

**VILLAGE OF HANOVER PARK,  
ILLINOIS**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**YEAR ENDED APRIL 30, 2008**

Prepared by Department of Finance

Joan Rock  
Director of Finance

Thomas Dahl  
Assistant Director of Finance

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Hanover Park including:

- List of Principal Officials
- Organizational Chart
- GFOA Certificate of Achievement for Excellence in Financial Reporting
- Letter of Transmittal

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Principal Officials**

**April 30, 2008**

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**LEGISLATIVE**

**VILLAGE BOARD OF TRUSTEES**

Rodney S. Craig, President

Robert D. Packham

Joseph J. Nicolosi

Wesley E. Eby

Toni L. Carter

William J. Manton

Lori A. Kaiser

Sherry L. Craig, Village Clerk

**ADMINISTRATIVE**

Marc G. Hummel, Manager

**FINANCE DEPARTMENT**

Joan Rock  
Director of Finance

Thomas Dahl  
Assistant Director of Finance



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Hanover Park  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2007

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



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

## Village of Hanover Park

Municipal Building  
2121 West Lake Street  
Hanover Park, Illinois  
60133-4398

Rodney S. Craig  
Village President

Sherry L. Craig  
Village Clerk

630-372-4200  
Fax 630-372-4215

Marc G. Hummel  
Village Manager

August 5, 2008

The Honorable Village President  
Village Board of Trustees and Village Manager  
Village of Hanover Park, Illinois



The Comprehensive Annual Financial Report (CAFR) of the Village of Hanover Park for the fiscal year ended April 30, 2008 is hereby submitted. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally-accepted auditing standards, include all of the accounts and funds of the Village, and be completed within six months after the close of the fiscal year. The Village is required to issue a report on its financial position and activity presented in conformance with generally-accepted accounting principles (GAAP). This report presents a comprehensive picture of the Village's financial activities and has been published to fulfill the requirement for the fiscal year ended April 30, 2008.

The financial report consists of management's representations concerning the finances of the Village of Hanover Park. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Village of Hanover Park's financial statements in accordance with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Village's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The Village's financial statements have been audited by Lauterbach and Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Hanover Park are free from material misstatement. The independent auditor issued an unqualified ("clean") opinion on the Village's financial statements for the year ended April 30, 2008. The independent auditor's report is located in the beginning of the financial section of this report. The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Village of Hanover Park**

The Village of Hanover Park was incorporated in 1958 and operates under the Board-Manager form of government. The Village is a home-rule community as defined by the Illinois Constitution. The Village is a residential community, with 99.36 miles of streets, located approximately 30 miles northwest of downtown Chicago and encompasses an area of approximately 7 square miles, with 2.75 square miles within Cook County and 4.25 miles within DuPage County. The Village's population, per the 2000 census, is 38,278.

Policy-making and legislative authority are vested with the Village Board, which consists of the Village President and six Trustees. This governing body is responsible for, among other things, passing ordinances and resolutions, adopting the annual budget, appointing committees, and appointing the Village Manager. The Village Manager is responsible for implementing the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Village Board is elected on a nonpartisan, at-large basis. Village Trustees are elected to four-year staggered terms. The Village President is also elected to a four-year term.

The Village of Hanover Park provides a full range of services, including police and fire protection, construction and maintenance of highways, streets, and other infrastructure, Village planning and zoning, and general administrative services. The Village also operates a water and sewer utility and a municipal commuter parking lot.

The annual budget serves as the foundation for the Village's financial planning and control. All departments annually submit their budget requests for the upcoming fiscal year to the Budget Team. The Village Manager and staff review these budget requests and develop a budget to match anticipated revenues. The Village Manager's proposed budget is presented to the Village Board in a series of workshops. The Village Board is required to hold a public hearing on the proposed budget, and a final budget must be adopted by the Village Board by April 30th of each fiscal year. The legal level of budgetary control is at the fund level. The Village Manager is authorized to make budget transfers within any fund. Additions and transfers between funds require Village Board approval. Original and final amended budget-to-actual comparisons are provided for each individual governmental fund for which an annual budget has been adopted. The general and major special revenue fund comparisons are included in the required supplementary information. Other governmental fund comparisons are presented in the Nonmajor Governmental Funds subsection of this report.

There were 193 full-time positions and 61 part-time positions, excluding seasonal workers, in the Fiscal Year 2008 annual budget. There are four different labor unions that represent sworn police officers, firefighters, paid on-call firefighters, and Public Works employees.

### **Local Economy**

Nearly 500 businesses are located in the Village of Hanover Park. There is more than 4,000,000 square feet of business park development located in three industrial areas within the Village and 17 shopping centers ranging in size from 6,000 to 200,000

square feet. Numerous food establishments are located within the Village including family friendly, ethnic, and fast food restaurants.

Several new businesses opened in various locations throughout the Village during the fiscal year including a veterinary clinic, two banks, and numerous restaurants and commercial establishments. Construction began on a new Menard's home improvement retail store within one of the Village's tax increment financing districts. Construction in a new mixed-use development, Church Street Station, was halted during the fiscal year due to the developer filing for bankruptcy. This development is located across the street from the municipal train station. This is expected to be resolved during Fiscal Year 2009.

The Village was impacted by the nationwide real estate recession. Real estate sales slowed and values declined which resulted in a decrease in real estate transfer tax revenues. Otherwise, the condition of the Village economy improved since Fiscal Year 2007 which resulted in increases in local tax revenues.

- Municipal sales tax revenues totaled \$2,549,324 which was an increase of \$90,628 or 3.69%.
- Home rule sales tax revenues totaled \$936,888 which was an increase of \$28,756 or 3.17%.
- Simplified telecommunications tax revenues increased significantly from \$1,242,356 in Fiscal Year 2007 to \$1,355,699 in 2008. This was an increase of \$113,343 or 9.12%.
- Food and Beverage Tax revenues increased from \$1,083,296 in Fiscal Year 2007 to \$1,101,714 in Fiscal Year 2008 due to new commercial development in the Village.

The Village equalized assessed valuation increased \$58 million, or 8.47%, from \$687 million in the 2006 levy year to \$746 million in the 2007 levy year. This increase is due to increases in assessments and new construction. Property values were reassessed in both Cook and DuPage Counties in 2007.

<u>Levy Year</u>	<u>Equalized Assessed Valuation</u>	<u>Increase in Equalized Assessed Valuation</u>	<u>% Increase</u>
2003	\$561,449,376	\$22,334,605	4.14%
2004	\$617,180,365	\$55,730,989	9.93%
2005	\$656,485,204	\$39,304,839	6.37%
2006	\$687,946,444	\$31,461,240	4.79%
2007	\$746,188,021	\$58,241,577	8.47%

### **Long-Term Financial Planning and Relevant Financial Policies**

The unreserved, undesignated fund balance of the General Fund continues to exceed 25.0% of the subsequent year's budgeted expenditures which is the policy established by the Village Board to provide financing for unanticipated expenditures and

accommodate shortfalls in revenues. This excess was reduced in Fiscal Year 2008 primarily due to the planned drawdown of reserves to fund a transfer to the new Municipal Building Fund. This fund will be used to finance the future construction of a new police building and renovations to the existing municipal building.

<u>Fiscal Year Ended</u>	<u>Unreserved Fund Balance</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Percent</u>
April 30, 2005	\$6,859,146	\$19,709,077	34.80%
April 30, 2006	\$8,205,921	\$21,434,564	38.28%
April 30, 2007	\$9,045,003	\$23,638,981	38.26%
April 30, 2008	\$7,849,607	\$24,336,641	32.25%

The Village has a “pay-as-you-go” philosophy in financing capital projects. The use of the General Capital Projects Fund and Central Equipment Fund has assisted the Village in the planned replacement of capital assets. Monies are set aside in these funds annually to cover the cost of planned capital purchases and improvements. The replacement of a 36-year-old Headquarters Fire Station, however, was a capital project which required a departure from this “pay-as-you-go” philosophy. This capital project required the issuance of general obligation debt to provide the necessary financing for the project.

The Village prepares a five-year Capital Improvement Program (CIP) that is incorporated into the annual budget each year. The CIP is a multi-year planning instrument used to identify needed capital projects for improvements to Village buildings, equipment and infrastructure and capital equipment purchases, and to coordinate the financing and timing of these improvements. Each year the CIP is updated to incorporate new capital projects, changing goals and priorities, and additional funding sources.

### Major Initiatives

The Village of Hanover Park continues to manage its fiscal operations well and operate cost effectively in Fiscal Year 2008. The Village, with its budgeted full-time staffing of 193, serves its citizens with 5.0 full-time employees per 1,000 in population. New and continuing projects during the fiscal year reflect the Village's continued commitment to its citizens that the Village is an enviable place to live, work, and transact business and include:

- A new Municipal Building Fund Capital Projects Fund was established to account for revenues and expenditures associated with a municipal building expansion project. A transfer of \$800,000 from General Fund reserves provides initial funding for the architectural services.
- Construction continued in Special Service Area #5 which was created during Fiscal Year 2006 to provide for scavenger services and the reconstruction of private streets in the Tanglewood Subdivision.

- Construction of a new home improvement store began in the Tax Increment Financing District (TIF) #4 during the fiscal year. This TIF was created during the prior fiscal year for the redevelopment of the area along Irving Park Road east of Barrington Road. The demolition of the old Tradewinds Shopping Center at that location was completed during Fiscal Year 2008.
- The Village received \$220,296 during the fiscal year from the treatment of leachate. The Village's wastewater treatment plant abuts a large IEPA-regulated landfill site that closed in March of 1999. The landfill operator pays a fee to the Village for the treatment of the leachate from the landfill.
- Economic development continued in an effort to pursue and establish the commercial and industrial businesses that blend with the Village.
- A new Chief Information Officer (CIO) position was included in the Fiscal Year 2008 budget. This position was filled in February of 2008. The CIO is responsible for coordinating all departmental information technology initiatives and preparing an information technology strategic plan for the Village.
- Three additional firefighter positions were included in the Fiscal Year 2008 budget. The expenditures associated with the new firefighters were partially funded by a Federal SAFER (Staffing for Adequate Fire and Emergency Response) Grant.
- The Village is celebrating its 50<sup>th</sup> anniversary during calendar year 2008. A 50<sup>th</sup> anniversary dinner held in Fiscal Year 2008 kicked off the year-long celebration. A family festival, car show, and parade are also scheduled.

### **Awards and Acknowledgements**

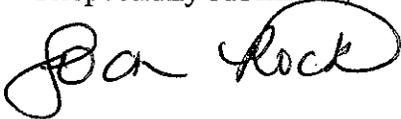
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hanover Park for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2007. This was the 17<sup>th</sup> consecutive fiscal year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, the Village must publish an easily-readable and efficiently-organized CAFR. This report satisfies both generally-accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village also received the GFOA's Award for Distinguished Budget Presentation for its Fiscal Year 2009 budget document. This was the 18th consecutive year the Village received this award. In order to qualify for the Distinguished Budget Presentation Award, the Village's document was judged to be proficient in several categories, including a policy document, a financial plan, an operational guide, and a communication device.

The preparation of this CAFR on a timely basis was made possible by the efficient and dedicated service of the entire staff of the Finance Department. I express my sincere appreciation to each member of the Finance Department for their contributions made in the timely preparation of this document. I would especially like to thank Assistant Finance Director Thomas Dahl and Accountant Marciana Bunce for their dedicated work in coordinating the audit this year.

Finally, appreciation is expressed to the Village President, Village Board of Trustees, and the Village Manager for their assistance in planning and conducting the fiscal affairs of the Village in a responsible manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Joan Rock". The signature is written in dark ink and is positioned above the printed name.

