES (EXPENSES)	(10,587,354)	(288,693)	(10,876,047)
Transfers in (out)	248,792	(248,792)	-
CHANGE IN NET ASSETS	(10,338,562)	(537,485)	(10,876,047)
BEGINNING NET ASSETS	16,791,255	4,240,371	21,031,626
ENDING NET ASSETS	\$ 6,452,693	\$ 3,702,886	\$ 10,155,579

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

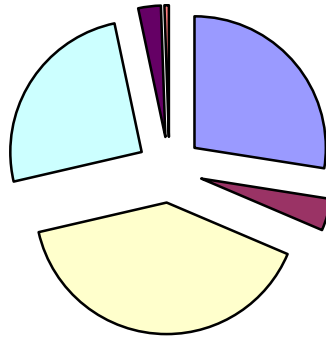
Government-Wide Financial Statements (continued)

**Changes in Net Assets
For the Fiscal Year Ended April 30, 2007**

	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	\$ 2,995,027	\$ 3,102,609	\$ 6,097,636
Operating Grants and Contributions	834,898	-	834,898
General Revenues			
Property Taxes	8,817,904	-	8,817,904
Other Taxes	5,615,237	-	5,615,237
Investment Income	501,651	110,432	612,083
Miscellaneous	115,931	-	115,931
Total Revenues	18,880,648	3,213,041	22,093,689
EXPENSES			
General Government	14,483,204	-	14,483,204
Public Safety	8,984,721	-	8,984,721
Public Works	2,798,653	3,051,079	5,849,732
Interest Expense	797,589	-	797,589
Total Expenses	27,064,167	3,051,079	30,115,246
EXCESS REVENUES (EXPENSES)	(8,183,519)	161,962	(8,021,557)
Transfers in (out)	324,520	(248,792)	75,728
CHANGE IN NET ASSETS	(7,858,999)	(86,830)	(7,945,829)
ENDING NET ASSETS	\$ 16,791,255	\$ 4,240,371	\$ 21,031,626

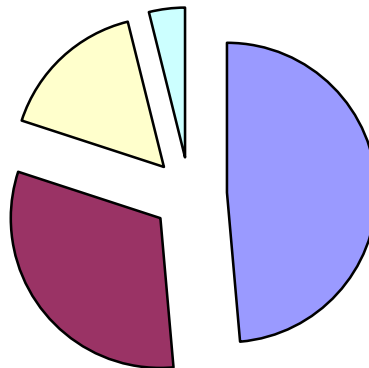
Government-Wide Financial Statements (continued)

2008 Governmental Activities Revenue



- Charges for Services
- Operating Grants
- Property Taxes
- Other Taxes
- Investment Income
- Miscellaneous

2008 Governmental Activities Expenditures



- General Government
- Public Safety
- Public Works
- Interest

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-Wide Financial Statements (continued)

There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income and sales tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in City Board approved rates – while certain tax rates are set by statute, the City Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income – the City's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the City Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as contractual services, supplies, fuel and water. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2008, revenues from all activities totaled \$24.55 million. The City has a very diversified revenue structure and depends on several key revenue sources to help pay for the services it provides.

While the City's tax revenues increased \$1.48 million, its tax rate per \$100 of equalized assessed valuation (EAV) increased from to \$3.4538 to \$3.7392. The increase was partly due to a small decrease in tax extension spread for a large decrease in the EAV. The 2007 EAV (used by Cook County in calculating 2007 tax levy bills) increased by 11.6% to \$279.7 million from \$250.6 million for the 2006 levy year.

Total taxes increased from a combined total of \$14,433,141 in 2007 to a combined total of \$16,692,071 in 2008. In FY2008, these revenue sources accounted for 78.50% of the governmental activities revenue.

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-Wide Financial Statements (continued)

Charges for services decreased in the current year due to significant level of transfers for parks and recreation in the prior year.

Investment returns were slightly up due to some increase in available funds for investments.

Water and Sewer rates remained the same during the fiscal year. The other charges for services reflect a slight increase.

Expenses:

The City's total expenses for all activities for the year ended April 30, 2008 were \$35.77 million. The General Government activities at \$17.69 million accounted for 49.45% of the total. The General Government activities in the current year included parks and recreation for the entire year, as well as capital additions below the City's capitalization threshold of \$10,000.

The City maintains its own water storage and distribution system. The City provides Lake Michigan water to its customers by purchasing its water supply through a contract with the City of Oak Lawn. The water and sewer functions accounted for approximately 60.85% of the total Public Works activities. The remaining public works activities relate to maintaining the City's streets.

Public safety expenses related to the operations of the Police and Fire Departments accounted for approximately \$11.35 million or 31.74% of the total expenses.

The cost of providing employee benefits continued to increase and represents a significant factor in the overall cost increase over prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

At April 30, 2008, the governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$11.90 million. Revenues and other financing sources exceeded expenditures and other financing uses in the fiscal year by \$9.16 million. This is mainly attributable to the bond proceeds in the other financing sources.

Major Governmental Funds Highlights

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund decreased by \$(2,988,047) from the FY2007 balance of \$1,947,345. The General Fund revenues increased by \$2,861,421 (16.62%) and expenditures increased by \$4,031,364 (14.33%). The revenue increase resulted mostly from an increase in property taxes as well as additional revenue from the amphitheater. One major reason for the increase in expenditures resulted mostly from the increase in the amphitheater costs.

General Fund Budgetary Highlights

For each fiscal year, management prepares a budget for approval by the City Council. When needed, year-end budget adjustments are also made in order to provide formal spending authority for activity that took place during the year that was not anticipated when the original budget document was prepared. There were no budget adjustments for the FY2008. The table below highlights the original budget and the actual for the revenues and expenditures for the General Fund.

**Table 3
General Fund Budgetary Highlights**

	Original and Final Budgets (in 000s)	Actual (in 000s)
Revenues and financing sources		
Property Taxes	\$ 10,000	\$ 8,954
Other Taxes	4,537	4,723
All Other	6,472	6,398
Other Financing Sources	413	10,454
Total Revenues	21,422	30,529
Expenditures and financing uses		
Expenditures	25,643	30,987
Financing Uses	-	2,530
Total Expenditures	25,643	33,517
Changes in Fund Balance	\$ (4,221)	\$ (2,988)

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Financial Analysis of the City's Funds (continued)

One item that affects both the General Fund revenue and expenditures is the pension contribution to the Police and Fire Pension Funds, which amounts to \$463,547. Both the property taxes and Public Safety expenditure include this amount for financial statement purposes.

Capital Assets

At the end of the fiscal year 2008, the City had a combined total of capital assets of \$46.20 million (after accumulated depreciation of \$34.32 million) invested in a broad range of capital assets including land, building and improvements, equipment, streets, sidewalks, bridges, water mains and sewer lines. (See Table 4 below). This amount represents a net increase (including additions and deletions) of \$5.86 million from the prior year balances.

**Table 4
Total Capital Assets at Year-End
Net of Depreciation**

	Balance May 1, 2007 (in 000s)	Net Additions/Deletions (in 000s)	Balance April 30, 2008 (in 000s)
Land/Right of Way	\$ 9,943	\$ -	\$ 9,943
Land and Leasehold Improvements	1,123	147	1,270
Buildings	12,837	3,776	16,613
Vehicles and Equipment	1,233	934	2,167
Roads, Sidewalks	5,376	(351)	5,025
Street Lights	570	(35)	535
Storm Drains and Culverts	2,958	(218)	2,740
Water Storage and Distribution	1,024	(84)	940
Sanitary Sewer Lines	619	(57)	562
Water Pumping and Meters	233	(19)	214
Construction	4,415	1,771	6,186
Total Capital Assets, net	\$ 40,331	\$ 5,864	\$ 46,195

The Governmental Activities net capital assets increased over the previous fiscal year by \$6.04 million (15.8%). For the Business-Type Activities, the net capital assets decreased by \$.17 million (4.08%). These decreases were mainly due to depreciation on existing capital assets while having limited new acquisitions.

Debt Outstanding

The City has \$47.92 million of general obligation bonds outstanding as of April 30, 2008. See Note 7 for details on these outstanding obligations. During the year, the City issued \$25 million of bonds and retired \$.495 million of outstanding general obligation bonds. Being a "home-rule" governmental unit, the City is not subject to a legal debt limit.

**CITY OF COUNTRY CLUB HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Pensions

The City is managing increasing levels of costs to fund its Police, Firefighters and IMRF pension funds. As the City continues to grow and the number of employees increase, that cost will grow as well. The City is currently looking at managing the unfunded status to result in a higher funded status.

Economic Factors

The City's property tax base consists mainly of residential property. Property taxes imposed on property within the City's corporate limits provide a stable revenue source. The City continues to market the City for new commercial and industrial growth.

The financial condition of the Federal and State governments has had a dramatic effect on the City of Country Club Hills during 2008 and is expected to continue into 2009. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax) have been materially reduced. The City will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments rebound from their financial problems.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Alison Brothen, Finance Director, City of Country Club Hills, 4200 W. 183rd Street, Country Club Hills, IL 60478.

Basic Financial Statements

Government-Wide Financial Statements

City of Country Club Hills, Illinois

**Statement of Net Assets
April 30, 2008**

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 14,551,975	\$ 1,098,252	\$ 15,650,227
Investments	546,701	559,483	1,106,184
Receivables:			
Property taxes	9,592,800	-	9,592,800
Intergovernmental	39,689	-	39,689
Accounts, customers	-	491,107	491,107
Accrued interest	9,419	-	9,419
Other	2,479,111	-	2,479,111
Internal balances	(2,232)	2,232	-
Total current assets	<u>27,217,463</u>	<u>2,151,073</u>	<u>29,368,536</u>
Capital assets, not being depreciated	15,975,598	153,874	16,129,472
Capital assets, net of accumulated depreciation	28,208,993	1,856,803	30,065,796
Total noncurrent assets	<u>44,184,592</u>	<u>2,010,677</u>	<u>46,195,269</u>
 Total assets	 <u>\$ 71,402,055</u>	 <u>\$ 4,161,750</u>	 <u>\$ 75,563,805</u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

Statement of Net Assets - Continued
April 30, 2008

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current			
Line of credit	\$ 2,949,250	\$ -	\$ 2,949,250
Accounts payable	1,933,836	350,254	2,284,090
Accrued payroll	235,044	19,382	254,426
Deferred revenue	9,154,478	-	9,154,478
Deposits	581,715	66,031	647,746
Compensated absences	387,009	23,197	410,206
Installment purchase contracts	84,732	-	84,732
General obligation bonds	515,000	-	515,000
Due to fiduciary funds	463,306	-	463,306
Other liabilities	23,184	-	23,184
Total current liabilities	16,327,553	458,864	16,786,418
Noncurrent			
Installment purchase contracts	690,312	-	690,312
Net pension liability	347,820	-	347,820
Unamortized discount/premium	178,677	-	178,677
General obligation bonds	47,405,000	-	47,405,000
Total liabilities	64,949,362	458,864	65,408,226
Net Assets			
Invested in capital assets, net of related debt	6,465,133	2,010,677	8,475,810
Unrestricted (deficit)	(12,440)	1,692,209	1,679,769
Total net assets	\$ 6,452,693	\$ 3,702,886	\$ 10,155,579

See Notes to Financial Statements.