Joan Rock  
Finance Director

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

# **INDEPENDENT AUDITORS' REPORT**

**INDEPENDENT AUDITORS' REPORT**

August 5, 2008

The Honorable Acting Village President  
Members of the Board of Trustees and Village Manager  
Village of Hanover Park, Illinois

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hanover Park, Illinois as of and for the year ended April 30, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited the basic financial statements of each of the Village of Hanover Park, Illinois' nonmajor governmental funds, nonmajor enterprise funds, and internal service funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended April 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Village of Hanover, Illinois management. Our responsibility is to express opinions on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Village of Hanover Park, Illinois

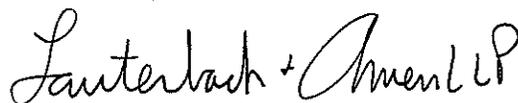
August 5, 2008

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Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole and on the combining and individual fund financial statements. The accompanying financial information listed as schedules in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Hanover Park, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic, combining, and individual fund financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements and each of the combining and individual fund financial statements taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.



LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF HANOVER PARK, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2008**

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The Village of Hanover Park (the Village) Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently-known facts, please read it in conjunction with the Transmittal Letter and the Village's financial statements.

**FINANCIAL HIGHLIGHTS**

- ⇒ The assets of the Village exceeded its liabilities at April 30, 2008 by \$96,196,116 (net assets). Of this amount, \$20,370,585 (unrestricted net assets) may be used to meet the Village's ongoing obligations to citizens and creditors.



- ⇒ The Village's total net assets increased by \$5,364,558 during the fiscal year primarily due to the reduction of debt with current year revenues and the acceptance of developer-financed infrastructure during the year.

- ⇒ The governmental activities net assets increased by \$4,306,499 to \$65,569,196. The governmental activities unrestricted net assets increased

\$3,761,883 to \$12,336,999. This increase is attributable to TIF and other non-capital debt service principal payments made during the fiscal year with current year revenues and the addition of infrastructure improvements constructed by a developer.

- ⇒ The business-type activities net assets increased by \$1,058,059 to \$30,626,920. This increase is attributable to the Waterworks and Sewerage Fund and is the result of higher interest and other revenues, and the addition of water mains and sewer lines contributed by a developer.
- ⇒ The Village's combined governmental funds ending fund balance decreased by \$4,780 to \$21,967,132 as of April 30, 2008.
- ⇒ At the end of the current fiscal year, unreserved fund balance of the General Fund was \$7,849,607, or 32.25% of General Fund Fiscal Year 2009 budgeted expenditures and other financing uses. This represents a decrease of \$1,195,396 primarily due to the planned drawdown of reserves to fund a transfer to the new Municipal Building Fund. This fund will finance a new police building and renovations to the existing municipal building.
- ⇒ The Village's total debt decreased by \$2,428,974 to \$19,242,288 during the current fiscal year. The decrease was a result of the principal payments made on existing debt offset by the increase in the compensated absences and other post-employment benefit liabilities.

(See independent auditor's report)

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

The Government-Wide Financial Statements are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government.

The Statement of Net Assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates 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 measurement focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the Village is improving.

The Statement of Activities presents information showing how the Village's net assets changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including police, fire, public works, highways and streets, community development, and general government. Property taxes, shared state sales taxes, local utility taxes, shared state income taxes, home rule sales taxes, and food and beverage taxes finance the majority of these activities. The business-type activities reflect private sector-type operations (Waterworks and Sewerage Fund and the Municipal Railroad Parking Lot Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

The government-wide financial statements can be found on pages 19-22 of the report.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

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

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

The Village maintains 16 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General and Motor Fuel Tax Funds which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The Village adopts an annual budget for each governmental fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 23-26 of this report.

**Proprietary Funds**

The Village maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented in business-type activities in the Government-Wide Financial Statements. The Village uses enterprise funds to account for its Waterworks and Sewerage and Municipal Railroad Parking Lot activities. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its vehicle replacement program, compensated absences and post-employment benefits. Each Internal Service Fund predominantly serves governmental rather than business-type functions and has been included with governmental activities in the Government-Wide Financial Statements.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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Proprietary Fund Financial Statements provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Waterworks and Sewerage Fund is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. The Municipal Railroad Parking Lot Fund is the Village's only nonmajor enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Municipal Railroad Parking Lot Fund and the Internal Service Funds is presented elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 27-30 of this report.

**Fiduciary Funds**

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

The basic fiduciary fund financial statements can be found on pages 31-32 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 33-78 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major General and Special Revenue Fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 79-91 of this report. The combining and individual fund statements and schedules for major and nonmajor governmental, enterprise, internal service, pension trust and agency funds are presented on pages 92-163 of this report, immediately following the required supplementary information. The Supplemental Schedules, on pages 164-171, includes detailed long-term debt payment information. The Statistical Section, on pages 172-193, includes information on government-wide revenues and expenditures, property taxes, and additional information in compliance with Governmental Accounting Standards Board Statement No. 44, Economic Condition Reporting.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Village's assets exceeded its liabilities by \$96,196,116 as of April 30, 2008. The largest portion of the Village's net assets reflects its investment in capital assets (\$66,678,671 or 69.3%),

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

including land, buildings, infrastructure, and equipment, less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net assets (\$9,146,860 or 9.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$20,370,585 or 21.2%) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets both for the government as a whole, as well as for its separate governmental and business-type activities.

The Village's combined net assets increased by \$5,364,558 as a result of the governmental activities increasing \$4,306,499 and business-type activities increasing \$1,058,059. Net assets of the Village's governmental activities were \$65,569,196. The Village's unrestricted net assets from governmental activities were \$12,336,999, an increase of \$3,761,883. This increase is primarily due to the scheduled payment of the Tax Increment Financing debt and other noncapital long-term debt utilizing current year revenues.

The following table reflects the condensed Statement of Net Assets:

<b>Village of Hanover Park</b>						
<b>Statement of Net Assets as of April 30, 2008</b>						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
<b>Assets</b>						
Current and Other Assets	\$ 36,378,597	\$ 38,612,365	\$ 8,670,071	\$ 9,158,072	\$ 45,048,668	\$ 47,770,437
Capital Assets	52,519,537	52,852,171	25,343,934	25,685,239	77,863,471	78,537,410
<b>Total Assets</b>	<b>\$ 88,898,134</b>	<b>\$ 91,464,536</b>	<b>\$ 34,014,005</b>	<b>\$ 34,843,311</b>	<b>\$ 122,912,139</b>	<b>\$ 126,307,847</b>
<b>Liabilities</b>						
Current Liabilities	\$ 12,190,910	\$ 12,671,002	\$ 1,285,125	\$ 1,290,008	\$ 13,476,035	\$ 13,961,010
Long-Term Liabilities	15,444,527	13,224,338	3,160,019	2,926,383	18,604,546	16,150,721
<b>Total Liabilities</b>	<b>\$ 27,635,437</b>	<b>\$ 25,895,340</b>	<b>\$ 4,445,144</b>	<b>\$ 4,216,391</b>	<b>\$ 32,080,581</b>	<b>\$ 30,111,731</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	\$ 43,282,520	\$ 44,085,337	\$ 21,978,529	\$ 22,593,334	\$ 65,261,049	\$ 66,678,671
Restricted	9,405,061	9,146,860	-	-	9,405,061	9,146,860
Unrestricted	8,575,116	12,336,999	7,590,332	8,033,586	16,165,448	20,370,585
<b>Total Net Assets</b>	<b>\$ 61,262,697</b>	<b>\$ 65,569,196</b>	<b>\$ 29,568,861</b>	<b>\$ 30,626,920</b>	<b>\$ 90,831,558</b>	<b>\$ 96,196,116</b>

(See independent auditor's report)

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The net assets of business-type activities were \$30,626,920. The business-type activities unrestricted net assets increased by \$443,254 from Fiscal Year 2007 partially due to higher than expected interest and other revenues. The Village can use the unrestricted net assets of \$8,033,586 to finance the continuing operation of its water and sewer utility as well as its commuter parking programs.

For more detailed information see the Statement of Net Assets on pages 19-20.

**Changes in Net Assets**

<b>Village of Hanover Park Changes in Net Assets for the Fiscal Year Ended April 30, 2008</b>						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Revenues and Net Transfers						
Program Revenues						
Charges for Services	\$ 2,880,105	\$ 2,465,298	\$ 7,827,572	\$ 7,534,641	\$ 10,707,677	\$ 9,999,939
Operating Grants	1,228,520	1,230,772			1,228,520	1,230,772
Capital Grants	76,798	1,438,909		827,377	76,798	2,266,286
General Revenues						
Property Taxes	10,313,391	10,315,338			10,313,391	10,315,338
Other Taxes	7,459,991	7,583,824			7,459,991	7,583,824
Intergovernmental	3,316,071	3,627,359			3,316,071	3,627,359
Other Revenue	2,362,821	5,467,754	227,847	492,219	2,590,668	5,959,973
<b>Total Revenues</b>	<b>\$ 27,637,697</b>	<b>\$ 32,129,254</b>	<b>\$ 8,055,419</b>	<b>\$ 8,854,237</b>	<b>\$ 35,693,116</b>	<b>\$ 40,983,491</b>
Expenses						
General Government	\$ 2,995,293	\$ 3,170,869			\$ 2,995,293	\$ 3,170,869
Public Works	3,123,131	4,053,485			\$ 3,123,131	\$ 4,053,485
Public Safety	12,112,702	13,823,930			\$ 12,112,702	\$ 13,823,930
Community Development	1,745,000	3,957,924			\$ 1,745,000	\$ 3,957,924
Highways and Streets	1,899,180	2,200,904			\$ 1,899,180	\$ 2,200,904
Interest	791,433	690,844			\$ 791,433	\$ 690,844
Water and Sewer			7,292,161	7,367,849	\$ 7,292,161	\$ 7,367,849
Commuter Parking Lot			329,848	353,128	329,848	353,128
<b>Total Expenses</b>	<b>\$ 22,666,739</b>	<b>\$ 27,897,956</b>	<b>\$ 7,622,009</b>	<b>\$ 7,720,977</b>	<b>\$ 30,288,748</b>	<b>\$ 35,618,933</b>
Increase in Net Assets before Transfers	\$ 4,970,958	\$ 4,231,298	\$ 433,410	\$ 1,133,260	\$ 5,404,368	\$ 5,364,558
Net Transfers	35,495	75,201	(35,495)	(75,201)	-	-
<b>Change in Net Assets</b>	<b>\$ 5,006,453</b>	<b>\$ 4,306,499</b>	<b>\$ 397,915</b>	<b>\$ 1,058,059</b>	<b>\$ 5,404,368</b>	<b>\$ 5,364,558</b>
Net Assets, May 1	56,256,244	61,262,697	29,170,946	29,568,861	85,427,190	90,831,558
<b>Net Assets, April 30</b>	<b>\$ 61,262,697</b>	<b>\$ 65,569,196</b>	<b>\$ 29,568,861</b>	<b>\$ 30,626,920</b>	<b>\$ 90,831,558</b>	<b>\$ 96,196,116</b>

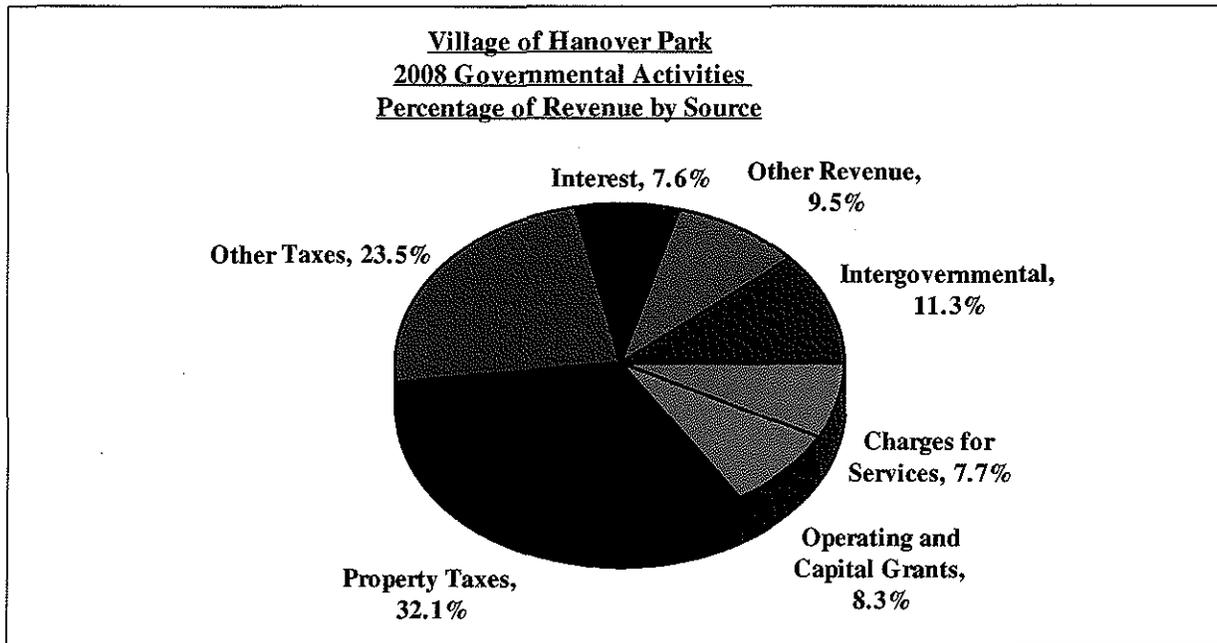
**Governmental Activities**

Governmental activities increased the Village's net assets by \$4,306,499 to \$65,569,196. Key elements contributing to this net change are as follows:

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

*Revenues*

For the fiscal year ended April 30, 2008, revenues from governmental activities totaled \$32,129,254, an increase of \$4,491,557. Property taxes continue to be the Village's largest revenue source totaling \$10,315,338 and representing 32.1% of total governmental activity revenue. Other Taxes, including sales tax, utility tax, food and beverage tax, hotel tax, and real estate transfer tax total \$7,538,824 or 23.5% of the total governmental activities revenues. Intergovernmental revenues, including State Income Tax and Replacement Tax, represent 11.3%.



Property tax revenues increased by \$1,947 to \$10,315,338 in Fiscal Year 2008, from \$10,313,391 in Fiscal Year 2007. This increase resulted from higher General Fund revenues offset by lower Debt Service and Tax Increment Financing (TIF) property tax revenues due to the drop in the equalized assessed value of a parcel of property in a TIF district. The 2006 extended property tax levy for General and Debt Service Funds was \$556,406 higher than the 2005 extended levy. The "blended" 2006 property tax rate for Cook and DuPage Counties increased from the 2005 tax year from 1.303 to 1.337.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

<b><u>Village of Hanover Park</u></b>				
<b><u>Equalized Assessed Valuation</u></b>				
<b>Levy Year</b>	<b>Property in Cook County</b>	<b>Property in DuPage County</b>	<b>Total</b>	<b>Percentage Increase (Decrease)</b>
2004	\$ 246,010,825	\$ 371,169,373	\$ 617,180,198	
2005	\$ 258,749,737	\$ 397,735,467	\$ 656,485,204	6.37%
2006	\$ 260,006,061	\$ 427,940,383	\$ 687,946,444	4.79%
2007	\$ 293,670,097	\$ 452,517,924	\$ 746,188,021	8.47%

The Village's equalized assessed value increased 4.79% from \$656,485,204 for the 2005 property tax year to \$687,946,444 for the 2006 property tax year, an increase of \$31,461,240. Approximately three-quarters of the revenues from the 2006 tax levy, and one quarter of the revenues from the 2007 tax levy, is received and recognized in Fiscal Year 2008. In the 2007 tax levy year the equalized assessed value increased by \$58,241,577 to \$746,188,021.

Sales and use, utility, and state income tax revenues increased from the prior fiscal year due to an improvement in the state and local economies. The real estate transfer tax revenues decreased as a result of the slowdown in the real estate market coupled with a decrease in sales prices.

<b><u>Village of Hanover Park</u></b>				
<b><u>Increases in Select Governmental Activities Revenues</u></b>				
	<b>Fiscal Year</b>		<b>Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
	<b>2007</b>	<b>2008</b>		
Sales and Use Tax	\$ 3,867,302	\$ 4,025,910	\$ 158,608	4.1%
State Income Tax	3,226,202	3,524,383	298,181	9.2%
Utility Taxes	1,872,699	2,015,759	143,060	7.6%
Real Estate Transfer Tax	596,318	399,850	(196,468)	-32.9%
Capital Contributions	-	2,266,286	2,266,286	
Miscellaneous	912,304	3,975,283	3,062,979	335.7%

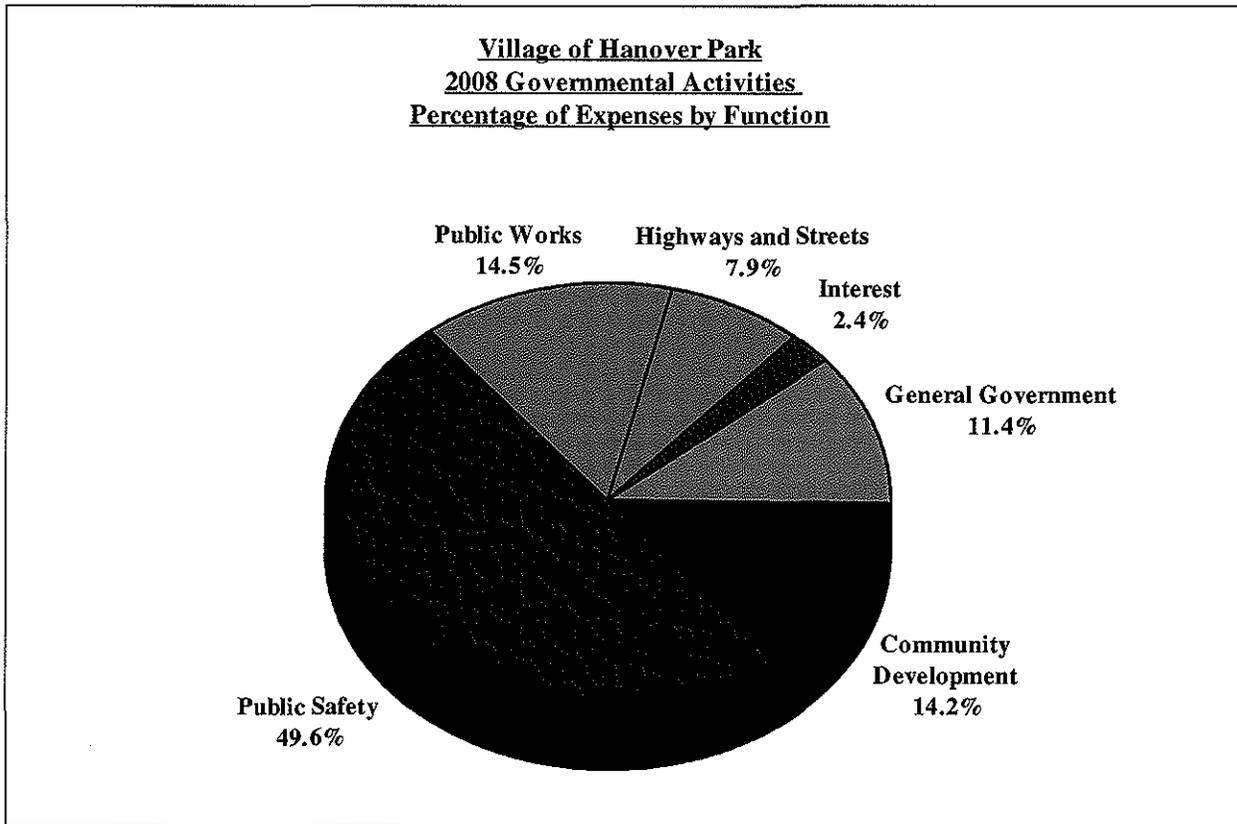
Capital contributions of \$2,266,286 in Fiscal Year 2008 were due to the acceptance of infrastructure constructed by a developer and right-of-way from a residential development in the Village. The increase in miscellaneous revenues is primarily due to increased TIF #4 revenues resulting from litigation. These factors contributed to an overall increase in the unrestricted net assets of the Village's business-type and governmental activities.

***Expenses***

For the fiscal year ended April 30, 2008, expenses from governmental activities totaled \$27,897,956, an increase of \$5,231,217 from Fiscal Year 2007. This increase was due to higher legal expenses and the settlement of litigation in the Tax Increment Financing District #4 Fund, Anne Fox stream bank improvements, increases in personnel including a new Chief Information Officer, and other inflationary increases in salaries, benefits, and other costs.

(See independent auditor's report)

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**



**Business-Type Activities**

Business-type activities increased the Village's net assets by \$1,058,059 to \$30,626,920. Key elements of this net change are as follows:

***Revenues***

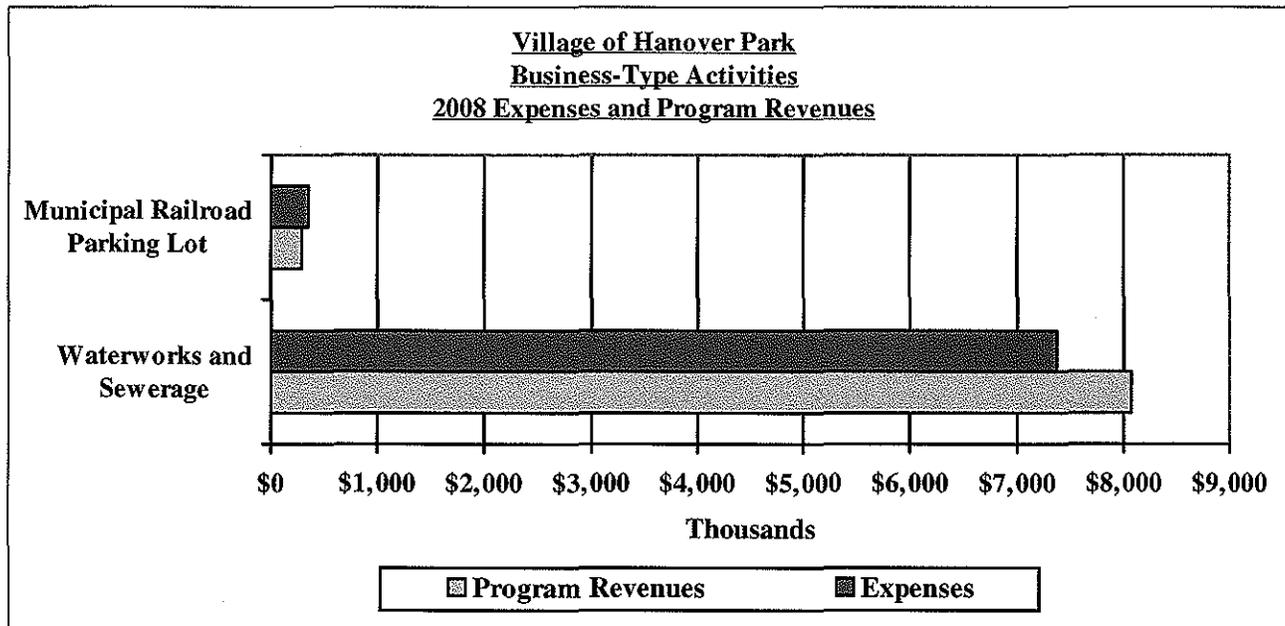
Water and sewer sales remained fairly level. No rate increase was approved for the fiscal year. Water sales decreased to \$4,325,456 from \$4,338,419 in 2007. Sewer sales are based on water meter readings and also decreased; revenues dropped \$1,308 to \$2,384,039. The Village continued the treatment of leachate from an IEPA regulated landfill that closed in 1999. The landfill is adjacent to our wastewater treatment plant. Fiscal year 2008 revenues decreased from \$344,669 to \$220,296 due to a decrease in the volume of leachate being treated. Tap-on fee revenue decreased due to a drop in new residential construction. Interest revenues increased due to changes in the interest rates and other revenues increased due to an increase in the Intergovernmental Personnel Benefit Cooperative terminal reserve. Capital contributions in the amount of \$827,377 were recognized during the fiscal year. Operating revenues for the Municipal Railroad Parking Lot Fund increased \$21,260 to \$277,673 due to increased utilization of the lot.