City of Country Club Hills, Illinois

Statement of Activities
Year Ended April 30, 2008

Functions/Programs	Expenses	Program Revenues		Net (Expense), Revenue and Change in Net Assets		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities						
General government	\$ 17,949,370	\$ 3,856,693	\$ 458,926	\$ (13,633,751)	\$ -	\$ (13,633,751)
Public safety	11,093,016	-	412,349	(10,680,667)	-	(10,680,667)
Public works	2,302,998	-	-	(2,302,998)	-	(2,302,998)
Interest expense	1,377,287	-	-	(1,377,287)	-	(1,377,287)
Total governmental activities	32,722,671	3,856,693	871,275	(27,994,703)	-	(27,994,703)
Business-type activities						
Water and sewer	3,575,451	3,235,077	-	-	(340,374)	(340,374)
Total	\$ 36,298,122	\$ 7,091,770	\$ 871,275	(27,994,703)	(340,374)	(28,335,077)
General revenues						
Taxes:						
Property				10,295,479	-	10,295,479
Replacement				32,337	-	32,337
Sales and use				2,831,058	-	2,831,058
Income				1,523,384	-	1,523,384
Utility				1,499,115	-	1,499,115
Other				510,697	-	510,697
Investment income				346,822	51,681	398,503
Miscellaneous				368,457	-	368,457
Transfers in (out)				248,792	(248,792)	-
Total general revenues				17,656,142	(197,111)	17,459,031
Change in net assets				(10,338,562)	(537,485)	(10,876,047)
Net assets - May 1, 2007				16,791,255	4,240,371	21,031,626
Net assets - April 30, 2008				\$ 6,452,693	\$ 3,702,886	\$ 10,155,579

See Notes to Financial Statements

Fund Financial Statements

City of Country Club Hills, Illinois

Balance Sheet - Governmental Funds
April 30, 2008

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and equivalents	\$ 1,447,600	\$ 10,740,052	\$ 2,364,323	\$ 14,551,975
Investments	546,701	-	-	546,701
Receivables				
Property taxes	8,506,242	-	1,086,558	9,592,800
Other:				
Sales and local taxes	879,163	-	-	879,163
Replacement taxes	4,884	-	-	4,884
Franchise fees	13,404	-	-	13,404
Garbage collection	226,755	-	-	226,755
Illinois income tax	479,764	-	-	479,764
Circuit court fines	6,158	-	-	6,158
Utility tax	274,845	-	-	274,845
Motor fuel tax allotments	-	-	38,420	38,420
Accrued interest	9,419	-	-	9,419
Intergovernmental	34,322	-	5,367	39,689
DCEO Grant	80,218	-	-	80,218
Prepaid items	475,500	-	-	475,500
Due from other funds	397,517	-	50,325	447,842
Total assets	\$ 13,382,492	\$ 10,740,052	\$ 3,544,993	\$ 27,667,537
Liabilities				
Accounts payable	\$ 1,908,253	\$ -	\$ 15,294	\$ 1,923,547
Accrued payroll	235,044	-	-	235,044
Bank loan payable	2,949,250	-	-	2,949,250
Refundable deposits	581,715	-	-	581,715
Deferred revenue	8,089,910	-	1,064,568	9,154,478
Due to other funds	657,630	-	244,325	901,955
Other liabilities	1,392	-	21,792	23,184
Total liabilities	14,423,194	-	1,345,979	15,769,173
Fund Balances				
Reserved for debt service	-	-	703,903	703,903
Unreserved (deficits):				
General fund	(1,040,702)	-	-	(1,040,702)
Special revenue funds	-	-	709,959	709,959
Capital projects funds	-	10,740,052	785,152	11,525,204
	(1,040,702)	10,740,052	2,199,014	11,898,364
Total liabilities and fund balances	\$ 13,382,492	\$ 10,740,052	\$ 3,544,993	\$ 27,667,537

See Notes to Financial Statements.

City of Country Club Hills, Illinois

**Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets
April 30, 2008**

Total fund balances-governmental funds	\$ 11,898,364
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.	44,184,592
Some liabilities reported in the Statement of Net Assets do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of:	
Net pension liability	(347,820)
Compensated absences	(387,009)
Installment purchase contracts	(775,044)
Unamortized discount/premium	(178,677)
General obligation bonds	(47,920,000)
A portion of the net assets of the internal service funds are included in the governmental activities in the Statement of Net Assets	<u>(21,713)</u>
Net assets of governmental activities	<u><u>\$ 6,452,693</u></u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

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

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Program:				
Charges for services	\$ 2,314,877	\$ -	\$ -	\$ 2,314,877
Licenses and permits	629,650	-	-	629,650
Intergovernmental	1,843,099	-	551,560	2,394,659
Fines and fees	401,563	-	-	401,563
General:				
Property taxes	8,954,458	-	1,341,021	10,295,479
Other taxes	4,723,082	-	150,125	4,873,207
Registration fees	510,604	-	-	510,604
Investment income	330,860	-	15,962	346,822
Miscellaneous	367,404	-	-	367,404
Total revenues	20,075,597	-	2,058,668	22,134,265
Expenditures				
Current:				
Legislative services	355,810	-	-	355,810
Executive services	319,853	-	-	319,853
Administrative services	5,921,470	-	-	5,921,470
Police department	6,768,557	-	71,507	6,840,064
Fire department	2,902,827	-	-	2,902,827
Building	876,030	-	-	876,030
Legal services	173,616	-	-	173,616
Public works department	2,172,353	-	-	2,172,353
Boards and commissions	88,413	-	-	88,413
Public relations	783,247	-	-	783,247
Ground maintenance	1,325,479	-	-	1,325,479
Oak room	90,881	-	-	90,881
Motor fuel tax projects	-	-	461,239	461,239
Community development services	-	-	138,832	138,832
Emergency preparedness	189,870	-	-	189,870
Parks and recreation	1,487,703	-	-	1,487,703
Garbage	959,838	-	-	959,838
Amphitheater	3,754,539	-	-	3,754,539
Capital outlay	2,372,165	4,425,924	935,335	7,733,424
Debt service:				
Principal	154,051	-	495,000	649,051
Interest and fiscal charges	290,863	-	1,074,134	1,364,997
Total expenditures	30,987,566	4,425,924	3,176,047	38,589,537
Excess (deficiency) of revenues over expenditures	(10,911,970)	(4,425,924)	(1,117,379)	(16,455,273)
Other financing sources (uses)				
Bond proceeds	-	25,366,517	-	25,366,517
Transfers in	10,454,333	-	2,530,410	12,984,743
Transfers (out)	(2,530,410)	(10,200,541)	(5,000)	(12,735,951)
Total other financing sources (uses)	7,923,923	15,165,976	2,525,410	25,615,309
Change in fund balance	(2,988,047)	10,740,052	1,408,031	9,160,036
Fund balances - May 1, 2007	1,947,345	-	790,983	2,738,328
Fund balances - April 30, 2008	\$ (1,040,702)	\$ 10,740,052	\$ 2,199,014	\$ 11,898,364

See Notes to Financial Statements.

City of Country Club Hills, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended April 30, 2008**

Net change in fund balances-total governmental funds	\$ 9,160,036
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets.	
Capital outlay	7,731,221
Depreciation	(1,694,513)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	649,051
Installment purchase contract proceeds is another financing source in the government funds, but increased long-term liabilities in the statement of net assets.	(757,056)
Bond proceeds is another financing source in the government funds, but increased long-term liabilities in the statements of net assets.	(25,366,517)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:	
Compensated absences	(26,782)
Amortization of prior year refunding loss	(12,290)
The change in net assets of certain activities of internal service funds, excluding depreciation, is included in governmental activities	<u>(21,713)</u>
Change in net assets of governmental activities	<u><u>\$ (10,338,562)</u></u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

Statement of Net Assets - Enterprise Fund
Year Ended April 30, 2008

Assets	
Current	
Cash and equivalents	\$ 1,098,252
Investments	559,483
Receivables:	
Accounts	491,107
Due from other funds	2,232
Total current assets	<u>2,151,073</u>
Noncurrent	
Capital assets not being depreciated	
Construction in progress	153,874
Capital assets (net of accumulated depreciation)	
Water storage and distribution	939,122
Sanitary sewer lines	562,752
Water pumping	213,788
Equipment, vehicles and office furniture and fixtures	141,141
Total noncurrent assets	<u>2,010,677</u>
Total assets	<u>\$ 4,161,750</u>
Liabilities	
Accounts payable	\$ 350,254
Accrued payroll	19,382
Deposits	66,031
Compensated absences	23,197
Total liabilities	<u>458,864</u>
Net Assets	
Invested in capital assets	2,010,677
Unrestricted	1,692,209
Total net assets	<u>\$ 3,702,886</u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

**Statement of Revenues, Expenses and Changes in Net Assets - Enterprise Fund
Year Ended April 30, 2008**

Operating revenues	
Charges for services	<u>\$ 3,235,077</u>
Operating expenses	
Operations	3,357,235
Depreciation and amortization	<u>218,216</u>
Total operating expenses	<u><u>3,575,451</u></u>
Operating loss	(340,374)
Nonoperating revenues	
Investment income	<u>51,681</u>
Loss before transfers	(288,693)
Transfers out	<u>(248,792)</u>
Net (loss)	(537,485)
Net assets - May 1, 2007	<u>4,240,371</u>
Net assets - April 30, 2008	<u><u>\$ 3,702,886</u></u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

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

Cash flows from operating activities	
Cash received from residents for services	\$ 3,134,909
Payments to employees	(806,203)
Payments to suppliers	<u>(2,371,884)</u>
Net cash used in operating activities	<u>(43,177)</u>
Cash flows from noncapital financing activities	
Decrease in due from other funds	46,625
Increase in due to other funds	<u>23,197</u>
Net cash flows provided by noncapital financing activities	<u>69,822</u>
Cash flows from investing activities	
Cash receipts from interest income	154,004
Purchases of equipment	(45,259)
Operating transfers out	<u>(248,792)</u>
Net cash flows (used in) investing activities	<u>(140,048)</u>
Net decrease in cash and equivalents	(113,403)
Cash and equivalents - May 1, 2007	<u>1,211,655</u>
Cash and equivalents - April 30, 2008	<u><u>\$ 1,098,252</u></u>

City of Country Club Hills, Illinois

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

Reconciliation of operating income to net cash
used in operating activities

Operating loss	<u>\$ (340,374)</u>
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation	218,216
Changes in assets and liabilities:	
Accounts receivable	(107,275)
Accounts payable	192,402
Accrued liabilities	12,632
Compensated absences	(25,886)
Other liabilities	<u>7,107</u>
Total adjustments	<u>297,197</u>
Net cash used in operating activities	<u><u>\$ (43,177)</u></u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

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

	Total
Assets	
Cash and equivalents	\$ 894,299
Investments:	
U.S. government and agency obligations	8,189,721
Equity mutual funds	5,464,975
Annuities	36,351
Accrued interest	60,948
Prepaid expenses	13,744
Property tax receivable	
Due from other funds	<u>605,073</u>
Total assets	<u>15,265,111</u>
Liabilities	
Accounts payable	1,861
Due to other funds	<u>141,767</u>
Total liabilities	<u>143,628</u>
Net Assets	
Held in trust for pension benefits	<u><u>\$ 15,121,483</u></u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

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

	Total
Additions	
Contributions:	
Employer	\$ 821,003
Plan member	<u>519,765</u>
	<u>1,340,768</u>
Investment income:	
Net depreciation in fair value of investments	(176,253)
Interest and dividends	<u>628,225</u>
	<u>451,972</u>
Total additions	<u>1,792,740</u>
Deductions	
Benefits and refunds	817,600
Administrative expenses	<u>127,122</u>
Total deductions	<u>944,722</u>
Net increase	848,018
Net assets held in trust for employee pension benefits:	
May 1, 2007	<u>14,273,465</u>
April 30, 2008	<u>\$ 15,121,483</u>

See Notes to Financial Statements.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The City of Country Club Hills, Illinois, is located in Cook County, Illinois and was first incorporated in 1958 under the provisions of the constitution and general statutes of the State of Illinois. The City operates under a mayor-aldermanic form of government and provides a full range of services including public safety, roads, sanitation, health, social services, education, planning, zoning, and general administrative services.

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

(a) Financial Reporting Entity

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

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

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

(b) Government-wide and Fund Financial Statements

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

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

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

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

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

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, the proprietary fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the City's funds.

The governmental funds are as follows:

General Fund - The General Fund is the general operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the revenues derived from specific sources. These resources are utilized to finance expenditures legally restricted for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, principal, interest and related costs of general long-term debt.

Capital Projects Funds - Capital projects funds are utilized to account for resources used in the acquisition or construction of major capital facilities of the City not being financed by the enterprise fund.

The proprietary fund is as follows:

The enterprise fund is used to account for the financing and operations of self-supporting activities of the City, which render services of a commercial nature on a user-charge basis to the general public.

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

The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The City has the following major governmental funds - General Fund and Capital Projects Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The City has the following major enterprise fund - Water and Sewer Fund. The City has no other enterprise funds.