(See independent auditor's report)

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

*Expenses*

Expenses from all business-type activities increased \$98,968 or 1.3% to \$7,720,977. This increase is due to increases in salaries, benefits, and other accounts. Expenses in the Municipal Railroad Parking Lot Fund currently exceed program revenues.



**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

As noted earlier, the Village of Hanover Park uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reflect a combined fund balance of \$21,967,132 (as presented on pages 23-26), a decrease of \$4,780 from the prior year. Of the total fund balance, \$11,714,050 is unreserved indicating availability for continuing Village services. The 2008 unreserved fund balance for Village's Governmental Funds increased by \$215,044, or 1.9%. As stated previously, this increase is primarily due to improved revenue performance in the General Fund including state and local taxes. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed. The reserved fund balance of \$10,253,082 includes \$4,020,928 for highways and streets, \$4,108,349 for debt service, \$1,248,821 for community development, and \$805,394 and \$69,590 reserved for prepaids/inventory and advances to other funds, respectively.

(See independent auditor's report)

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund decreased by \$1,118,626 from Fiscal Year 2007 to \$8,724,591. The unreserved portion decreased \$1,195,396 to \$7,849,607. Village Board policy requires that the General Fund unreserved fund balance be maintained at a minimum of 25% of the General Fund total budgeted annual expenditures to provide financing for unanticipated expenditures and revenue shortfalls. Following is a chart showing a history of the General Fund unreserved fund balance:

<b>General Fund</b>				
<b>Comparison of the Results of Operations and the</b>				
<b>Unreserved Fund Balance Fiscal Years 2005 - 2008</b>				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues	\$ 18,065,221	\$ 20,571,558	\$ 21,405,837	\$ 22,073,157
Expenditures and Transfers	17,981,976	19,249,988	20,498,576	23,191,783
Results of Operations	\$83,245	\$1,321,570	\$907,261	(\$1,118,626)
Fund Balance - Beginning	\$7,531,141	\$7,614,386	\$8,935,956	\$9,843,217
Fund Balance - Ending	<u>\$7,614,386</u>	<u>\$8,935,956</u>	<u>\$9,843,217</u>	<u>\$8,724,591</u>
Reserved	\$755,240	\$730,035	\$798,214	\$874,984
Unreserved	<u>\$6,859,146</u>	<u>\$8,205,921</u>	<u>\$9,045,003</u>	<u>\$7,849,607</u>
Total Fund Balance	<u>\$7,614,386</u>	<u>\$8,935,956</u>	<u>\$9,843,217</u>	<u>\$8,724,591</u>
Unreserved Fund Balance as a				
Percentage of Budgeted Expenditures	34.80%	38.28%	38.26%	32.25%

The Fiscal Year 2008 decrease in the General Fund fund balance is primarily due to an \$800,000 transfer to the new Municipal Building Fund. Three new firefighters were budgeted during the fiscal year which are partially funded by a Federal SAFER (Staffing for Adequate Fire and Emergency Response) grant. In Fiscal Year, 2008, \$99,608 in SAFER grant revenue was recognized. A new Chief Information Officer was also hired.

The Motor Fuel Tax Fund experienced a \$131,609, or 4.0% increase in fund balance. This increase is due to a lower amount being expended for roadway improvements.

**Proprietary Funds**

At April 30, 2008 the Enterprise Funds (as presented on pages 27-30) total net assets increased by \$1,058,059 or 3.6% to \$30,626,920. The Village accepted developer-constructed water main and sewer line improvements in the amount of \$827,377 from a recently-completed multi-family residential project. Water and Sewer Sales remained fairly level, interest and other revenues were higher than anticipated, and leachate revenues were down.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

<b>Village of Hanover Park</b>				
<b>Water and Sewer Fund Revenues</b>				
	Fiscal Year		Increase	%Increase
	2007	2008	(Decrease)	Decrease
Water Sales	\$ 4,338,419	\$ 4,325,456	\$ (12,963)	-0.3%
Sewer Sales	2,385,347	2,384,039	(1,308)	-0.1%
Leachate Treatment	344,669	220,296	(124,373)	-36.1%
Interest	260,920	312,203	51,283	19.7%
Other Revenues	481,464	461,200	(20,264)	-4.2%
<b>Total</b>	<b>\$ 7,810,819</b>	<b>\$ 7,703,194</b>	<b>\$ (107,625)</b>	<b>-1.4%</b>

The nonmajor enterprise fund experienced a loss. Although parking fee revenue has increased slightly from the prior fiscal year due to increased lot utilization, expenses continue to exceed revenues. The net assets of the internal service funds increased because revenue in the Central Equipment Fund exceeded expenses in the current year. This was primarily the result of contributions to the fund for future vehicle purchases and improved interest revenues. The net assets of the new Employee Benefits Fund increased due to the recognition of the Village's Terminal Reserve balance in the Intergovernmental Personnel Benefit Cooperative (IPBC) resulting from a change in financial reporting by the entity. This fund also includes the Village's Other Post-Employment Benefit (OPEB) liability for the General Fund.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund actual revenues were \$511,718 more than the original and final budgeted amounts. Overall, tax revenues, including property, sales, and utility taxes, were over the original budget by a total of \$141,092. Property tax revenues were under budget due to the timing of property tax receipts. The entire 2007 levy is included in the budget although only approximately one quarter is recognized as revenue in the fiscal year. The remainder of the property tax revenue is collections from the 2006 tax levy. Municipal and Home Rule Sales Tax revenues exceeded the budget amount by \$200,552. In addition, actual State Income Tax revenues were \$344,197 over the budgeted amount. Expenditures were lower than budgeted partially due to position vacancies during the year. The total General Fund expenditure budget, including transfers, was increased during the fiscal year to budget a transfer from the General Fund to a nonmajor Capital Projects Fund. In addition, transfers were made between departments as a result of employee contract settlements.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

<b>Village of Hanover Park General Fund Budgetary Highlights</b>				
	2008	2008	Actual	
	Original Budget	Final Budget	2008	2007
Revenues	\$ 21,561,439	\$ 21,561,439	\$ 22,073,157	\$ 21,405,837
Expenditures	21,118,685	21,118,685	20,829,473	19,765,917
Excess of Revenues over Expenditures	\$ 442,754	\$ 442,754	\$ 1,243,684	\$ 1,639,920
Other Financing Sources (Uses)	(2,453,793)	(2,986,793)	(2,362,310)	(732,659)
Net Change in Fund Balance	\$ (2,011,039)	\$ (2,544,039)	\$ (1,118,626)	\$ 907,261

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2008, amounts to \$78,537,410.

<b>Village of Hanover Park Capital Assets (Net of Depreciation)</b>						
	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 28,175,361	\$ 27,321,319	\$ 2,254,633	\$ 2,254,633	\$ 30,429,994	\$ 29,575,952
Buildings	8,262,785	8,400,399	8,154,181	8,410,659	16,416,966	16,811,058
Improvements other than Buildings	1,106,359	1,116,458	14,397,557	13,819,990	15,503,916	14,936,448
Machinery and Equipment	3,546,449	3,817,322	878,868	858,652	4,425,317	4,675,974
Infrastructure	11,761,217	11,864,039			11,761,217	11,864,039
Total	\$ 52,852,171	\$ 52,519,537	\$ 25,685,239	\$ 25,343,934	\$ 78,537,410	\$ 77,863,471

The investment in capital assets includes land, buildings, equipment, improvements other than buildings, underground systems, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of \$673,939. Major capital asset events during the current fiscal year included the following:

- ⇒ Infrastructure improvements constructed within the Cambridge multi-family residential development were accepted during the fiscal year which resulted in a \$2,266,286 increase in capital assets.
- ⇒ A new street sweeper was purchased during the year at a cost of \$160,000.

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

⇒ A new Municipal Building Fund capital projects fund was established to account for the construction of a new police building and renovations to the existing municipal building. A transfer of \$800,000 from the General Fund provided initial funding for the project.

The governmental activities net capital assets increased from last year by \$332,634 primarily due to the infrastructure from the new development. The net increase in the business-type activities of \$341,305 is also attributable to additions from the new development. The increase in accumulated depreciation reduced the overall impact on net capital assets.

Detailed information regarding the change in capital assets for governmental and business-type activities is included in the Notes to the Financial Statements on pages 51 - 53.

**Infrastructure Assets**

The Village's infrastructure, including roads, bridges, and storm sewers are reported within the Governmental column of the Government-Wide Statements. The Village has elected to depreciate these assets over their estimated useful life. If a road project is considered a recurring cost that does not extend the road's original useful life or expand its capacity, the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

**Long-Term Debt**

<b>Village of Hanover Park</b>						
<b><u>Outstanding Debt</u></b>						
<b><u>General Obligation Bonds, Revenue Bonds, Loans, and Notes</u></b>						
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2007</b>	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>	<b>2008</b>
General Obligation Bonds	\$ 12,060,000	\$ 11,120,000			\$ 12,060,000	\$ 11,120,000
TIF Revenue Bonds	4,900,000	3,350,000			4,900,000	3,350,000
Notes Payable	232,017	131,834			232,017	131,834
IEPA Loan			\$ 3,365,405	\$ 3,091,905	3,365,405	3,091,905
<b>Total</b>	<b>\$ 17,192,017</b>	<b>\$ 14,601,834</b>	<b>\$ 3,365,405</b>	<b>\$ 3,091,905</b>	<b>\$ 20,557,422</b>	<b>\$ 17,693,739</b>

The Village currently has three general obligation bond series, one tax increment bond series, one fire truck note, and two Illinois EPA loan series outstanding. The Village's total outstanding debt, excluding the net pension obligation and compensated absences liability, decreased by \$2,863,683 or 13.9% during the fiscal year. The key factor in this increase was the pay down of principal on existing debt during the fiscal year. No new debt was issued in Fiscal Year 2008.

The tax increment financing bonds were issued for improvements in the TIF Redevelopment District located at Barrington and Irving Park Roads. The issuance of these bonds did not produce a capital asset for the Village; therefore, the unrestricted net assets for governmental activities have been reduced by the amount of these bonds. The tax increment bonds are a limited liability of the

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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Village and are secured by the incremental property tax revenues and general sales taxes generated in the project area.

The \$7,000,000 General Obligation Bonds Series of 2004 was issued in Fiscal Year 2005. The proceeds from this bond issue were used to finance the construction of a new Headquarters Fire Station. The interest rates on these bonds range from 3.5% to 4.4%. The bond payments for this issue have been structured so as to cause minimal impact on the taxpayers of the Village. Therefore, bond principal payments do not begin until tax levy year 2011 when the 2001 and 2002 General Obligation Bonds have been paid off.

The Village issued the 2002 General Obligation Refunding Bonds in Fiscal Year 2003. These bonds were used to refund the 1996 General Obligation Bond issue that were used to pay for a judgment against the Village in connection with a traffic accident. Because these bonds also did not produce a capital asset for the Village, the unrestricted net assets for governmental activities have been reduced by the amount of these bonds. The 2001 General Obligation Bonds were used to finance various capital improvements.

The Village acquired a new IBM AS400 computer in Fiscal Year 2004. A Note from a local banking institution was used to finance this purchase. This note was paid off during the fiscal year. During fiscal year 2005 the Village financed the purchase of an Emergency One fire pumper truck with a 2.75% fixed rate 60-month installment note. This note had an outstanding balance of \$131,834 at April 30, 2008.

The Illinois Environmental Protection Agency (IEPA) notes were used to finance sanitary sewer improvements within the Village. The two 20-year low interest installment loans mature in April 2017 and July 2019.

The Village, under its home rule authority, does not have a legal debt limit. During Fiscal Year 2005, the Village's Aa3 bond rating was reaffirmed by Moody's Investors Service citing the Village's well-managed financial operations, moderate direct debt burden, and aggressive retirement of its general obligation bonds. The Village obtained a similar bond rating of AA- from Standard & Poors which was reaffirmed in 2007. The Village has no immediate plans to issue bonds.

Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 55-62.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Village's composition is primarily residential with a smaller commercial component. The property tax revenue derived from the residential, commercial, and industrial properties is exceedingly stable. Other tax revenues, including municipal and home-rule sales tax and use tax improved during the year as a result of the improvement in the local economy. State income tax revenue, a state-shared revenue, increased significantly due to an improvement in the state

**VILLAGE OF HANOVER PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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economy. The commercial component of the Village includes building material sales, grocery stores, restaurants, and other retail businesses. The average unemployment rate for the Village during the fiscal year was 5.3% which is a slight increase from an average rate of 4.6% for the prior fiscal year.

The Fiscal Year 2009 budget proposes an overall property tax increase of \$356,502 which includes a 4.5% increase in the General Fund levy. State and local tax revenues are expected to decrease slightly or remain flat. Real estate transfer tax revenues are expected to remain low during Fiscal Year 2009 due to the continued reduction in real estate sales and residential property values. Building permit revenues are expected to decrease due to reduced residential and commercial development.

A water rate study was completed during Fiscal Year 2007. This study evaluated our water and sewer rate structure and provided recommended water and sewer rate alternatives which sufficiently fund future operating and capital needs. As a result of this study, an adjustment to water and sewer rates has been included in the Fiscal Year 2009 budget which includes an 8.0% increase in water rates, a 4.5% increase in sewer rates and a reduction of the minimum bill consumption amount from 14,000 gallons to 12,000 gallons. Revenue is expected to increase due to the change in rates.



Commuter parking lot fees will remain unchanged. Expenses charged to the fund, including salaries, are reduced in the Fiscal Year 2009 budget.

Three additional employees are included in the Fiscal Year 2009 budget including two new police officers and two code enforcement officers offset by the elimination of the Village Collector position. Budgeted expenditures include increases due to salary adjustments which are part of employee labor agreements. Employee health insurance and pension costs are also expected to increase. Expenditures for commodities have been increased primarily due to rising fuel costs. Contractual Services expenditures are expected to remain fairly flat. The water main improvements program is expanded in Fiscal Year 2009 to \$540,000 from \$250,000 in the prior fiscal year. A \$200,000 transfer from the General Fund to a new Municipal Building Fund is budgeted. A \$1,000,000 allocation for architectural services is included in the Fiscal Year 2009 budget for the municipal building project.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Joan Rock, Director of Finance, Village of Hanover Park, 2121 West Lake Street, Hanover Park, Illinois 60133.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**VILLAGE OF HANOVER PARK, ILLINOIS**

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

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

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

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 27,593,316	\$ 5,888,723	\$ 33,482,039
Receivables - Net of Allowances			
Property Taxes	7,375,359	-	7,375,359
Accounts	1,130,854	1,299,292	2,430,146
Accrued Interest	235,133	50,249	285,382
Prepays/Inventories	1,741,325	545,733	2,287,058
Due from Other Governments	1,659,329	-	1,659,329
<b>Total Current Assets</b>	<b>39,735,316</b>	<b>7,783,997</b>	<b>47,519,313</b>
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Nondepreciable	28,175,361	2,254,633	30,429,994
Depreciable	51,690,370	36,134,220	87,824,590
Accumulated Depreciation	(27,013,560)	(12,703,614)	(39,717,174)
	52,852,171	25,685,239	78,537,410
<b>Other Assets</b>			
Internal Advances	(1,374,075)	1,374,075	-
Net Pension Assets	251,124	-	251,124
	(1,122,951)	1,374,075	251,124
<b>Total Noncurrent Assets</b>	<b>51,729,220</b>	<b>27,059,314</b>	<b>78,788,534</b>
<b>Total Assets</b>	<b>91,464,536</b>	<b>34,843,311</b>	<b>126,307,847</b>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Total
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	1,217,720	815,847	2,033,567
Other Payables	232,944	-	232,944
Accrued Payroll	678,127	114,031	792,158
Interest Payable	231,419	13,210	244,629
Deposits Payable	-	17,215	17,215
Unearned/Deferred Revenues	7,505,359	43,571	7,548,930
Current Portion of Long-Term Liabilities	2,805,433	286,134	3,091,567
<b>Total Current Liabilities</b>	<b>12,671,002</b>	<b>1,290,008</b>	<b>13,961,010</b>
<b>Noncurrent Liabilities</b>			
Compensated Absences Payable	1,004,130	95,866	1,099,996
Net Pension Obligation	102,358	-	102,358
Net Other Post-Employment Benefits Obligation Payable	268,600	19,700	288,300
Notes/Loans Payable	49,250	2,810,817	2,860,067
Tax Increment Financing Bonds Payable	1,650,000	-	1,650,000
General Obligation Bonds Payable	10,150,000	-	10,150,000
<b>Total Noncurrent Liabilities</b>	<b>13,224,338</b>	<b>2,926,383</b>	<b>16,150,721</b>
<b>Total Liabilities</b>	<b>25,895,340</b>	<b>4,216,391</b>	<b>30,111,731</b>
<b>NET ASSETS</b>			
Invested in Capital Assets - Net of Related Debt	44,085,337	22,593,334	66,678,671
Restricted - Community Development	1,248,821	-	1,248,821
Restricted - Debt Service	3,877,111	-	3,877,111
Restricted - Highways and Streets	4,020,928	-	4,020,928
Unrestricted	12,336,999	8,033,586	20,370,585
<b>Total Net Assets</b>	<b>\$ 65,569,196</b>	<b>\$ 30,626,920</b>	<b>\$ 96,196,116</b>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Activities  
Year Ended April 30, 2008**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 3,170,869	\$ 836,179	\$ -	\$ -
Public Works	4,053,485	-	-	1,438,909
Public Safety	13,823,930	1,386,053	138,606	-
Community Development	3,957,924	243,066	-	-
Highways and Streets	2,200,904	-	1,092,166	-
Interest on Long-Term Debt	690,844	-	-	-
	<u>27,897,956</u>	<u>2,465,298</u>	<u>1,230,772</u>	<u>1,438,909</u>
<b>Business-Type Activities</b>				
Waterworks and Sewerage	7,367,849	7,242,681	-	827,377
Municipal Parking Lot	353,128	291,960	-	-
	<u>7,720,977</u>	<u>7,534,641</u>	<u>-</u>	<u>827,377</u>
	<u>\$ 35,618,933</u>	<u>\$ 9,999,939</u>	<u>\$ 1,230,772</u>	<u>\$ 2,266,286</u>

- General Revenues
- Taxes
  - Property
  - Sales and Local Use
  - Utility
  - Hotel/Motel
  - Food and Beverage
  - Real Estate Transfer
- Intergovernmental - Unrestricted
- Replacement Taxes
- Income Taxes
- Interest
- Miscellaneous
- Transfers - Internal Activity

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

The notes to the financial statements are an integral part of this statement

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
\$ (2,334,690)	\$ -	\$ (2,334,690)
(2,614,576)	-	(2,614,576)
(12,299,271)	-	(12,299,271)
(3,714,858)	-	(3,714,858)
(1,108,738)	-	(1,108,738)
(690,844)	-	(690,844)
<u>(22,762,977)</u>	<u>-</u>	<u>(22,762,977)</u>
-	702,209	702,209
-	(61,168)	(61,168)
<u>-</u>	<u>641,041</u>	<u>641,041</u>
<u>\$ (22,762,977)</u>	<u>\$ 641,041</u>	<u>\$ (22,121,936)</u>
\$ 10,315,338	\$ -	\$ 10,315,338
4,025,910	-	4,025,910
2,015,759	-	2,015,759
40,591	-	40,591
1,101,714	-	1,101,714
399,850	-	399,850
102,976	-	102,976
3,524,383	-	3,524,383
1,492,471	329,724	1,822,195
3,975,283	162,495	4,137,778
75,201	(75,201)	-
<u>27,069,476</u>	<u>417,018</u>	<u>27,486,494</u>
4,306,499	1,058,059	5,364,558
<u>61,262,697</u>	<u>29,568,861</u>	<u>90,831,558</u>
<u>\$ 65,569,196</u>	<u>\$ 30,626,920</u>	<u>\$ 96,196,116</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Balance Sheet - Governmental Funds**

**April 30, 2008**

	General	Motor Fuel Tax	Nonmajor Governmental	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 6,985,099	\$ 3,326,095	\$ 10,163,700	\$ 20,474,894
Receivables - Net of Allowances				
Property Taxes	6,277,191	-	1,098,168	7,375,359
Accounts	646,954	262	483,638	1,130,854
Accrued Interest	79,576	36,544	44,697	160,817
Due from Other Governments	1,573,642	85,687	-	1,659,329
Prepays/Inventories	805,394	-	-	805,394
Due from Other Funds	157,447	-	-	157,447
Advances to Other Funds	69,590	-	-	69,590
<b>Total Assets</b>	<b>\$ 16,594,893</b>	<b>\$ 3,448,588</b>	<b>\$ 11,790,203</b>	<b>\$ 31,833,684</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 671,268	\$ 38,373	\$ 497,132	\$ 1,206,773
Other Payables	232,944	-	-	232,944
Accrued Payroll	672,587	5,540	-	678,127
Due to Other Funds	-	-	157,447	157,447
Advances from Other Funds	-	-	69,590	69,590
Unearned/Deferred Revenues	6,293,503	-	1,228,168	7,521,671
<b>Total Liabilities</b>	<b>7,870,302</b>	<b>43,913</b>	<b>1,952,337</b>	<b>9,866,552</b>
<b>Fund Balances</b>				
Reserved - Prepays/Inventory	805,394	-	-	805,394
Reserved - Advance to Other Funds	69,590	-	-	69,590
Reserved - Community Development	-	-	1,248,821	1,248,821
Reserved - Debt Service	-	-	4,108,349	4,108,349
Reserved - Highways and Streets	-	3,404,675	616,253	4,020,928
Unreserved - General	7,849,607	-	-	7,849,607
Unreserved - Capital Projects	-	-	3,864,443	3,864,443
<b>Total Fund Balances</b>	<b>8,724,591</b>	<b>3,404,675</b>	<b>9,837,866</b>	<b>21,967,132</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 16,594,893</b>	<b>\$ 3,448,588</b>	<b>\$ 11,790,203</b>	<b>\$ 31,833,684</b>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to  
Net Assets - Governmental Activities**