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the City and accounted for in the general fund include general government, public safety and public works.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Projects –It accounts for the City's major construction projects. All activities necessary to undertake and complete these construction projects are accounted for in this fund including administration and contractual services.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the City has a legal claim to the resources. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

(d) *Assets, liabilities, and net assets or equity*

1. Cash and Cash Equivalents

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

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

2. Investments

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

3. Interfund Receivables, Payables and Activity

The City has the following types of transactions between funds:

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

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

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

4. Capital Assets

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

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

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

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

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

	<u>Estimated Useful Lives</u>
Land improvements	15 years
Vehicles	3 - 5 years
Equipment	5 years
Buildings	40 years
Roads	40 years
Sidewalks	40 years
Storm drainage	40 years
Streetlights	40 years
Culverts	40 years
Water storage and distribution	10 - 40 years
Sanitary sewer lines	40 years
Water pumping	10 - 40 years
Meters	15 years

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

5. Deferred Revenue

The City defers revenue recognition in connection with resources that have been received or are receivable, but not yet earned.

6. Compensated Absences

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However an expenditure/expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement.

7. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Bond premiums and discounts, as well as issuance costs or gains or losses on bond sales, are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs or gains or losses on bond sales, during the year the bonds are sold. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

8. Fund Equity

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

9. Capital Contributions

Capital contributions reported in the governmental and business-type activities represent capital assets donated from outside parties, principally developers.

10. Elimination and Reclassification

In the process of aggregating data for the Government-Wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the Fund Financial Statements are eliminated or reclassified.

(e) Accounting Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

Note 2. Stewardship, Compliance and Accountability

(a) Budgetary Information

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

- i. The City Manager submits to the City Council a proposed operating budget ordinance, which serves as a budget, for the fiscal year commencing the following May 1. The operating budget ordinance includes proposed expenditures and the means of financing them.
- ii. Public hearings are conducted by the City to obtain taxpayer comments.
- iii. Subsequently, the budget is legally enacted through passage of an ordinance.
- iv. Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital projects funds.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 2. Stewardship, Compliance and Accountability (continued)

- v. Budgets for the general, special revenue, debt service and the capital projects funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- vi. Budgetary authority lapses at year-end.
- vii. State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds would require City Council approval. Legal budgetary control is maintained at fund level.
- viii. Budgeted amounts are as originally adopted.

b) Budget Overexpenditures

The following governmental funds overexpended their budget for the year ended April 30, 2008:

	Budget	Actual
Major Funds		
General	\$ 25,643,445	\$ 30,987,566
Nonmajor Funds		
Community Development		
Block Grant Fund	100,000	138,832
Water and Sewer		
Fund	3,870,117	3,824,243

(c) Deficit Fund Balances

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

	Amount	Intended Financing
General Fund	\$ (1,040,702)	Future charges for services
Nonmajor Governmental Funds:		
Community Development Block Grant (Special Revenue)	(77,590)	Future grant revenues

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 3. Cash and Investments

The City's investment policy is to establish cash management and investment guidelines for City Officials responsible for the stewardship of public funds. The City has established specific objectives to meet their guidelines.

The City deposits and invests all its monies in investments allowed by state statutes. The statutes authorize the City to make deposits in commercial banks and savings and loan institutions, and make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may also invest in other investments as allowed by Illinois Compiled Statutes.

Subsequent to year-end, the credit and liquidity crisis in the United States and throughout the global financial system has resulted in substantial volatility in financial markets and the banking system. These and other economic events have had a significant adverse impact on investment portfolios. As a result, the City's investments have likely incurred a significant decline in fair value since April 30, 2008.

(a) Deposits

Custodial Credit Risks – Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City does not have a policy for custodial credit risk.

(b) Investments

Investments

As of April 30, 2008, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Agencies	\$ 8,189,721	\$ 541,656	\$ 2,632,572	\$ 1,021,267	\$ 3,994,226

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

Credit Risk – State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes. The City's investment policy follows state statutes.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (continued)

As of April 30, 2008 the City's investments in U.S. Government agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The City's investments in bond mutual funds were not rated.

Concentration of Credit Risk – The City's investment policy does not restrict the amount of investments in any one issuer. As of April 30, 2008, more than 5% of the City's investments are in (a) U.S. Government Agencies FNMA (5.68%) and (b) stock equities (9.76%).

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

The City has certificates of deposit totaling \$1,106,184, equity securities totaling \$5,464,975 and annuities totaling \$36,351 as of April 30, 2008, which are not included in the investments above.

The above deposits and investments totaling \$31,341,757 are reported in the financial statements as follows:

Governmental and business-type activities:

Cash and cash equivalents	\$ 15,650,227
Investments	1,106,184
	<u>16,756,411</u>

Fiduciary funds:

Cash and cash equivalents	894,299
Investments	13,691,047
	<u>14,585,346</u>

Total	<u><u>\$ 31,341,757</u></u>
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Note 4. Property Taxes

The City annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the City Council. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by the County and issued on or about February 1 and September 1, and are payable in two installments which become delinquent on or about March 1 and October 1.

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

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 5. Capital Assets

Governmental Activities

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

	Balance, May 1, 2007	Additions	Deletions and Transfers	Balance, April 30, 2008
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,874,826	\$ -	\$ -	\$ 2,874,826
Right of way	7,068,118	-	-	7,068,118
Construction in progress	4,261,522	6,150,136	4,379,003	6,032,655
	<u>14,204,465</u>	<u>6,150,136</u>	<u>4,379,003</u>	<u>15,975,598</u>
Capital assets being depreciated:				
Land improvements	2,065,177	157,899	-	2,223,076
Buildings	14,693,596	4,249,949	-	18,943,545
Equipment	1,033,321	554,965	-	1,588,286
Vehicles	2,577,292	870,647	-	3,447,939
Roads	10,956,162	-	-	10,956,162
Sidewalks	5,271,645	-	-	5,271,645
Storm drainage	9,382,692	-	-	9,382,692
Streetlights	1,531,103	-	-	1,531,103
Culverts	716,975	-	-	716,975
Leasehold Improvements	-	126,629	-	126,629
	<u>48,227,963</u>	<u>5,960,088</u>	<u>-</u>	<u>54,188,052</u>
Less accumulated depreciation for:				
Land improvements	941,543	137,545	-	1,079,089
Buildings	1,856,978	473,589	-	2,330,567
Equipment	414,915	162,149	-	577,065
Vehicles	2,116,401	316,958	-	2,433,359
Roads	7,222,335	233,893	-	7,456,228
Sidewalks	3,629,391	117,384	-	3,746,775
Storm drainage	6,449,929	209,669	-	6,659,599
Streetlights	961,187	34,955	-	996,142
Culverts	691,865	8,370	-	700,235
	<u>24,284,546</u>	<u>1,694,513</u>	<u>-</u>	<u>25,979,058</u>
Total capital assets being depreciated, net	<u>23,943,418</u>	<u>4,265,576</u>	<u>-</u>	<u>28,208,993</u>
Governmental activities capital assets, net	<u>\$ 38,147,883</u>	<u>\$ 10,415,711</u>	<u>\$ 4,379,003</u>	<u>\$ 44,184,592</u>

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 5. Capital Assets (continued)

Business-Type Activities

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

	Balance, May 1, 2007	Additions	Deletions	Balance, April 30, 2008
Business-type activities				
Capital assets not being depreciated:				
Construction in progress	\$ 153,874	\$ -	\$ -	\$ 153,874
Capital assets being depreciated:				
Water storage and distribution	5,517,554	-	-	5,517,554
Sanitary sewer lines	2,265,980	-	-	2,265,980
Water pumping	839,660	-	-	839,660
Meters	660,366	-	-	660,366
Equipment, vehicles and office furniture and fixtures	873,536	45,259	-	918,795
	<u>10,157,096</u>	<u>45,259</u>	<u>-</u>	<u>10,202,355</u>
Less accumulated depreciation for:				
Water storage and distribution	4,494,008	84,424	-	4,578,432
Sanitary sewer lines	1,646,578	56,650	-	1,703,228
Water pumping	606,611	19,261	-	625,872
Meters	660,366	-	-	660,366
Equipment, vehicles and office furniture and fixtures	719,773	57,881	-	777,654
	<u>8,127,336</u>	<u>218,216</u>	<u>-</u>	<u>8,345,552</u>
Total capital assets being depreciated, net	<u>2,029,760</u>	<u>(172,957)</u>	<u>-</u>	<u>1,856,803</u>
Total Business-type activities capital assets, net	<u>\$ 2,183,634</u>	<u>\$ (172,957)</u>	<u>\$ -</u>	<u>\$ 2,010,677</u>

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 5. Capital Assets (continued)

Depreciation Charged to Functions / Activities

Depreciation was charged to functions/activities as follows:

Governmental activities:

General government	\$ 778,793
Public safety	634,077
Public works	281,642
	<u>\$ 1,694,513</u>

Business-type activities:

Water and sewer	<u>\$ 218,216</u>
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Note 6. Line of Credit

The City has an unsecured revolving line-of-credit agreement with First Midwest Bank and Trust, which provides for borrowings up to \$10 million. The City used \$10 million from the 2007 general obligation bond proceeds to pay down the outstanding balance. No amounts were outstanding under the line-of-credit agreement at April 30, 2008. The line-of-credit agreement expires on October 30, 2008. The interest rate is at 4.37%.

The City has an unsecured revolving line-of-credit agreement with Charter One, which provides for borrowings up to \$2,950,000. \$2,949,250 was outstanding under the line-of-credit agreement at April 30, 2008. The line-of-credit agreement expires on December 31, 2009. The interest rate is at 4.2%.

Interest expense of \$290,863 was paid out of the General Fund during the fiscal year ending April 30, 2008.

Note 7. Long-Term Obligations

Governmental Activities

The following is a summary of long-term obligation activity for the City associated with governmental activities for the year ended April 30, 2008:

	General Obligation Bonds	Unamortized Discount/ Premium	Installment Purchase Contracts	Total
Outstanding debt as of May 1, 2007	\$ 23,415,000	\$ (200,130)	\$ 172,039	\$ 23,386,909
Debt issued	25,000,000	366,517	757,056	26,123,573
Debt retired	(495,000)	-	(154,051)	(649,051)
Amortization of costs	-	12,290	-	12,290
Outstanding debt as of April 30, 2008	<u>\$ 47,920,000</u>	<u>\$ 178,677</u>	<u>\$ 775,044</u>	<u>\$ 48,873,721</u>
Due within one year	<u>\$ 515,000</u>	<u>\$ -</u>	<u>\$ 84,732</u>	<u>\$ 599,732</u>

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 7. Long-Term Obligations (continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the City for general obligation bonds are as follows:

Fiscal year	General Obligation Bonds		Installment Purchase Contracts	
	Principal	Interest	Principal	Interest
2009	\$ 515,000	\$ 2,318,600	\$ 84,732	\$ 30,805
2010	535,000	2,223,168	63,210	32,900
2011	555,000	2,202,838	66,223	29,888
2012	575,000	2,181,748	69,379	26,732
2013	595,000	2,159,898	72,686	23,425
2014	1,355,000	2,138,533	76,150	19,961
2015	1,415,000	2,084,021	79,779	16,331
2016	1,465,000	2,028,043	83,582	12,529
2017	1,525,000	1,969,081	87,565	8,546
2018	1,590,000	1,907,008	91,738	4,372
2019	1,655,000	1,841,935	-	-
2020	1,860,000	1,775,365	-	-
2021	1,955,000	1,690,915	-	-
2022	2,045,000	1,593,165	-	-
2023	2,145,000	1,490,915	-	-
2024	2,250,000	1,383,665	-	-
2025	2,355,000	1,278,321	-	-
2026	2,470,000	1,168,040	-	-
2027	2,590,000	1,044,540	-	-
2028	2,720,000	915,040	-	-
2029	2,855,000	781,730	-	-
2030	2,990,000	641,800	-	-
2031	3,140,000	495,250	-	-

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 7. Long-Term Obligations (continued)

Debt outstanding as of April 30, 2008, consists of the following:

General Obligation Bonds:

A general obligation refunding bond issue dated November 1, 2003 requires annual payments of principal of \$495,000 in 2008, \$515,000 in 2009, \$535,000 in 2010, \$555,000 in 2011, \$575,000 in 2012, and \$180,000 in 2013. Interest is payable at a fixed rate of 3.8%. The General Obligation Bond fund is responsible for 74.21% and the Tax Incremental Finance Bond fund is responsible for 25.79% of this debt. \$ 2,360,000

A general obligation refunding bond issue dated November 1, 2003 requires annual payments of principal of \$415,000 in 2013, \$615,000 in 2014, \$640,000 in 2015, \$660,000 in 2016, \$685,000 in 2017, \$715,000 in 2018 and \$740,000 in 2019. Interest is payable at rates varying from 3.5% to 4.05%. The General Obligation Bond fund is responsible for 74.21% and the Tax Incremental Finance Bond fund is responsible for 25.79% of this debt. 4,470,000

A general obligation sales tax bond issue dated May 4, 2006 requires annual payments of principal of \$910,000 in 2020, \$955,000 in 2021, \$1,005,000 in 2022, \$1,055,000 in 2023, \$1,105,000 in 2024, \$1,160,000 in 2025, \$1,220,000 in 2026, \$1,280,000 in 2027, \$1,345,000 in 2028, \$1,410,000 in 2029, \$1,475,000 in 2030, \$1,545,000 in 2031 and \$1,625,000 in 2032. Interest is payable at a variable from 4.8% - 5.0%. The General Obligation Bond fund is responsible for this debt. 16,090,000

A general obligation bond issue dated October 22, 2007 requires annual payments of principal of \$740,000 in 2014, \$775,000 in 2015, \$805,000 in 2016, \$840,000 in 2017, \$875,000 in 2018, \$915,000 in 2019, \$950,000 in 2020, \$1,000,000 in 2021, \$1,040,000 in 2022, \$1,090,000 in 2023, \$1,145,000 in 2024, \$1,195,000 in 2025, \$1,250,000 in 2026, \$1,310,000 in 2027, \$1,375,000 in 2028, \$1,445,000 in 2029, \$1,515,000 in 2030, \$1,595,000 in 2031, \$1,675,000 in 2032 and \$3,465,000 in 2033. Interest is payable at a variable from 4.25% - 5.0%. The General Obligation Bond fund is responsible for this debt. 25,000,000

Total General Obligation Bonds

\$ 47,920,000

Installment Purchase Contracts:

A master equipment lease-purchase agreement requires an annual payment of principal of \$17,988 in 2009. Interest is payable at a fixed rate of 8.0%. \$ 17,988

A master equipment lease-purchase agreement dated September 26, 2007 requires annual payments of principal of \$66,744 in 2009, \$63,210 in 2010, \$66,223 in 2011, \$69,379 in 2012, \$72,686 in 2013, \$76,150 in 2014, \$79,779 in 2015, \$83,582 in 2016, \$87,565 in 2017 and \$91,738 in 2018. Interest is payable at a fixed rate of 4.77%. 757,056

\$ 775,044

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments

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

Illinois Municipal Retirement Fund

The City's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The City is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2007 was 9.27 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The remaining amortization period at December 31, 2007, was 25 years.

For April 30, 2008, the City's annual pension cost of \$416,822 was equal to the City's required and actual contributions. The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .4% to 10% per year, depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2007 actuarial valuation were based on the 2002-2004 Experience Study.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
04/30/08	\$ 416,822	100 %
04/30/07	321,357	100
04/30/06	218,794	100

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Police Pension

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The City accounts for the Plan as a pension trust fund. The Plan does not issue separate financial statements.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. The member rate is determined by state statute. The City is required to contribute at an actuarially determined rate. The employer rate for fiscal year ended April 30, 2007 was 0% of covered payroll. For the fiscal year ended April 30, 2008, the City's contribution was \$605,073.

The City's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2007 (latest available), were as follows:

Annual required contribution	\$ 395,180
Interest on net pension obligation	(1,542)
Adjustment to annual requirement contribution	1,051
Annual pension cost	<u>394,689</u>
Contributions made	-
Increase in net pension liability	<u>394,689</u>
Net pension asset, beginning of year	<u>(22,027)</u>
Net pension liability, end of year	<u><u>\$ 372,662</u></u>

The annual required contribution for the year ended April 30, 2007 was determined as part of the April 30, 2007 actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return, (b) projected salary increases of 5.0%, (c) 3.0% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2007 is 26 years.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed
04/30/08	*	*	*
04/30/07	\$ 394,689	\$ -	- %
04/30/06	*	*	*
04/30/05	395,418	427,040	108.0
04/30/04	*	*	*
04/30/03	328,711	339,341	103.2
04/30/02	*	*	*
04/30/01	211,286	185,464	87.8

*Actuarial valuation reports were not performed for the years ended April 30, 2008, 2006, 2004 or 2002.

Membership in the plan consisted of the following as of April 30, 2006 (latest available):

Retirees and beneficiaries receiving benefits	11
Terminated plan members entitled to but not yet receiving benefits	1
Active vested plan members	16
Active nonvested plan members	19
	<hr/>
Total members	47
	<hr/> <hr/>

Firefighters' Pension

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The City accounts for the Plan as a pension trust fund. The Plan does not issue separate financial statements.

Covered employees are required to contribute 9.45% of their salary to the Firefighters' Pension Plan. The City is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2007 was 10.82% of covered payroll. For the fiscal year ended April 30, 2008, the City's contribution was \$215,930.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (continued)

The City's annual pension cost and net pension obligation to the Plan for the fiscal year ended April 30, 2006 (latest available), was as follows:

Annual required contribution	\$ 93,399
Interest on net pension obligation	(1,136)
Adjustment to annual requirement contribution	753
Annual pension cost	<u>93,016</u>
Contributions made	<u>101,632</u>
(Increase) in net pension asset	(8,616)
Net pension asset, beginning of year	<u>(16,226)</u>
 Net pension asset, end of year	 <u><u>\$ (24,842)</u></u>

The required contribution for the year ended April 30, 2007, was determined as part of the April 30, 2007, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.00% investment rate of return, (b) projected salary increases of 5.00%, (c) 3.00% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.00%. The actuarial value of Firefighters' Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Firefighters' Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2007, is 27 years.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contributions Made	Percentage of APC Contributed
04/30/2008	*	*	*
04/30/2007	\$ 93,016	\$ 101,632	109.3 %
04/30/2006	*	N/A	N/A
04/30/2005	93,149	99,270	106.6
04/30/2004	*	*	*
04/30/2003	73,253	83,358	113.8
04/30/2002	*	*	*
04/30/2001	28,755	28,755	100.0

*An actuarial report was not performed for the years ended April 30, 2008, 2006, 2004 or 2002.

Membership in the plan consisted of the following as of April 30, 2006 (latest available):

Retirees and beneficiaries receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	7
Active nonvested plan members	<u>8</u>
 Total members	 <u><u>18</u></u>

Note 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Intergovernmental Risk Management Agency (IRMA) which is a public entity risk pool. The City pays annual premiums to IRMA for its workers' compensation, general liability and property coverage. The Cooperative agreement provides that IRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of various individually determined limits.

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

The City, along with IRMA's other members, has a contractual obligation to fund any deficit of IRMA attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. There have been no supplemental contributions in any of the past three years.

The City purchases commercial insurance to cover its employees for health and accident claims.

The City has not had significant reductions in insurance coverage in recent years nor did settlements exceed insurance coverage in any of the last three years.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 10. Other Fund Disclosures (FFS Level Only)

Individual fund interfund receivable and payable balances as of April 30, 2008, were as follows:

	Due from	Due to
Major Governmental Funds:		
General:		
Nonmajor governmental:		
Emergency Telephone System	\$ 1,620	\$ -
Community Block Grant	198,027	-
Debt Service	42,454	-
Motor Fuel Tax	2,224	-
Tax Incremental Redevelopment Project Area	-	50,325
Major business, Water and Sewer	-	2,232
Fiduciary:		
Police Pension	-	605,073
Fire Pension	141,766	-
	<u>386,091</u>	<u>657,630</u>
Major Business-Type Fund:		
Water and Sewer,		
General	2,232	-
Nonmajor Governmental Funds:		
Motor Fuel Tax, General	-	2,224
Community Development Block Grant, General	-	198,027
Emergency Telephone System, General	-	1,620
Tax Incremental Finance Bond, Tax Incremental Redevelopment Project Area	50,325	-
General Obligation Bond, General	-	42,454
	<u>50,325</u>	<u>244,325</u>
Fiduciary:		
Police Pension,		
General	605,073	-
Fire Pension,		
General	-	141,766
	<u>-</u>	<u>141,766</u>
Total	<u>\$ 1,043,721</u>	<u>\$ 1,043,721</u>

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 10. Other Fund Disclosures (FFS Level Only) (continued)

Interfund transfers for the year ended April 30, 2008, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major:		
General	\$ 10,454,333	\$ 2,530,410
Capital Projects	-	10,200,541
Water and Sewer	-	248,792
Nonmajor Governmental:		
Debt Service	1,369,754	-
Capital Projects	1,160,656	5,000
	<hr/>	<hr/>
Total	\$ 12,984,743	\$ 12,984,743

Transfers are used to a.) move receipts from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to reimburse for certain administrative costs; b.) move receipts restricted to debt service from the fund collecting the receipts to the debt service funds.

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 11. Individual Pension Plan Financial Statement Information as of and for the Year Ended April 30, 2008

Fiduciary Net Assets:

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and equivalents	\$ 708,280	\$ 186,019	\$ 894,299
Investments:			
U.S. government and agency obligations	4,736,535	3,453,186	8,189,721
Equity mutual funds	4,228,527	1,236,448	5,464,975
Annuities	-	36,351	36,351
Accrued interest	35,429	25,519	60,948
Prepays	13,744	-	13,744
Due from other funds	605,073	-	605,073
	<hr/>		
Total assets	10,327,588	4,937,523	15,265,111
Liabilities			
Accounts payable	-	1,861	1,861
Due to other funds	-	141,767	141,767
	<hr/>		
Total liabilities	-	143,628	143,628
Net Assets			
Held in trust for pension benefits	\$ 10,327,587	\$ 4,793,896	\$ 15,121,483

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 11. Individual Pension Plan Financial Statement Information as of and for the Year Ended April 30, 2008 (continued)

Changes in Fiduciary Net Assets:

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 605,073	\$ 215,930	\$ 821,003
Plan member	422,297	97,468	519,765
	<u>1,027,370</u>	<u>313,398</u>	<u>1,340,768</u>
Investment income:			
Net depreciation in fair value of investments	(158,862)	(17,391)	(176,253)
Dividends	148,792	-	148,792
Interest	287,805	191,628	479,433
	<u>277,735</u>	<u>174,237</u>	<u>451,972</u>
Total additions	<u>1,305,105</u>	<u>487,635</u>	<u>1,792,740</u>
Deductions			
Benefits and refunds	538,099	279,501	817,600
Administrative expenses	97,140	29,982	127,122
Total deductions	<u>635,239</u>	<u>309,483</u>	<u>944,722</u>
Net increase	669,866	178,152	848,018
Net assets held in trust for employee pension benefits:			
May 1, 2007	<u>9,657,721</u>	<u>4,615,744</u>	<u>14,273,465</u>
April 30, 2008	<u>\$ 10,327,587</u>	<u>\$ 4,793,896</u>	<u>\$ 15,121,483</u>

City of Country Club Hills, Illinois

Notes to Financial Statements

Note 12. New Governmental Accounting Standards

GASB Statement No. 43, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*, will be effective for the City beginning with its year ending April 30, 2009. This Statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, will be effective for the City beginning with its year ending April 30, 2010. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplementary information in the financial reports of state and local governments.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. This Statement will become effective for the year ending April 30, 2009.

GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*, more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed on the notes to the financial statement or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. This Statement will be effective for the City beginning with its year ending April 30, 2009.

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

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, more appropriately reports the resources available in endowments and more closely aligns financial reporting with the objectives of endowments. It results in property held for similar purposes by comparable entities being reported in the same manner. Reporting land and other real estate held as investments at fair value enhances users' ability to meaningfully evaluate an entity's investment decisions and performance. This Statement will be effective for the City beginning with its year ending April 30, 2010.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these statements on its financial statements.

Required Supplemental Information

City of Country Club Hills, Illinois

**Schedule of Funding Progress
April 30, 2008**

Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2007	\$ 5,745,291	\$ 6,528,548	\$ 783,257	88.00 %	\$ 4,093,445	19.13 %
12/31/2006	5,284,281	5,889,281	605,267	89.72	3,194,052	18.95
12/31/2005	4,438,897	4,567,546	128,649	97.18	2,409,209	5.34
12/31/2004	4,366,184	4,506,859	140,675	96.88	2,177,824	6.46
12/31/2003	4,015,762	3,843,695	(172,067)	104.48	1,918,095	(8.97)
12/31/2002	3,686,858	3,356,489	(330,369)	109.84	1,837,944	(17.97)
12/31/2001	3,694,105	3,289,298	(404,807)	112.31	1,804,956	(22.43)
12/31/2000	3,191,359	2,720,539	(470,820)	117.31	1,619,187	(29.08)
12/31/1999	3,186,596	2,779,257	(407,339)	114.66	1,577,096	(25.83)
12/31/1998	3,022,165	2,993,617	(28,548)	100.95	1,576,784	(1.81)

The 2007 actuarial valuation information is based on the assumptions derived from the 2002-2004 experience study. The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For regular members, fewer normal and more early retirements are expected to occur.