**April 30, 2008**

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<b>Total Governmental Fund Balances</b>	<b>\$ 21,967,132</b>
 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.	50,514,244
A net pension asset is not considered to represent a financial resource and therefore, is not reported in the funds.	251,124
Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets.	7,623,980
Revenues not available to pay for current period expenditures are deferred in the funds	16,312
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(102,358)
Tax Increment Financing Bonds Payable	(3,350,000)
General Obligation Bonds Payable	(11,120,000)
Accrued Interest Payable	<u>(231,238)</u>
 <b>Net Assets of Governmental Activities</b>	 <b><u>\$ 65,569,196</u></b>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF HANOVER PARK, ILLINOIS**

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

	General	Motor Fuel Tax	Nonmajor Governmental	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 14,367,254	\$ -	\$ 2,995,419	\$ 17,362,673
Licenses and Permits	839,389	-	-	839,389
Intergovernmental	4,302,454	1,092,166	-	5,394,620
Charges for Services	1,080,833	-	-	1,080,833
Fines and Forfeits	528,764	-	-	528,764
Interest	485,263	168,638	490,624	1,144,525
Miscellaneous	469,200	29,930	2,540,222	3,039,352
Total Revenues	22,073,157	1,290,734	6,026,265	29,390,156
<b>Expenditures</b>				
Current				
General Government	2,972,390	-	-	2,972,390
Public Works	3,331,597	-	-	3,331,597
Public Safety	13,589,622	-	-	13,589,622
Community Development	915,879	-	2,969,609	3,885,488
Highways and Streets	-	1,159,125	47,105	1,206,230
Capital Outlay	-	-	1,250,792	1,250,792
Debt Service				
Principal Retirement	19,878	-	2,490,000	2,509,878
Interest and Fiscal Charges	107	-	724,033	724,140
Total Expenditures	20,829,473	1,159,125	7,481,539	29,470,137
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,243,684	131,609	(1,455,274)	(79,981)
<b>Other Financing Sources (Uses)</b>				
Transfers In	6,652	-	2,444,163	2,450,815
Transfers Out	(2,368,962)	-	(6,652)	(2,375,614)
	(2,362,310)	-	2,437,511	75,201
Net Change in Fund Balances	(1,118,626)	131,609	982,237	(4,780)
Fund Balances - Beginning	9,843,217	3,273,066	8,855,629	21,971,912
Fund Balances - Ending	\$ 8,724,591	\$ 3,404,675	\$ 9,837,866	\$ 21,967,132

The notes to the financial statements are an integral part of this statement.

## VILLAGE OF HANOVER PARK, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

Year Ended April 30, 2008

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (4,780)</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	1,729,891
Depreciation Expense	(1,161,301)
The net effect of various miscellaneous transactions involving capital assets is to decrease net assets.	
Disposals - Cost	(113,255)
Disposals - Accumulated Depreciation	40,965
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,111
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Additions to Net Pension Obligation Payable	(3,682)
Additions to Net Pension Asset	5,093
Retirement of Notes Payable	19,878
Retirement of Tax Increment Financing Bonds Payable	1,550,000
Retirement of General Obligation Bonds Payable	940,000
Changes to accrued interest on long-term debt in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	38,093
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>1,264,486</u>
<b>Changes in Net Assets of Governmental Activities</b>	<b><u>\$ 4,306,499</u></b>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Net Assets - Proprietary Funds  
April 30, 2008

	Business-Type Activities - Enterprise			Governmental Activities Internal Service
	Waterworks and Sewerage	Nonmajor Municipal Railroad Parking Lot	Totals	
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 5,532,224	\$ 356,499	\$ 5,888,723	\$ 7,118,422
Receivables - Net of Allowances				
Accounts	1,298,792	500	1,299,292	-
Accrued Interest	48,876	1,373	50,249	74,316
Prepays	508,513	37,220	545,733	935,931
Total Current Assets	7,388,405	395,592	7,783,997	8,128,669
Noncurrent Assets				
Capital Assets				
Nondepreciable	937,116	1,317,517	2,254,633	-
Depreciable	34,554,940	1,579,280	36,134,220	4,825,835
Accumulated Depreciation	(12,076,610)	(627,004)	(12,703,614)	(2,487,908)
	23,415,446	2,269,793	25,685,239	2,337,927
Other Assets				
Advances to Other Funds	1,374,075	-	1,374,075	-
Total Noncurrent Assets	24,789,521	2,269,793	27,059,314	2,337,927
Total Assets	32,177,926	2,665,385	34,843,311	10,466,596

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise			Governmental Activities Internal Service
	Waterworks and Sewerage	Nonmajor		
		Municipal Railroad Parking Lot	Totals	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 785,921	\$ 29,926	\$ 815,847	\$ 10,947
Accrued Payroll	106,938	7,093	114,031	-
Accrued Interest Payable	13,210	-	13,210	181
Deposits Payable	16,215	1,000	17,215	-
Unearned/Deferred Revenue	-	43,571	43,571	-
Compensated Absences Payable	5,046	-	5,046	52,849
Notes Payable	-	-	-	82,584
IEPA Loans Payable	281,088	-	281,088	-
<b>Total Current Liabilities</b>	<b>1,208,418</b>	<b>81,590</b>	<b>1,290,008</b>	<b>146,561</b>
<b>Noncurrent Liabilities</b>				
Compensated Absences Payable	95,866	-	95,866	1,004,130
Advances from Other Funds	-	-	-	1,374,075
Net Other Post-Employment Benefits Obligation Payable	19,700	-	19,700	268,600
Notes Payable	-	-	-	49,250
IEPA Loans Payable	2,810,817	-	2,810,817	-
<b>Total Noncurrent Liabilities</b>	<b>2,926,383</b>	<b>-</b>	<b>2,926,383</b>	<b>2,696,055</b>
<b>Total Liabilities</b>	<b>4,134,801</b>	<b>81,590</b>	<b>4,216,391</b>	<b>2,842,616</b>
<b>NET ASSETS</b>				
<b>Invested in Capital Assets -</b>				
Net of Related Debt	20,323,541	2,269,793	22,593,334	2,206,093
Unrestricted	7,719,584	314,002	8,033,586	5,417,887
<b>Total Net Assets</b>	<b>\$ 28,043,125</b>	<b>\$ 2,583,795</b>	<b>\$ 30,626,920</b>	<b>\$ 7,623,980</b>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds  
Year Ended April 30, 2008

	Business-Type Activities - Enterprise			Governmental Activities Internal Service
	Waterworks and Sewerage	Nonmajor Municipal Railroad Parking Lot	Totals	
Operating Revenues				
Charges for Services	\$ 7,242,681	\$ 291,960	\$ 7,534,641	\$ -
Interfund Charges	-	-	-	717,613
Total Operating Revenues	<u>7,242,681</u>	<u>291,960</u>	<u>7,534,641</u>	<u>717,613</u>
Operating Expenses				
Administration	1,378,513	-	1,378,513	-
Operations	5,109,260	320,824	5,430,084	405,553
Depreciation	790,517	32,304	822,821	345,120
Total Operating Expenses	<u>7,278,290</u>	<u>353,128</u>	<u>7,631,418</u>	<u>750,673</u>
Operating Income (Loss)	<u>(35,609)</u>	<u>(61,168)</u>	<u>(96,777)</u>	<u>(33,060)</u>
Nonoperating Revenues (Expenses)				
Interest Income	312,203	17,521	329,724	347,946
Other Income	148,310	14,185	162,495	935,931
Disposal of Capital Assets	-	-	-	18,466
Interest Expense	(89,559)	-	(89,559)	(4,797)
	<u>370,954</u>	<u>31,706</u>	<u>402,660</u>	<u>1,297,546</u>
Income (Loss) Before Contributions and Transfers	335,345	(29,462)	305,883	1,264,486
Capital Contributions	827,377	-	827,377	-
Transfers Out	(75,201)	-	(75,201)	-
Change in Net Assets	1,087,521	(29,462)	1,058,059	1,264,486
Net Assets - Beginning	<u>26,955,604</u>	<u>2,613,257</u>	<u>29,568,861</u>	<u>6,359,494</u>
Net Assets - Ending	<u>\$ 28,043,125</u>	<u>\$ 2,583,795</u>	<u>\$ 30,626,920</u>	<u>\$ 7,623,980</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Cash Flows - Proprietary Funds  
Year Ended April 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service
	Waterworks and Sewerage	Nonmajor Municipal Railroad Parking Lot	Totals	
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 7,156,896	\$ 289,096	\$ 7,445,992	\$ -
Interfund Services Provided	-	-	-	695,775
Payments to Suppliers	(4,629,729)	(154,886)	(4,784,615)	(33,301)
Payments to Employees	(1,837,819)	(141,416)	(1,979,235)	-
	<u>689,348</u>	<u>(7,206)</u>	<u>682,142</u>	<u>662,474</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers Out	(75,201)	-	(75,201)	-
Advances to/from Other Funds	(101,507)	68,257	(33,250)	33,250
	<u>(176,708)</u>	<u>68,257</u>	<u>(108,451)</u>	<u>33,250</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(346,891)	-	(346,891)	(213,907)
Proceeds on Disposal of Capital Assets	4,041	6,101	10,142	50,919
Principal Paid on Debt	(273,500)	-	(273,500)	(80,305)
Interest Paid on Debt	(89,559)	-	(89,559)	(4,797)
	<u>(705,909)</u>	<u>6,101</u>	<u>(699,808)</u>	<u>(248,090)</u>
<b>Cash Flows from Investing Activities</b>				
Interest Received	312,203	17,521	329,724	347,946
<b>Net Change in Cash and Cash Equivalents</b>	<u>118,934</u>	<u>84,673</u>	<u>203,607</u>	<u>795,580</u>
<b>Cash and Cash Equivalents - Beginning</b>	<u>5,413,290</u>	<u>271,826</u>	<u>5,685,116</u>	<u>6,322,842</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>5,532,224</u>	<u>356,499</u>	<u>5,888,723</u>	<u>7,118,422</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(35,609)	(61,168)	(96,777)	(33,060)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	790,517	32,304	822,821	345,120
Other Income	148,310	14,185	162,495	935,931
Increase (Decrease) in Current Assets	(234,095)	(17,049)	(251,144)	(957,769)
Increase (Decrease) in Current Liabilities	20,225	24,522	44,747	372,252
<b>Net Cash Provided by Operating Activities</b>	<u>689,348</u>	<u>(7,206)</u>	<u>682,142</u>	<u>662,474</u>
<b>Noncash Capital and Related Activities</b>				
Capital Contributions	\$ 827,377	\$ -	\$ 827,377	\$ -

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Net Assets - Fiduciary Funds  
April 30, 2008**

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	Pension Trust	Agency
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,844,482	\$ 314,820
Investments		
State and Local Obligations	493,771	
U.S. Government and Agency Obligations	13,620,975	-
Mutual Funds	9,595,441	-
Receivables		
Accrued Interest	157,407	625
Total Assets	<u>25,712,076</u>	<u>315,445</u>
<b>LIABILITIES</b>		
Accounts Payable	3,190	-
Due to Bondholders	-	315,445
Total Liabilities	<u>3,190</u>	<u>315,445</u>
<b>NET ASSETS</b>		
Held in Trust for Pension Benefits	<u>\$ 25,708,886</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF HANOVER PARK, ILLINOIS

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

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	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 1,267,712
Contributions - Plan Members	<u>555,588</u>
Total Contributions	<u>1,823,300</u>
Investment Income	
Interest Earned	911,806
Net Change in Fair Value	<u>(70,244)</u>
	841,562
Less Investment Expenses	<u>(43,602)</u>
	<u>797,960</u>
Total Additions	<u>2,621,260</u>
Deductions	
Administration	46,295
Benefits and Refunds	<u>1,536,911</u>
Total Deductions	<u>1,583,206</u>
Change in Net Assets	1,038,054
Net Assets - Beginning	<u>24,670,832</u>
Net Assets - Ending	<u>\$ 25,708,886</u>

The notes to the financial statements are an integral part of this statement.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Hanover Park, Illinois (Village) was incorporated in 1958. The Village is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire protection, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, waterworks and sewerage services, commuter parking facility and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

#### REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Hanover Park
Blended Component Unit:	Police Pension Employees Retirement System Firefighters' Pension Employee Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

*Blended Component Units* - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the component unit provided services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

# VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

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## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

### REPORTING ENTITY – Continued

#### Blended Component Units

##### Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

##### Firefighters' Pension Employees Retirement System

The Village's sworn full-time firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village's President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn full-time firefighters. The FPERS is reported as a pension trust fund.