City of Country Club Hills, Illinois

**Schedule of Funding Progress
Required Supplemental Information
Police Pension Fund**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) Entry Age (b)	Actuarial Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(Overfunded) UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2008	*	*	*	*	*	*
04/30/2007	\$ 8,795,151	\$ 15,556,059	\$ 6,760,908	56.5	\$ 2,423,623	279.0
04/30/2006	*	*	*	*	*	*
04/30/2005	8,243,955	12,281,433	4,037,478	67.1	1,954,800	206.5
04/30/2004	*	*	*	*	*	*
04/30/2003	6,753,081	9,766,629	3,013,548	69.1	1,659,550	181.6
04/30/2002	*	*	*	*	*	*
04/30/2001	6,794,738	8,654,546	1,859,808	78.5	1,585,977	117.3

* - Actuarial valuation reports were not prepared for the years ended April 30, 2008, 2006, 2004 or 2002.

Information is presented for all applicable years.

City of Country Club Hills, Illinois

**Required Supplemental Information
Schedule of Funding Progress
Firefighters' Pension Fund
April 30, 2008**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2008	*	*	*	*	*	*
04/30/2007	\$ 4,216,478	\$ 5,037,029	\$ 820,551	83.7	\$ 939,256	87.4
04/30/2006	*	*	*	*	*	*
04/30/2005	3,887,055	4,576,261	689,206	84.9	769,782	89.5
04/30/2004	*	*	*	*	*	*
04/30/2003	3,500,302	3,334,712	(165,590)	105.0	624,015	(26.5)
04/30/2002	*	*	*	*	*	*
04/30/2001	2,816,003	3,128,467	312,464	90.0	397,620	78.6

* - Actuarial valuation reports were not prepared for the years ended April 30, 2008, 2006, 2004 or 2002.

Information is presented for all applicable years.

City of Country Club Hills, Illinois

**Schedule of Employer Contributions
April 30, 2008**

Illinois Municipal Retirement Fund

Fiscal Year	Annual Required Contribution	Percentage Contributed
2008	\$ 416,822	100%
2007	321,357	100%
2006	218,794	100%
2005	171,082	100%
2004	124,615	100%
2003	111,039	100%
2002	99,716	100%
2001	119,597	100%

Police Pension Fund

Fiscal Year	Annual Required Contribution	Percentage Contributed
2008	*	*
2007	\$ 395,180	0%
2006	*	*
2005	395,180	108%
2004	*	*
2003	328,165	103%
2002	*	*
2001	211,448	87.7%

City of Country Club Hills, Illinois

**Schedule of Employer Contributions
April 30, 2008**

Firefighters' Pension Fund

Fiscal Year	Annual Required Contribution	Percentage Contributed
2008	*	*
2007	\$ 93,399	109%
2006	*	*
2005	93,399	106%
2004	*	*
2003	73,253	100%
2002	*	*
2001	28,755	100%

City of Country Club Hills, Illinois

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended April 30, 2008**

	Original and Final Budget	Actual
Revenues:		
Taxes:		
Property	\$ 10,000,000	\$ 8,954,458
Sales	2,400,000	2,831,058
Utility	1,500,000	1,499,115
Real estate transfer	600,000	353,507
Personal property replacement	30,000	32,337
Foreign fire insurance	6,200	7,065
Licenses and fees:		
Vehicle licenses	265,000	247,471
Cablevision fees	145,000	117,729
Other licenses	103,300	63,439
Intergovernmental:		
State income tax	1,280,500	1,523,384
Grants	846,500	319,715
Charges for services:		
Amphitheater	1,480,000	1,091,514
Garbage collection fees	1,025,000	1,007,845
Building permits and zoning board	175,000	93,247
Permits and inspections	123,500	122,270
Registration fees	197,700	510,604
Ambulance service fees	175,000	201,010
Fines and forfeitures,		
Traffic and circuit court fines	330,000	401,563
Interest	100,000	330,860
Reimbursement	7,000	28,858
Miscellaneous	218,630	338,547
Total revenues	21,008,330	20,075,597

(continued)

City of Country Club Hills, Illinois

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
General Fund**

Year Ended April 30, 2008

	Original and Final Budget	Actual
Expenditures:		
Current:		
Legislative services	\$ 338,834	\$ 355,810
Executive services	328,717	319,853
Administrative services	3,994,725	5,921,470
Police department	6,561,638	6,768,557
Fire department	2,778,597	2,902,827
Community development	938,429	876,030
Legal services	269,600	173,616
Public works department	1,976,208	2,172,353
Boards and commissions	132,305	88,413
Public relations	811,147	783,247
Ground maintenance	1,181,586	1,325,479
Oak room	86,766	90,881
Emergency preparedness	159,750	189,870
Parks and recreation	1,223,763	1,487,703
Garbage	900,170	959,838
Amphitheater	2,499,210	3,754,539
Capital Projects	1,462,000	2,372,165
Debt service		
Principal	-	154,051
Interest	-	290,863
Total expenditures	<u>25,643,445</u>	<u>30,987,566</u>
Excess revenues or (expenditures)	<u>(4,635,115)</u>	<u>(10,911,970)</u>
Other financing sources (uses)		
Transfers out	-	(2,530,410)
Transfers in	413,792	10,454,333
Total other financing sources	<u>413,792</u>	<u>7,923,923</u>
Change in fund balance	<u>\$ (4,221,323)</u>	(2,988,047)
Fund balance:		
May 1, 2007		<u>1,947,345</u>
April 30, 2008		<u>\$ (1,040,702)</u>

City of Country Club Hills, Illinois

Note to Required Supplemental Information

Note 1. Budgetary Basis of Accounting

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

Supplemental Information

City of Country Club Hills, Illinois

**Balance Sheet
General Fund
April 30, 2008**

Assets

Cash and cash equivalents	\$	1,447,600
Investments		546,701
Receivables:		
Property taxes		8,506,242
Intergovernmental:		
Sales tax		879,163
Replacement taxes		4,884
Franchise fees		13,404
Garbage collection		226,755
State income tax		479,764
Circuit court fines		6,158
Utility tax		274,845
Accrued interest		9,419
Other		34,322
DCEO Grant		80,218
Prepaid		475,500
Due from other funds		397,517
		<hr/>
Total assets	\$	13,382,492

Liabilities and Fund Balance

Liabilities		
Accounts payable	\$	1,908,253
Bank loan payable		2,949,250
Accrued payroll		235,044
Deposits		581,715
Deferred revenue		8,089,910
Due to other funds		657,630
Other liabilities		1,392
		<hr/>
Total liabilities		14,423,194
Fund Balance - Unreserved		(1,040,702)
		<hr/>
Total liabilities and fund balance	\$	13,382,492

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2008**

	Budget	Actual
Legislative services:		
Personnel services, Alderman	\$ 243,834	\$ 210,117
Other operating expenditures	5,000	33,368
Professional development, personal training and conferences	90,000	112,324
	<u>338,834</u>	<u>355,810</u>
Executive services:		
Personnel services:		
Mayor	128,700	130,531
Treasurer	30,030	30,035
City Clerk	28,560	28,558
Unemployment compensation	207	-
IMRF	16,987	17,352
FICA	14,328	14,329
Group insurance	10,000	10,139
Operating expenditures:		
Office supplies	1,500	543
Other operating costs	21,200	4,805
Professional development:		
Membership dues and subscriptions	580	557
Personnel training and conferences	50,000	59,008
Dues	12,625	8,219
Other equipment /install purchase	14,000	15,777
	<u>328,717</u>	<u>319,853</u>
Administrative services:		
Personnel services:		
City Manager	117,549	120,954
Payroll/Benefits Coordinator	49,440	53,150
Finance Director	103,657	106,011
Collector	62,208	62,213
Fleet Manager	44,908	44,907
Accounts Pay/Licensing	42,024	42,675
Network administrator	54,211	54,205
Risk Manager	55,000	58,908
Public safety network administrator	41,880	42,522
Administrative clerk	36,050	37,133
Administrative assistants	211,675	225,674
Special project / grant coordinator	52,242	50,359
Part-time help	165,000	212,607
Overtime pay	5,000	3,196
Unemployment compensation	5,175	6,128
IMRF	93,588	96,262
FICA	79,625	82,614
Group insurance	174,333	207,196
Operating expenditures:		
Office supplies	19,000	21,274
Books and maps	800	2,027
Postal charges	17,000	14,394
Other operating costs	70,000	23,583
Petroleum products	5,000	1,033
Auto allowance	800	947
Motor vehicle maintenance	3,000	20,199
Clothing - Uniforms	-	41,343
Office equipment maintenance	7,700	7,613
Licensing and permit supplies	7,200	3,996
Incentive payments	1,135,000	2,341,891

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (continued)
Year Ended April 30, 2008**

	Budget	Actual
Administrative services: (continued)		
Outside services:		
Other professional services	\$ 81,800	\$ 292,404
Accounting and auditing services	97,500	121,853
Computer maintenance and supplies	40,875	44,507
Advertising	5,000	5,512
Printing	9,000	6,418
Banking fees	3,000	10,457
Telephone and fax	46,000	72,314
Casualty liability	1,000,000	463,640
Professional development:		
Membership dues and subscriptions	5,235	3,987
Personnel training and conferences	9,750	47,437
Equipment purchases - other	37,500	46,925
Employer pension contribution	-	821,003
	3,994,725	5,921,470
Police Department:		
Personnel services:		
Chief	106,111	106,101
Lieutenants	348,825	281,086
Deputy chief	96,809	98,923
Sergeants	449,336	385,664
Patrol officers/detectives	1,512,915	1,728,768
Telecomm operators/supervisor	468,014	401,942
Crossing guards	34,420	30,818
Deputy commander of CSO	-	73,549
Full time CSO	184,836	180,201
Police records clerks/supervisor	133,534	135,073
Part-time help	630,000	725,464
Overtime pay	310,500	190,367
Sick day buy-back	12,000	925
Unemployment compensation	20,700	25,088
IMRF	156,175	103,029
FICA	327,657	338,057
Group insurance	677,956	621,989
Canine allowance	7,800	7,783
Operating expenditures:		
Office supplies	11,500	12,771
Postal charges	8,500	15,798
Petroleum products	85,000	169,540

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Police Department: (continued)		
Operating expenditures: (continued)		
Other operating costs	\$ 16,000	\$ 20,551
Motor vehicle maintenance	85,000	195,368
Shooting range maintenance	20,000	12,759
Community relations programs	16,200	8,435
Auto allowance	575	3,456
Clothing - uniforms	74,475	142,296
Training materials costs	60,750	42,154
Office equipment maintenance	16,500	7,821
Government building maintenance	76,900	166,495
Radio maintenance	56,700	90,007
Outside services:		
Other professional services	40,550	182,979
Computer maintenance supplies	69,600	106,882
Advertising	1,000	4,291
Printing	7,500	5,316
Animal control services	4,500	3,465
Telephone and fax	50,000	41,822
Professional development:		
Membership dues and subscriptions	13,200	8,279
Equipment purchases,		
Other equipment	54,100	10,084
Other equipment/Install Purchase	30,000	52,869
Motor vehicle equipment	285,500	30,291
	<u>6,561,638</u>	<u>6,768,557</u>
Fire Department:		
Personnel services:		
Part-time help	280,000	545,147
Overtime pay	75,000	15,823
Unemployment compensation	12,420	9,491
FICA	38,371	52,659
Group insurance	224,755	219,992
Canine allowance	9,000	9,000
Fire Chief	111,572	111,571
Lieutenants	222,822	234,700
Deputy Chief	88,168	88,171
Assistant Chief	88,651	88,650
Engineer	197,796	210,970
Firefighters	497,073	525,256

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Fire Department: (continued)		
Operating expenditures:		
Office supplies	\$ 7,000	\$ 1,915
Postal supplies	1,200	682
Cleaning supplies	2,000	2,640
Petroleum products	17,000	6,017
Miscellaneous operating expenditures	13,000	18,898
Small tools/equipment	11,000	7,093
Medical/hazardous materials supplies	10,094	9,068
Motor vehicle maintenance	86,250	91,655
Community relations programs	18,000	16,175
Automobile allowance	700	379
Clothing- uniforms	131,000	50,187
Training material and costs	43,950	25,570
Office equipment and maintenance	3,200	1,360
Radio maintenance	8,000	4,538
Government building maintenance	46,500	29,446
Other repairs/maintenance supply	11,200	8,239
Outside services:		
Other professional services	40,500	22,120
Computer maintenance supplies	19,000	6,974
Advertising	-	1,329
Printing	2,000	1,306
Telephone/FAX	35,000	20,309
Professional development:		
Membership dues/subscriptions	13,575	8,535
Personnel training/conferences	21,900	5,090
Engineering/architectural services	-	43,415
Equipment purchases:		
Other equipment	30,900	49,392
Other equipment/installment purchase	5,000	17,669
Motor vehicle equipment	355,000	341,393
	<u>2,778,597</u>	<u>2,902,827</u>

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Community development		
Personnel services:		
Director of inspectional services	\$ 68,289	\$ 68,286
Director of housing maintenance	69,461	70,123
Building inspector	72,300	75,165
Electrical commissioner	32,000	27,698
Plumbing commissioner	36,050	13,551
Clerk / Typist	30,350	30,621
Part-time help	37,900	33,515
Overtime pay	500	-
Unemployment compensation	2,898	2,522
IMRF	30,824	24,347
FICA	26,534	24,053
Group insurance	52,761	49,484
Operating expenditures:		
Office supplies	8,500	7,798
Books and maps	2,950	6,904
Postal charges	9,000	8,254
Petroleum products	11,500	4,575
Clothing - Uniforms	4,500	15,816
Other operating costs	1,850	2,736
Motor vehicle maintenance	4,500	2,851
Auto allowance	300	616
Other equipment maintenance	175	112
Outside services:		
Other professional services	80,500	111,935
Computer maintenance supplies	4,100	1,854
Advertising	1,500	241
Printing	7,000	3,393
Telephone and fax	10,000	9,749
Inspections	9,820	4,200
Engineer/architectural services	130,000	221,205
Professional development:		
Membership dues and subscriptions	14,367	18,465
Personnel training and conferences	7,000	5,549
Equipment - Other		
Other equipment	-	824
Housing Rehabilitation Program	150,000	12,387
Other equip/installation purchase	21,000	17,200
	938,429	876,030

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Legal services:		
Outside services:		
Special legal services	\$ 85,000	\$ 30,606
Retainer/city attorney	9,600	8,800
Billable services - Attorney	175,000	134,211
	<u>269,600</u>	<u>173,616</u>
Public Works Department:		
Personnel services:		
Public Works Superintendent	97,288	41,158
Crew leader	63,562	65,488
Mechanic/mechanic assistant	43,086	43,077
Laborers	235,384	289,260
Part-time help	155,500	107,675
Overtime pay	40,000	10,399
Unemployment compensation	3,105	2,767
IMRF	56,626	44,304
FICA	48,564	42,669
Group insurance	106,068	111,723
Operating expenditures:		
Office supplies	3,000	3,033
Books and maps	200	-
Chemicals	3,000	2,967
Cleaning supplies	9,000	17,596
Petroleum products	43,000	71,636
Other operating costs	10,000	7,332
Agricultural supplies	12,000	9,026
Small tools and equipment	29,400	24,017
Sign material and maintenance	11,000	22,459
Storm sewer maintenance	3,000	11,613
Street maintenance and repair	16,300	28,066
Motor equipment supplies	80,000	195,252
Motor vehicle maintenance	-	15,347
Clothing - Uniforms	16,100	18,937
Radio maintenance	2,000	2,547
Other repairs and maintenance supplies	200	301
Other equipment maintenance	29,600	6,487
Street repairs	69,000	52,635
Street light maintenance	65,000	39,091

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Public Works Department: (continued)		
Operating expenditures: (continued)		
Government building maintenance	\$ 188,400	\$ 78,653
Grounds maintenance	148,000	363,842
Storm sewer repairs	87,000	72,293
Outside services:		
Other professional services	19,500	35,485
Computer maintenance and supplies	2,000	282
Advertising	2,000	219
Printing	900	618
Telephone and fax	20,500	27,081
Gas energy/pumps and heating	16,500	19,690
Scavenger and disposal service	8,000	4,688
Engineer/architectural services	60,500	98,786
Equipment rental	7,500	2,500
Sidewalk repairs and asphalt repairs	81,000	79,142
Professional development:		
Membership dues and subscriptions	925	299
Personnel training and conferences	5,000	5,182
Equipment purchases:		
Other equipment	14,500	10,302
Other equipment/installment purchases	63,000	72,782
Motor vehicle equipment	-	13,650
	1,976,208	2,172,353
Board and commissions:		
Personnel services:		
Unemployment compensation	225	49
FICA	625	321
Operating expenditures:		
Office supplies	50	-
Books and maps	950	-
Postal charges	-	930
Cultural arts commission	3,750	2,255
Pastoral commission	3,500	-
Senior citizen commission	5,600	3,814
Veteran's Commission	9,800	4,171
Youth commission	10,000	10,050
Cable commission	3,000	-

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Board and commissions (continued):		
Fish commission	\$ 8,425	\$ 609
Blood/organ donor commission	6,000	5,736
Environmental commission	4,500	5,202
Economic development commission	5,000	-
Resident's Day	35,000	25,011
Other operating costs	750	2,685
Outside services:		
Other professional services - Police Commission	15,000	20,620
Advertising	3,000	177
Commissions secretaries	7,680	4,665
Professional development:		
Membership dues and subscriptions	2,150	375
Personnel training and conferences	7,300	1,744
	<u>132,305</u>	<u>88,413</u>
Public relations:		
Personnel services:		
Director of news and comm affairs	55,381	56,056
TV crew members	30,000	30,473
Part-time help	70,000	75,216
Unemployment compensation	1,656	1,565
Student intern	5,000	-
IMRF	14,093	12,522
FICA	12,269	12,237
Group insurance	25,780	22,268
Operating expenditures:		
Office supplies	4,500	6,664
Postage	14,000	23,313
Petroleum products	5,000	638
Memorial day	237,000	255,125
Community relations programs	-	2,674
Clothing - uniforms	-	5,782
Other	20,000	49,472
Motor vehicle maintenance	1,500	1,292
Outside services:		
Other professional services	56,188	33,041
Advertising	11,000	30,277
Printing	29,640	40,111
City newsletter	139,150	148,495
Professional development:		
Membership dues and subscriptions	1,490	1,502
Personnel training and conferences	2,500	9,413
Other equipment	65,000	(43,190)
Motor vehicle equipment	10,000	8,300
	<u>811,147</u>	<u>783,247</u>

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Grounds maintenance		
Personnel services:		
Part-time help	\$ 150,000	\$ 100,484
Summer interns	10,000	2,275
Overtime pay	30,000	14,131
Unemployment	3,105	2,108
IMRF	30,725	18,811
FICA	26,680	21,000
Group Insurance	22,570	28,085
Ground maintenance director	66,950	66,955
Assistant crew leader stipend	-	1,250
Laborers	91,806	91,811
Operating Expenditures:		
Office supplies	1,500	1,873
Books and maps	600	349
Postal charges	-	121
Chemicals	10,700	16,524
Petroleum products	17,500	8,956
Other operating costs	1,500	2,457
Agricultural supplies	21,700	8,020
Small tools and equipment	20,800	6,644
Motor equipment supplies	30,000	13,211
Motor vehicle maintenance	-	537
Clothing - Uniforms	10,000	9,525
Radio maintenance	1,500	1,180
Other equipment maintenance	8,500	425
Government building maintenance	6,500	29,582
Ground maintenance	363,600	739,295
Outside services:		
Other professional services	35,000	23,251
Computer maintenance and supplies	1,500	-
Advertising	-	318
Printing	500	1,614
Telephone/fax	-	90
Gas energy / pumps & heating	10,000	1,687
Scavenger and disposal service	27,500	5,495
Engineer/architectural services	75,000	10,667
Equipment rental	2,000	21,175
Other miscellaneous services	31,500	43,758
Membership dues and subscriptions	2,350	808
Personnel training and conferences	4,000	2,169
Equipment purchases:		
Other equipment	56,000	488
Other equip/installment purchases	10,000	28,349
	<u>1,181,586</u>	<u>1,325,479</u>
Oak Room		
Part-time help	30,000	10,836
Oak Coordinator	-	18,099
Unemployment compensation	700	365
IMRF	2,721	2,722
FICA	2,295	2,250
Group Insurance	-	4,205
Operating expenditures:		
Office supplies	1,500	678
Books and maps	-	475

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Oak Room (Continued):		
Program expenses-trip fees	\$ 18,000	\$ 27,485
Postal charges	750	1,093
Miscellaneous operating expenditures	10,000	16,599
Operating expenditures (Continued):		
Clothing - Uniforms	-	1,470
Government building maintenance	10,000	-
Outside services:		
Other professional services	6,600	2,828
Computer maintenance supplies	1,300	662
Advertising	100	-
Printing	1,200	-
Telephone/fax	1,000	741
Membership dues and subscriptions	300	50
Personnel training and conferences	300	-
Other equipment	-	323
	<u>86,766</u>	<u>90,881</u>
Emergency preparedness		
Office supplies	2,400	1,743
Books & maps	-	(18,421)
Postal charges	600	-
Petroleum products	20,000	35,060
Other operating costs	10,000	3,914
Motor vehicle maintenance	20,000	7,119
Clothing - Uniforms	10,000	10,673
Radio maintenance	3,500	6,061
Other professional services	-	17
Computer maintenance supplies	12,000	1,729
Telephone / fax	5,000	18
Equipment rental	3,500	1,409
Membership dues and subscriptions	1,250	45
Personnel training and conferences	12,000	-
Other equipment	59,500	56,966
Other equipment/ install	-	8,900
Motor vehicle equipment	-	74,639
	<u>159,750</u>	<u>189,870</u>

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Parks and Recreation		
Personnel Services:		
Program director	\$ 46,350	\$ 46,342
Supervisor of financial services	41,200	46,338
Sports coordinator	56,650	56,154
Part-time help	250,000	235,499
Camp counselors/summer interns	75,000	84,184
Overtime pay	1,000	-
Unemployment compensation	7,245	5,362
IMRF	35,848	23,220
FICA	35,970	35,319
Group insurance	19,000	18,296
Other operating expenditures:		
Office supplies	10,000	6,689
Books and maps	750	-
Postal charges	5,000	5,269
Chemicals	-	298
Cleaning supplies	6,000	3,191
Other operating expenditures	5,000	16,820
Small tools/equipment	3,000	4,044
Motor vehicle maintenance	3,500	372
Auto allowance	-	142
Clothing-uniforms	3,000	10,349
Government building maintenance	114,150	309,231
Youth baseball	37,000	42,442
Traveling baseball	18,000	34,402
Youth basketball	20,000	40,154
Youth softball	-	2,307
Youth taekwondo/ karate	5,000	2,218
Summer day camp	65,000	37,292
Youth dance	3,500	3,585
Youth special events / holiday	3,000	331
Youth gymnastics	8,000	1,366
Youth arts and crafts	3,000	2,922

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Other operating expenditures (continued):		
Youth track and field	\$ 28,000	\$ 26,589
Youth misc classes	-	1,518
After day care	20,000	41,226
Youth computer classes	5,000	8,994
Youth soccer	3,000	2,751
Youth volleyball	-	950
Youth tennis	-	1,207
Youth fitness	-	780
Youth football	5,000	480
Adult basketball	10,000	2,106
Adult taekwondo/ tai chi / karate	7,500	2,188
Adult baseball/ softball	10,000	1,349
Line dancing	5,000	8,097
Adult bellydancing	5,000	4,060
Adult aerobics / fitness	5,000	11,289
Adult special events / holiday	3,000	-
Adult computer classes	3,000	-
Adult golf	13,000	2,171
Adult flag football	-	2,328
Outside Services:		
Other professional services	18,000	23,525
Computer maintenance supplies	3,000	7,857
Advertising	1,500	6,735
Printing	5,000	49,699
Telephone/fax	10,000	9,273
Gas energy/ pumps & heating	95,000	63,892
Engineer/arch. Services	-	47,097
Professional Development:		
Membership dues / subscriptions	1,000	978
Personnel training / conferences	3,500	1,809
Equipment Purchases:		
Other equipment	67,500	39,413
Other equipment / installment purchase	15,600	37,218
Motor vehicle equipment	-	7,987
	1,223,763	1,487,703