## BASIS OF PRESENTATION

### Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage and commuter parking activities are classified as business-type activities.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, community development, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

#### Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

#### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

**General fund** is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund, which accounts for the revenues and expenditures for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of State gasoline taxes.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains four nonmajor debt service funds.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains eight nonmajor capital projects funds.

#### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

**Enterprise funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major proprietary fund, the Waterworks and Sewerage Fund, which accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collections.

**Internal Service funds** are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the District on a cost-reimbursement basis. The Village maintains three internal service funds, the Central Equipment Fund, the Employee Compensated Absences Fund and the Employee Benefits Fund.

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Fiduciary Funds – Continued

**Pension Trust Funds** are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

**Agency Funds** are used to account for assets held by the Village in a purely custodial capacity. The Village maintains one agency fund, the Special Service Area #2 Fund, which is used to accumulate monies for the payment of \$2,300,000 Special Service Area #2 unlimited tax bonds which are due in annual installments until maturity in 2009. These bonds were issued to finance public improvements until maturity in 2009. These bonds were issued to financing public improvements on Tower, Barrington and Irving Park Roads. Financing is being provided by ad valorem taxes to be levied without limitation as to rate or amount upon the taxable property in the Village designated at the "Village of Hanover Park Special Service Area #2." These bonds are not general obligations of the Village, and neither the full faith and credit nor the taxing power of the Village is pledged to the payment thereof.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (agency and pension trust). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

##### Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### **Basis of Accounting – Continued**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

##### **Cash and Investments**

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, utility taxes and grants. Business-type activities report utility charges as their major receivables.

##### **Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

**Inventories**

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

**Prepays**

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

**Capital Assets**

Capital assets, other than infrastructure, buildings and improvements, purchased or acquired with an original cost of over \$10,000 and infrastructure, buildings and improvements with an original cost of over \$25,000 are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, stormsewers and bridges are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	10 - 20 Years
Buildings	20 - 50 Years
Machinery, Equipment and Vehicles	3 - 20 Years
Infrastructure	25 - 75 Years

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. The liability for governmental activities is reported in the Employee Compensated Absences Fund (an internal service fund).

##### Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

##### Unearned/Deferred Revenue

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

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2008

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

#### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

All departments of the Village submit requests for appropriations to the Village Manager in January of each year so that a budget may be prepared. The budget is prepared by fund, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year, covering a period from May 1<sup>st</sup> to April 30<sup>th</sup>.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may adjust appropriations. The final budget must be approved by April 30.

Management is authorized to transfer budgeted amounts within any fund without the approval of the governing body. The budget may be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplemental appropriations were necessary.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service (Central Equipment), and Pension Trust Funds. Budgetary comparisons are reflected in the Village’s financial report for all governmental funds.

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2008

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#### NOTE 3 -- DETAIL NOTES ON ALL FUNDS

##### DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the Motor Fuel Tax Fund and the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least \$5 million that have appointed an investment advisor may, through that investment advisor, invest up to forty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

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

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental, business-type, and agency activities totaled \$4,231,311 and the bank balances totaled \$4,165,517.

*Investments.* The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 to 5
U.S. Treasury Notes	\$ 3,116,297	\$ 3,116,297	\$ -
Federal Farm Credit Bureau	617,062		617,062
Federal Home Loan Bank	13,211,510	-	13,211,510
Federal National Mortgage Association	1,157,986	-	1,157,986
Illinois Metropolitan Investment Fund	2,791,786	2,791,786	-
Illinois Funds	8,670,907	8,670,907	-
	<u>\$ 29,565,548</u>	<u>\$ 14,578,990</u>	<u>\$ 14,986,558</u>

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the maximum maturity. The Village will not directly invest in securities maturing more than five years from the date of purchase unless matched to a specific cash flow. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2008

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states that investments shall be limited to the safest types of securities. At year-end, the Village's investments U.S. Government Agencies are all rated AAA by Standard & Poor's, and the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's. IMET is a 1-3 year government bond fund and receives Standard & Poor's AAA rating for credit quality and Standard & Poor's S1 rating for volatility, or interest rate, risk.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires the collateralization of public deposits whenever the amount on deposit exceeds the Federal Deposit Insurance Corporation's (FDIC) balance limitations. The collateral shall be held by an independent third-party institution in the name of the Village. A written collateralization agreement shall be executed by the financial institution, the custodial bank and the Village. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all investments be held by an independent third-party custodian. At year-end, the Village's investments in U.S. Government Agencies are all insured or registered with the Village or its agent in the Village's name and the Village's investment in the Illinois Fund is noncategorizable. The IMET Convenience Fund is a depository vehicle that is 110 percent collateralized with obligations of the United States Treasury and its agencies. All collateral securities are held in the name of IMET at the Federal Reserve Bank of New York.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that the investment portfolio shall be diversified so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. The Village shall diversify its investments to the best of its ability based on the types of funds invested and the cash flow needs of those funds. At year-end, the Village's investment in the Illinois Fund and the Illinois Metropolitan Investment Trust represents more than 5 percent of the total cash and investment portfolio. At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds and the Illinois Metropolitan Investment Fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund’s deposits totaled \$393,522 and the bank balances totaled \$393,522.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Notes	\$ 3,679,712	\$ -	\$ 2,106,461	\$ 1,573,251	\$ -
Federal Farm Credit Bureau	805,161	30,308	374,486	400,367	-
Federal Home Loan Bank	2,164,416	142,469	2,021,947	-	-
Federal Home Loan Mortgage	704,808	-	509,316	-	195,492
Federal National Mortgage Assn.	1,397,160	-	598,114	100,094	698,952
Government National Mortgage Assn.	79,224	-	-	-	79,224
Municipal Bonds	493,771	101,177	273,582	69,549	49,463
Illinois Funds	778,415	778,415	-	-	-
	<u>\$ 10,102,667</u>	<u>\$ 1,052,369</u>	<u>\$ 5,883,906</u>	<u>\$ 2,143,261</u>	<u>\$ 1,023,131</u>

*Interest Rate Risk.* The Fund’s investment policy states that the investment portfolio will remain sufficiently liquid to enable the Fund to meet all operating requirements which might be reasonably anticipated. The investment policy further states that as appropriate, up to 5% of plan assets may be invested in non-liquid, long-term investments.

*Credit Risk.* The Fund’s investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund’s investments in U.S. Government and Agency securities and as municipal bonds were all rated AAA rated by Standard & Poor’s.

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

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NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

**Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Custodial Credit Risk.* The Fund's investment policy states that the custodian of the funds accepts possession of securities and/or funds in a manner which insures their safety and ownership. All investments shall be made in the name of and clearly held and accounted for to indicate ownership of the Fund. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

*Concentration Risk.* The Fund's investment policy states that the portfolio shall be diversified so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Diversification is to be interpreted to include diversification by asset type, by characteristic and by number of investments. Investment management of the Fund's assets shall be in accordance with the following asset allocation guidelines:

<u>Asset Class</u>	<u>Target</u>	<u>Range</u>
Equities	40%	10% to 45%
Fixed Income	57%	50% to 80%
Cash and Equivalents	3%	2% to 10%

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$6,439,618 invested in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard Mutual Funds.

**Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund's deposits totaled \$118,275 and the bank balances totaled \$118,275.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Investments.* The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Notes	2,340,836	-	1,597,030	743,806	-
Federal Home Loan Bank	159,504	-	159,504	-	-
Federal Home Loan Mortgage Corp.	377,488	-	225,982	-	151,506
Federal National Mortgage Assn.	1,912,666	287,705	463,591	145,950	1,015,420
Illinois Funds	554,270	554,270	-	-	-
	<u>\$ 5,344,764</u>	<u>\$ 841,975</u>	<u>\$ 2,446,107</u>	<u>\$ 889,756</u>	<u>\$ 1,166,926</u>

*Interest Rate Risk.* The Fund's investment policy states that the investment portfolio will remain sufficiently liquid to enable the Fund to meet all operating requirements which might be reasonably anticipated. The investment policy further states that as appropriate, up to 5% of plan assets may be invested in non-liquid, long-term investments.

*Credit Risk.* The Fund's investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund's investments in U.S. Government and Agency securities and municipal bonds were all rated AAA rated by Standard & Poor's. The Fund's investment in the Illinois Funds was also AAAM rated by Standard & Poor's.

*Custodial Credit Risk.* The Fund's investment policy states that the custodian of the funds accepts possession of securities and/or funds in a matter which insures their safety and ownership. All investments shall be made in the name of and clearly held and accounted for to indicate ownership of the Fund. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's U.S. Treasury and Agency securities and municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is noncategorizable.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Concentration Risk.* The Fund's investment policy states that the portfolio shall be diversified so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Diversification is to be interpreted to include diversification by asset type, by characteristic and by number of investments. Investment management of the Fund's assets shall be in accordance with the following asset allocation guidelines:

<u>Asset Class</u>	<u>Target</u>	<u>Range</u>
Equities	40%	10% to 45%
Fixed Income	57%	50% to 80%
Cash and Equivalents	3%	2% to 10%

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$3,155,823 invested in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard Mutual Funds.