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Garbage		
Other Operating Expenditures:		
Office supplies	\$ 550	\$ -
Postal charges	2,200	-
Outside Services:		
Computer maintenance and supplies	550	-
Printing	1,320	1,630
Telephone and fax	550	-
Scavenger and disposal services	895,000	958,208
	<u>900,170</u>	<u>959,838</u>
Amphitheater		
Total Personnel Services:		
Director of marketing	45,000	45,549
Director of production	45,000	42,934
Director of operations	45,000	38,606
Part-time help	65,000	14,060
Summer interns	9,000	54,699
Overtime pay	5,000	-
Unemployment compensation	7,245	2,227
IMRF	18,594	12,595
FICA	16,371	14,787
Group insurance	21,000	21,261
Other Operating Expenditures:		
Office supplies	4,500	14,379
Postal charges	5,000	1,978
Cleaning supplies	-	701
Petroleum products	4,000	615
Other operating expenditures	3,000	61,716
Small tools/equipment	-	11,101
Sign materials/maintenance	-	(1,960)
Motor vehicle maintenance	3,000	492
Auto allowance	500	147
Clothing- uniforms	2,000	12,826
Government building maintenance	62,000	326,996
Grounds maintenance	-	47,319
Outside Services:		
Other professional services	312,000	993,166
Performances	1,539,000	1,552,695
Computer maintenance supplies	8,000	16,508
Advertising	100,000	192,614
Printing	100,000	70,013
Telephone/fax	3,500	46,075
Gas energy/pumps & heating	-	14,871
Engineer/arch services	-	9,067
Equipment rental	8,000	6,173

(continued)

City of Country Club Hills, Illinois

**Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2008**

	Budget	Actual
Professional Development:		
Membership dues/subscriptions	\$ 500	\$ 150
Personnel training/conferences	3,000	1,593
Equipment Purchases:		
Other equipment	28,000	96,088
Other equipment/installment purchases	36,000	32,501
	<u>2,499,210</u>	<u>3,754,539</u>
Capital Projects		
Outside Services:		
Other professional services	75,000	180,787
Engineer/arch services	1,047,000	1,639,665
Construction cost cats 175th sidewalk	50,000	-
Construction cost cats monarch place	65,000	-
Construction cost dceo grant/pavln	75,000	-
Construction cost flagpole	150,000	18,016
Construction cost evp grant	-	7,431
Construction cost ward project	-	6,493
Construction cost amphitheater	-	519,772
	<u>1,462,000</u>	<u>2,372,165</u>
Debt service:		
Principal	-	154,051
Interest	-	290,863
	<u>-</u>	<u>444,914</u>
	<u>\$ 25,643,445</u>	<u>\$ 30,987,566</u>

Nonmajor Governmental Funds – Combining Statements

City of Country Club Hills, Illinois

**Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2008**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and equivalents	\$ 871,193	\$ 746,159	\$ 746,971	\$ 2,364,323
Receivables:				
Property taxes	-	1,086,558	-	1,086,558
Intergovernmental	5,367	-	-	5,367
Allotments	38,420	-	-	38,420
Due from other funds	-	-	50,325	50,325
Total assets	<u>\$ 914,980</u>	<u>\$ 1,832,717</u>	<u>\$ 797,296</u>	<u>\$ 3,544,993</u>
Liabilities				
Accounts payable	\$ 3,150	\$ -	\$ 12,144	\$ 15,294
Deferred revenue	-	1,064,568	-	1,064,568
Accrued interest	-	21,792	-	21,792
Due to other funds	201,871	42,454	-	244,325
Total liabilities	205,021	1,128,814	12,144	1,345,979
Fund Balances,				
Unreserved	709,959	703,903	785,152	2,199,014
Total liabilities and fund balances	<u>\$ 914,980</u>	<u>\$ 1,832,717</u>	<u>\$ 797,296</u>	<u>\$ 3,544,993</u>

City of Country Club Hills, Illinois

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

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues				
Program:				
Intergovernmental	\$ 551,560	\$ -	\$ -	\$ 551,560
General:				
Property taxes	-	491,485	849,536	1,341,021
Other taxes	150,125	-	-	150,125
Investment income	9,702	-	6,260	15,962
Total revenues	711,387	491,485	855,796	2,058,668
Expenditures				
Current:				
Police department	71,507	-	-	71,507
Motor fuel tax projects	461,239	-	-	461,239
Community development services	138,832	-	-	138,832
Capital outlay	-	-	935,335	935,335
Debt service:				
Principal	-	367,340	127,660	495,000
Interest	-	1,002,414	71,720	1,074,134
Total expenditures	671,578	1,369,754	1,134,715	3,176,047
Excess (deficiency) of revenues over expenditures	39,809	(878,269)	(278,919)	(1,117,379)
Other financing sources (uses)				
Transfers in	-	1,369,754	1,160,656	2,530,410
Transfers out	-	-	(5,000)	(5,000)
Total other financing sources (uses)	-	1,369,754	1,155,656	2,525,410
Change in fund balance	39,809	491,485	876,737	1,408,031
Fund balances:				
May 1, 2007	670,150	212,418	(91,585)	790,983
April 30, 2008	\$ 709,959	\$ 703,903	\$ 785,152	\$ 2,199,014

City of Country Club Hills, Illinois

**Combining Balance Sheet
Nonmajor Special Revenue Funds
April 30, 2008**

	Community Development Block Grant	Emergency Telephone System	Motor Fuel Tax	Total
Assets				
Cash and cash equivalents	\$ 120,437	\$ 306,123	\$ 444,633	\$ 871,193
Receivables:				
Intergovernmental	-	5,367	-	5,367
Allotments	-	-	38,420	38,420
Total assets	\$ 120,437	\$ 311,490	\$ 483,053	\$ 914,980
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 3,150	\$ 3,150
Due to other funds	198,027	1,620	2,224	201,871
Total liabilities	198,027	1,620	5,374	205,021
Fund Balances, unreserved (deficit)	(77,590)	309,870	477,679	709,959
Total liabilities and fund balances	\$ 120,437	\$ 311,490	\$ 483,053	\$ 914,980

City of Country Club Hills, Illinois

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

	Community Development Block Grant	Emergency Telephone System	Motor Fuel Tax	Total
Revenues:				
Taxes:				
911 surcharge taxes	\$ -	\$ 150,125	\$ -	\$ 150,125
Intergovernmental:				
Motor fuel tax allotments	-	-	458,926	458,926
Grants	92,634	-	-	92,634
Interest	262	4,165	5,275	9,702
Total revenues	92,896	154,290	464,201	711,387
Expenditures:				
Current:				
Police department	-	71,507	-	71,507
Motor fuel tax projects	-	-	461,239	461,239
Community development services	138,832	-	-	138,832
Total expenditures	138,832	71,507	461,239	671,578
Change in fund balance	(45,936)	82,783	2,962	39,809
Fund balances (deficit):				
May 1, 2007	(31,654)	227,087	474,717	670,150
April 30, 2008	\$ (77,590)	\$ 309,870	\$ 477,679	\$ 709,959

City of Country Club Hills, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Community Development Block Grant Fund
Year Ended April 30, 2008**

	Budget	Actual
Revenues:		
Intergovernmental, grants	\$ 100,000	\$ 92,634
Interest	-	262
Total revenues	<u>100,000</u>	<u>92,896</u>
Expenditures, current:		
Community development services	99,900	138,581
Other	100	251
Total expenditures	<u>100,000</u>	<u>138,832</u>
Change in fund balance	<u>\$ -</u>	(45,936)
Fund balance (deficit):		
May 1, 2007		<u>(31,654)</u>
April 30, 2008		<u>\$ (77,590)</u>

City of Country Club Hills, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Emergency Telephone System Fund
 Year Ended April 30, 2008

	Budget	Actual
Revenues:		
Taxes		
911 surcharge	\$ 145,000	\$ 150,125
Interest	4,000	4,165
Total revenues	<u>149,000</u>	<u>154,290</u>
Expenditures,		
current, police department:		
Community relations	10,000	5,268
Other equipment maintenance	39,000	11,896
Other Professional services	-	6,638
Computer maintenance supplies	19,500	901
Printing	750	-
Telephone and fax	22,000	22,956
Membership dues and subscriptions	1,000	841
Personnel training and conferences	15,000	1,382
Other equipment	136,000	21,625
Total expenditures	<u>243,250</u>	<u>71,507</u>
Change in fund balance	<u>\$ (94,250)</u>	82,783
Fund balance:		
May 1, 2007		<u>227,087</u>
April 30, 2008		<u>\$ 309,870</u>

City of Country Club Hills, Illinois

**Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Motor Fuel Tax Fund
Year Ended April 30, 2008**

	Budget	Actual
Revenues:		
Intergovernmental, motor fuel tax allotments	\$ 215,000	\$ 458,926
Interest	5,000	5,275
Total revenues	<u>220,000</u>	<u>464,201</u>
Expenditures,		
current, motor fuel tax projects:		
Street maintenance and repair	300,000	246,310
Street lighting power	48,500	64,159
Storm sewer repairs	43,000	25,268
Snow removal/ice control	130,000	104,380
Engineer/architectural services	35,000	21,122
Total expenditures	<u>556,500</u>	<u>461,239</u>
Change in fund balance	<u>\$ (336,500)</u>	2,962
Fund balance:		
May 1, 2007		<u>474,717</u>
April 30, 2008		<u>\$ 477,679</u>

City of Country Club Hills, Illinois

Balance Sheet
Nonmajor Debt Service Fund - General Obligation Bond
April 30, 2008

Assets

Cash	\$	746,159
Property taxes receivable		<u>1,086,558</u>
Total Assets	\$	<u><u>1,832,717</u></u>

Liabilities and Fund Balances

Liabilities		
Deferred revenue	\$	1,064,568
Accrued interest		21,792
Due to other funds		<u>42,454</u>
Total liabilities		<u>1,128,814</u>
Fund Balances, unreserved		<u>703,903</u>
Total liabilities and fund balances	\$	<u><u>1,832,717</u></u>

City of Country Club Hills, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Nonmajor Debt Service Fund - General Obligation Bond Fund
 Year Ended April 30, 2008

	Budget	Actual
Revenues, property tax	\$ -	\$ 491,485
Expenditures, debt service:		
Principal	367,340	367,340
Interest	1,002,414	1,002,414
Total expenditures	<u>1,369,754</u>	<u>1,369,754</u>
Excess (expenditures)	(1,369,754)	(878,269)
Other financing sources, Transfers in	-	1,369,754
Change in fund balance	<u>\$ (1,369,754)</u>	491,485
Fund balance:		
May 1, 2007		<u>212,418</u>
April 30, 2008		<u>\$ 703,903</u>

City of Country Club Hills, Illinois

**Combining Balance Sheet
Nonmajor Capital Projects Funds
April 30, 2008**

	Tax Incremental Redevelop- ment Project Area	City-Wide	Total
Assets			
Cash and cash equivalents	\$ 746,971	\$ -	\$ 746,971
Due from other funds	50,325	-	50,325
Total Assets	\$ 797,296	\$ -	\$ 797,296
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 12,144	\$ -	\$ 12,144
Fund Balances, unreserved (deficit)	785,152	-	785,152
Total liabilities and fund balances	\$ 797,296	\$ -	\$ 797,296

City of Country Club Hills, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

Year Ended April 30, 2008

	Tax Incremental Redevelop- ment Project Area	City-Wide	Total
Revenues:			
Property taxes	\$ 849,536	\$ -	\$ 849,536
Interest	6,260	-	6,260
Total revenues	<u>855,796</u>	<u>-</u>	<u>855,796</u>
Expenditures,			
debt service:			
Principal	127,660		127,660
Interest	71,720		71,720
capital outlay and construction,			
professional services	935,335	-	935,335
Total expenditures	<u>1,134,715</u>	<u>-</u>	<u>1,134,715</u>
Excess (expenditures)	<u>(278,919)</u>	<u>-</u>	<u>(278,919)</u>
Other financing sources (uses):			
Transfers in	-	1,160,656	1,160,656
Transfers out	(5,000)	-	(5,000)
Total other financing sources (uses)	<u>(5,000)</u>	<u>1,160,656</u>	<u>1,155,656</u>
Change in fund balance	(283,919)	1,160,656	876,737
Fund balances (deficit):			
May 1, 2007	<u>1,069,071</u>	<u>(1,160,656)</u>	<u>(91,585)</u>
April 30, 2008	<u>\$ 785,152</u>	<u>\$ -</u>	<u>\$ 785,152</u>

City of Country Club Hills, Illinois

**Schedule of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual
Tax Incremental Redevelopment Project Area Fund
Year Ended April 30, 2008**

	Budget	Actual
Revenues:		
Property taxes	\$ 815,000	\$ 849,536
Interest	18,500	6,260
Total revenues	<u>833,500</u>	<u>855,796</u>
Expenditures,		
debt service:		
Principal	127,660	127,660
Interest	71,720	71,720
capital outlay and construction,		
professional services	-	935,335
Total expenditures	<u>199,380</u>	<u>1,134,715</u>
Excess revenues or (expenditures)	634,120	(278,919)
Other financing sources (uses):		
Transfers (out)	-	(5,000)
Change in fund balance	<u>\$ 634,120</u>	(283,919)
Fund balance:		
May 1, 2007		<u>1,069,071</u>
April 30, 2008		<u>\$ 785,152</u>

City of Country Club Hills, Illinois

**Schedule of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual
City-Wide Fund
Year Ended April 30, 2008**

	Budget	Actual
Other financing sources (uses):		
Transfers in	\$ -	\$ 1,160,656
Change in fund balance	<u>\$ -</u>	1,160,656
Fund balance:		
May 1, 2007		<u>(1,160,656)</u>
April 30, 2008		<u>\$ -</u>

City of Country Club Hills, Illinois

**Schedule of Expenses - Budget and Actual
Water and Sewer Fund
Year Ended April 30, 2008**

	Budget	Actual
Operating expenses:		
Personnel services:		
Water superintendent	\$ 93,897	\$ 97,184
Water operators	120,925	68,578
Water sewer maintenance	30,382	89,452
Asst office supervisor	-	44,439
Clerk typist	50,001	44,234
Office supervision	70,349	74,133
Part-time help	210,000	163,046
Overtime pay	35,000	28,118
Unemployment compensation	4,140	4,115
Compensated absences	-	(2,689)
IMRF/FICA	101,177	92,572
Group insurance	104,219	89,768
Total personnel services	<u>820,090</u>	<u>792,949</u>
Other operating expenses:		
Office supplies	10,000	12,764
Books and maps	600	352
Postal charges	25,000	38,504
Chemicals	7,200	6,398
Cleaning supplies	2,500	1,075
Petroleum products	23,585	8,301
Other operating costs	4,500	6,402
Clothing - uniforms	12,000	27,022
Other equipment maintenance	26,750	2,677
Government building maintenance	22,400	21,757
Grounds maintenance	5,800	395
Water system repairs	479,350	620,261
Sewer system repairs	355,700	288,916
Lake Michigan water	950,000	934,483
Agricultural supplies	39,000	20,568
Small tools and equipment	14,000	5,008
Motor equipment supplies	-	9,406
Motor vehicle maintenance	15,150	1,937
Radio maintenance	1,600	2,138
Other repairs and maintenance supplies	1,000	235
Office equipment maintenance	4,500	35,971
	<u>2,000,635</u>	<u>2,044,572</u>
Outside services:		
Other professional services	6,000	7,115
Computer maintenance and supplies	14,950	10,691
Advertising	2,000	930
Telephone and fax	19,500	23,793
Gas energy/pumps and heating	43,750	30,430

(continued)

City of Country Club Hills, Illinois

**Schedule of Expenses - Budget and Actual
Water and Sewer Fund
Year Ended April 30, 2008**

	Budget	Actual
Outside services: (continued)		
Scavenger and disposal services	\$ 12,500	\$ 4,646
Engineer/architectural services	76,000	91,866
Equipment rental	1,300	-
Other maintenance and repairs	7,000	-
Sidewalk repairs	44,000	46,887
Printing	10,000	2,479
Bank fees	8,200	13,946
	<u>245,200</u>	<u>232,783</u>
Professional development:		
Membership dues and subscriptions	1,400	1,172
Personnel training and conferences	5,900	9,233
	<u>7,300</u>	<u>10,405</u>
Equipment purchase, maintenance and repairs:		
Other equipment	100,600	50,525
Meters	287,500	223,838
Homeless shelter	-	2,163
	<u>388,100</u>	<u>276,526</u>
Transfers out	<u>408,792</u>	<u>248,792</u>
Total	3,870,117	3,606,027
Reclassifications:		
Depreciation	-	<u>218,216</u>
Total operating expenses	<u>\$ 3,870,117</u>	<u>\$ 3,824,243</u>

City of Country Club Hills, Illinois

Schedule Of Assessed Valuations, Tax Rates, Tax Extensions and Collections
Year Ended April 30, 2008

Tax Levy Year	2007	2006	2005	2004	2003	2002
Assessed Valuations	\$ 279,677,928	\$ 250,607,445	\$ 223,272,009	\$ 185,637,189	\$ 167,298,958	\$ 166,943,676
Tax Rates:						
General:						
Corporate	1.1645	0.8743	0.8516	0.8679	0.9108	0.6036
Police Protection	1.4588	0.9768	1.0507	0.8324	0.8536	0.5497
Fire Protection	1.0134	0.8222	0.6853	0.8245	0.8086	0.8505
Liability Insurance	0.3647	0.2646	0.2969	0.3297	0.2683	0.2505
Police Pension	0.2734	0.2444	0.1896	0.2171	0.2409	0.2005
Fire Pension	0.0738	0.0761	0.0469	0.0513	0.0569	0.0501
Civil Defense	0.0583	0.0729	0.0166	0.0104	0.0161	0.0883
Illinois Municipal Retirement	0.1730	0.1350	0.0688	0.0652	0.0725	0.0540
FICA	0.2351	0.2141	0.1799	0.1955	0.2040	0.2187
Debt Service	0.5783	0.0588	0.0675	0.0798	0.3489	0.2005
Total	5.3933	3.7392	3.4538	3.4738	3.7806	3.0664
Extended Tax Rate	5.393	3.739	3.454	3.474	3.781	3.066
Tax Extensions:						
General:						
Corporate	\$ 3,256,856	\$ 2,190,960	\$ 1,901,280	\$ 1,611,095	\$ 1,523,825	\$ 1,007,595
Road and Bridge	51,373	47,851	48,933	39,976	37,338	34,193
Police Protection	4,080,000	2,448,000	2,346,000	1,545,300	1,428,000	917,627
Fire Protection	2,834,168	2,060,400	1,530,000	1,530,505	1,352,709	1,419,938
Liability Insurance	1,020,000	663,000	663,000	612,000	448,800	418,200
Police Pension	764,665	612,522	423,300	403,084	403,084	334,728
Fire Pension	206,340	190,740	104,721	95,267	95,267	83,607
Civil Defense	162,945	182,784	37,026	19,278	26,928	147,477
Illinois Municipal Retirement	483,766	338,358	153,559	121,012	121,258	90,113
FICA	657,443	536,649	401,721	362,966	341,357	365,071
Tax Incremental Finance	849,537	817,576	706,761	909,132	661,234	661,234
Debt Service	1,617,435	147,388	150,725	148,129	583,685	334,728
Totals	\$ 15,984,528	\$ 10,236,228	\$ 8,467,026	\$ 7,397,744	\$ 7,023,485	\$ 5,814,511
Total Collections	\$ 3,503,299	\$ 3,310,810	\$ 2,548,954	\$ 7,350,925	\$ 6,099,236	\$ 5,293,064
Percent	21.92%	32.34%	30.10%	99.37%	86.84%	91.03%

City of Country Club Hills, Illinois

**Schedule of Debt Service Requirements
April 30, 2008**

	Payable Year Ending April 30,	Principal	Interest	Total
General obligation refunding				
bond series 2003A	2009	\$ -	\$ 169,605	\$ 169,605
Dated November 1, 2003	2010	-	169,605	169,605
Interest payable June 1 and	2011	-	169,605	169,605
December 1 of each year at	2012	-	169,605	169,605
rates ranging from 3.50% to 4.05%	2013	415,000	169,605	584,605
Paying agent: Chase MB	2014	615,000	155,080	770,080
	2015	640,000	132,018	772,018
	2016	660,000	108,978	768,978
	2017	685,000	84,228	769,228
	2018	715,000	57,855	772,855
	2019	740,000	29,970	769,970
		<u>\$ 4,470,000</u>	<u>\$ 1,416,154</u>	<u>\$ 5,886,154</u>
General obligation refunding				
bond series 2003B	2009	\$ 515,000	\$ 89,680	\$ 604,680
Dated November 1, 2003	2010	535,000	70,110	605,110
Interest payable June 1 and	2011	555,000	49,780	604,780
December 1 of each year at	2012	575,000	28,690	603,690
fixed rate of 3.8%	2013	180,000	6,840	186,840
Paying agent: Chase MB		<u>\$ 2,360,000</u>	<u>\$ 245,100</u>	<u>\$ 2,605,100</u>
General obligation sales tax bond				
bond series 2006	2009	\$ -	\$ 796,040	\$ 796,040
Dated May 4, 2006	2010	-	796,040	796,040
Interest payable June 1 and	2011	-	796,040	796,040
December 1 of each year at	2012	-	796,040	796,040
variable rate 4.8% - 5.0%	2013	-	796,040	796,040
Paying agent: Bank of New York	2014	-	796,040	796,040
	2015	-	796,040	796,040
	2016	-	796,040	796,040
	2017	-	796,040	796,040
	2018	-	796,040	796,040
	2019	-	796,040	796,040
	2020	910,000	796,040	1,706,040
	2021	955,000	750,540	1,705,540
	2022	1,005,000	702,790	1,707,790
	2023	1,055,000	652,540	1,707,540
	2024	1,105,000	599,790	1,704,790
	2025	1,160,000	544,540	1,704,540
	2026	1,220,000	486,540	1,706,540
	2027	1,280,000	425,540	1,705,540
	2028	1,345,000	361,540	1,706,540
	2029	1,410,000	296,980	1,706,980
	2030	1,475,000	229,300	1,704,300
	2031	1,545,000	158,500	1,703,500
	2032	1,625,000	81,250	1,706,250
		<u>\$ 16,090,000</u>	<u>\$ 14,842,330</u>	<u>\$ 30,932,330</u>

(Continued)

City of Country Club Hills, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2008

	Payable Year Ending April 30,	Principal	Interest	Total
General obligation bond				
bond series 2007	2009	\$ -	\$ 1,263,275	\$ 1,263,275
Dated October 22, 2007	2010	-	1,187,413	1,187,413
Interest payable June 1 and	2011	-	1,187,413	1,187,413
December 1 of each year at	2012	-	1,187,413	1,187,413
variable rate 4.25% - 5.0%	2013	-	1,187,413	1,187,413
Paying agent: William Blair & Company	2014	740,000	1,187,413	1,927,413
	2015	775,000	1,155,963	1,930,963
	2016	805,000	1,123,025	1,928,025
	2017	840,000	1,088,813	1,928,813
	2018	875,000	1,053,113	1,928,113
	2019	915,000	1,015,925	1,930,925
	2020	950,000	979,325	1,929,325
	2021	1,000,000	940,375	1,940,375
	2022	1,040,000	890,375	1,930,375
	2023	1,090,000	838,375	1,928,375
	2024	1,145,000	783,875	1,928,875
	2025	1,195,000	733,781	1,928,781
	2026	1,250,000	681,500	1,931,500
	2027	1,310,000	619,000	1,929,000
	2028	1,375,000	553,500	1,928,500
	2029	1,445,000	484,750	1,929,750
	2030	1,515,000	412,500	1,927,500
	2031	1,595,000	336,750	1,931,750
	2032	1,675,000	257,000	1,932,000
	2033	3,465,000	173,250	3,638,250
		<u>\$ 25,000,000</u>	<u>\$ 21,321,535</u>	<u>\$ 46,321,535</u>