**PROPERTY TAXES**

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1, 2008, and September 1, 2008. Tax bills are also prepared by Cook County and are payable in two installments, on or about March 1, 2008, and September 1, 2008. The Counties collect such taxes and remit them periodically.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases/ Transfers	Ending Balances
<b>Capital Assets- Nondepreciable</b>				
Land	\$ 3,116,670	\$ -	\$ -	\$ 3,116,670
Land Right of Way	24,204,649	854,042	-	25,058,691
	<u>27,321,319</u>	<u>854,042</u>	<u>-</u>	<u>28,175,361</u>
<b>Other Capital Assets</b>				
Buildings	11,179,848	114,494	-	11,294,342
Machinery, Equipment and Vehicles	7,549,435	340,691	303,092	7,587,034
Improvements Other than Buildings	1,308,929	49,704	-	1,358,633
Infrastructure	30,865,494	584,867	-	31,450,361
	<u>50,903,706</u>	<u>1,089,756</u>	<u>303,092</u>	<u>51,690,370</u>
<b>Less Accumulated Depreciation</b>				
Buildings	2,779,449	252,108	-	3,031,557
Machinery, Equipment and Vehicles	3,732,113	506,431	197,959	4,040,585
Improvements Other than Buildings	192,471	60,193	390	252,274
Infrastructure	19,001,455	687,689	-	19,689,144
	<u>25,705,488</u>	<u>1,506,421</u>	<u>198,349</u>	<u>27,013,560</u>
<b>Total Other Capital Assets</b>	<u>25,198,218</u>	<u>(416,665)</u>	<u>104,743</u>	<u>24,676,810</u>
<b>Total Capital Assets</b>	<u>\$ 52,519,537</u>	<u>\$ 437,377</u>	<u>\$ 104,743</u>	<u>\$ 52,852,171</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 40,221
Community Development	8,140
Public Safety	449,857
Public Works	331,106
Highways and Streets	<u>677,097</u>
	<u>\$ 1,506,421</u>

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases/ Transfers	Decreases/ Transfers	Ending Balances
Capital Assets - Nondepreciable				
Land	\$ 2,254,633	\$ -	\$ -	\$ 2,254,633
Other Capital Assets				
Buildings and Structures	12,568,138	-	-	12,568,138
Underground Systems	11,636,500	1,029,855	-	12,666,355
Machinery, Equipment and Vehicles	2,590,665	144,413	97,435	2,637,643
Improvements Other Than Buildings	8,262,084	-	-	8,262,084
	<u>35,057,387</u>	<u>1,174,268</u>	<u>97,435</u>	<u>36,134,220</u>
Less Accumulated Depreciation				
Buildings and Structures	4,157,479	256,478	-	4,413,957
Underground Systems	3,832,454	209,764	-	4,042,218
Machinery, Equipment and Vehicles	1,732,013	114,055	87,293	1,758,775
Improvements Other Than Buildings	2,246,140	242,524	-	2,488,664
	<u>11,968,086</u>	<u>822,821</u>	<u>87,293</u>	<u>12,703,614</u>
Total Other Capital Assets	<u>23,089,301</u>	<u>351,447</u>	<u>10,142</u>	<u>23,430,606</u>
Total Capital Assets	<u>\$ 25,343,934</u>	<u>\$ 351,447</u>	<u>\$ 10,142</u>	<u>\$ 25,685,239</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities – Continued**

Depreciation expense was charged to business-type activities as follows:

Waterworks and Sewerage	\$ 790,517
Municipal Parking Lot	<u>32,304</u>
	<u>\$ 822,821</u>

**CONSTRUCTION COMMITMENT**

The Village has entered into the following contract for the construction of facilities as follows:

	<u>Expended To Date</u>	<u>Remaining Commitment</u>
Hanover Park Headquarters Fire Station	\$ 6,752,598	\$ 125,166

Financing for Hanover Park Headquarters Fire Station is provided by the prior issuance of \$7,000,000 of General Obligation Bonds, dated November 1, 2004.

**INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS**

**Interfund Balances**

The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Tax Increment Financing #3 (Nonmajor Governmental)	<u>\$ 157,447</u>

The purpose of the interfund receivables/payables is as follows:

- \$157,447 due from the Tax Increment Financing #4 Fund to the General Fund. The balance represents funds transferred to cover fund expenditures during the fiscal year prior to the receipt of property tax levy revenues.

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

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NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

Interfund Advances

Individual fund advances are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Special Service Area #3 (Nonmajor Governmental)	\$ 28,614
General Fund	Special Service Area #4 (Nonmajor Governmental)	40,976
Waterworks and Sewerage	Central Equipment	<u>1,374,075</u>
		<u>\$ 1,443,665</u>

The purposes of the advances receivables/payables are as follows:

- \$28,614 advance from the General Fund to the Special Service Area #3 Fund. The balance represents money advanced to the Special Service Area #3 Fund to be used for expenditures within the area. The advance is to be repaid over a period of ten years via special service area taxes. This advance is scheduled to be repaid in full in January 2009.
- \$40,976 advance from the General Fund to the Special Service Area #4 Fund. The balance represents money advanced to the Special Service Area #4 Fund to be used for expenditures within the area. The advance is to be repaid over a period of ten years via special service area taxes. This advance is scheduled to be repaid in full in November 2009.
- \$1,374,075 advance from the Waterworks and Sewerage Fund to the Central Equipment Fund. The balance represents funds transferred for future purchases of vehicles and equipment for the Waterworks and Sewerage Fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued**

**Interfund Transfers**

Interfund transfers for the year consisted of the following:

	Transfer In		
	General	Nonmajor Governmental	Totals
Transfer Out			
General	\$ -	\$ 2,368,962	\$ 2,368,962
Nonmajor Governmental	6,652	-	6,652
Waterworks and Sewerage	-	75,201	75,201
	<u>\$ 6,652</u>	<u>\$ 2,444,163</u>	<u>\$ 2,450,815</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**LONG-TERM DEBT**

**General Obligation Bonds**

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$3,600,000 General Obligation Bonds of 2001, due in annual installments of \$250,000 to \$435,000 plus interest at 4.00% to 4.15% through December 1, 2011.	Debt Service	\$ 2,005,000	\$ -	\$ 370,000	\$ 1,635,000

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**General Obligation Bonds – Continued**

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$5,210,000 General Obligation Refunding Bonds of 2002, due in annual installments of \$530,000 to \$660,000 plus interest at 2.00% to 3.50% through December 1, 2011.	Debt Service	\$ 3,055,000	\$ -	\$ 570,000	\$ 2,485,000
\$7,000,000 General Obligation Bonds of 2004, due in annual installments of \$420,000 to \$690,000 plus interest at 3.50% to 4.40% through December 1, 2023.	Debt Service	7,000,000	-	-	7,000,000
		<u>\$ 12,060,000</u>	<u>\$ -</u>	<u>\$ 940,000</u>	<u>\$ 11,120,000</u>

**Notes Payable**

The Village enters into notes payable to provide funds for acquisition of capital assets. Notes payable have been issued for the governmental activities. Notes payable are direct obligations and pledge the full faith and credit of the Village. Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Note dated August 21, 2003, due in monthly installments of \$5,041, including interest at 2.57% through August 21, 2007.	General	\$ 19,878	\$ -	\$ 19,878	\$ -

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Notes Payable – Continued**

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Note dated November 12, 2004, due in monthly installments of \$7,101, including interest at 2.75% through November 12, 2009.	Central Equipment	\$ 212,139	\$ -	\$ 80,305	\$ 131,834
		<u>\$ 232,017</u>	<u>\$ -</u>	<u>\$ 100,183</u>	<u>\$ 131,834</u>

**Tax Increment Financing Bonds**

The Village issues bonds where the Village pledges incremental tax income derived from a separately created tax increment financing district. These bonds are not a general obligation of the Village but rather are a limited obligation secured only by the incremental revenues generated by the district. Tax increment financing bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Revenue Bonds of 1989 (TIF #2)	Debt Service	\$ 4,900,000	\$ -	\$ 1,550,000	\$ 3,350,000

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Illinois Environmental Protection Agency Loans (IEPA)**

The Village, through the Illinois Environmental Protection Agency, received a low interest loan for the construction of a sewerage treatment facility. The loan is payable in semi-annual installments of principal and interest of \$123,245. In addition, during fiscal year 1999, the Village received an additional low interest loan from the IEPA for additional work on the sewerage treatment facility. This loan is payable in semi-annual installments of principal and interest of \$58,769. IEPA loans currently outstanding are as follows:

<u>Issue</u>	<u>Fund Debt Retired By</u>	<u>Beginning Balances</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balances</u>
1997 IEPA Loan I	Waterworks and Sewerage	\$ 2,135,373	\$ -	\$ 187,691	\$ 1,947,682
2000 IEPA Loan II	Waterworks and Sewerage	1,230,032	-	85,809	1,144,223
		<u>\$ 3,365,405</u>	<u>\$ -</u>	<u>\$ 273,500</u>	<u>\$ 3,091,905</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 930,021	\$ 253,916	\$ 126,958	\$ 1,056,979	\$ 52,849
Net Pension Obligation	98,676	3,682	-	102,358	-
Net Other Post-Employment Benefits Obligation	-	268,600	-	268,600	-
General Obligation Bonds	12,060,000	-	940,000	11,120,000	970,000
Notes Payable	232,017	-	100,183	131,834	82,584
TIF Bonds	4,900,000	-	1,550,000	3,350,000	1,700,000
	<u>\$ 18,220,714</u>	<u>\$ 526,198</u>	<u>\$ 2,717,141</u>	<u>\$ 16,029,771</u>	<u>\$ 2,805,433</u>
<b>Business-Type Activities</b>					
Compensated Absences	\$ 85,143	\$ 31,538	\$ 15,769	\$ 100,912	\$ 5,046
Net Other Post-Employment Benefits Obligation	-	19,700	-	19,700	-
IEPA Loans	3,365,405	-	273,500	3,091,905	281,088
	<u>\$ 3,450,548</u>	<u>\$ 51,238</u>	<u>\$ 289,269</u>	<u>\$ 3,212,517</u>	<u>\$ 286,134</u>

Payments on the net pension obligation are made by the General Fund and payments on the Net Other Post-Employment Benefits Obligation are made by the Employee Benefits Fund and the Waterworks and Sewerage Fund. The Debt Service Fund makes payments on the general obligation bonds. Payments on the notes payable are made by the General Fund and the Central Equipment Fund. The Debt Service Fund makes payments on the tax increment financing bonds. Payments on the IEPA loans are made by the Waterworks and Sewerage Fund. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$1,056,979 of internal service funds' compensated absences and \$131,834 of notes payable are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the Compensated Absences Fund, an internal service fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Governmental Activities					
	General Obligation Bonds		Notes Payable		Tax Increment Financing Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 970,000	\$ 425,168	\$ 82,584	\$ 2,629	\$ 1,700,000	\$ 161,638
2010	1,010,000	392,026	49,250	460	1,650,000	79,613
2011	1,045,000	357,324	-	-	-	-
2012	1,095,000	319,626	-	-	-	-
2013	420,000	278,474	-	-	-	-
2014	435,000	263,774	-	-	-	-
2015	450,000	248,549	-	-	-	-
2016	470,000	232,798	-	-	-	-
2017	485,000	215,878	-	-	-	-
2018	505,000	197,934	-	-	-	-
2019	530,000	178,744	-	-	-	-
2020	550,000	157,544	-	-	-	-
2021	575,000	135,544	-	-	-	-
2022	600,000	111,824	-	-	-	-
2023	630,000	86,325	-	-	-	-
2024	660,000	59,234	-	-	-	-
2025	690,000	30,360	-	-	-	-
<b>Total</b>	<b>\$ 11,120,000</b>	<b>\$ 3,691,126</b>	<b>\$ 131,834</b>	<b>\$ 3,089</b>	<b>\$ 3,350,000</b>	<b>\$ 241,251</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

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NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending April 30	Business-Type Activities	
	IEPA Loans	
	Principal	Interest
2009	\$ 281,088	\$ 82,941
2010	288,886	75,141
2011	296,902	67,126
2012	305,140	58,888
2013	313,606	50,421
2014	322,308	41,719
2015	331,252	32,776
2016	340,444	23,584
2017	349,893	14,136
2018	111,376	6,162
2019	114,319	3,219
2020	36,691	482
Total	<u>\$ 3,091,905</u>	<u>\$ 456,595</u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

April 30, 2008

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

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

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

##### Tax Increment Financing Bond Ordinance Disclosures

###### Barrington-Irving Tax Increment Revenue Bonds Restricted Accounts

The ordinance authorizing the issue of the Barrington-Irving Tax increment Revenue Bond Series of 1989 provided for the creation of separate accounts designated as bond principal and interest, bond principal and interest reserve and general, into which accounts there shall be credited all revenues of the system in accordance with the following priority:

- 1) Bond principal and interest: an amount sufficient to pay any interest and principal due within sixty days
- 2) Bond principal and interest reserve: an amount sufficient to pay any interest and principal due within the succeeding bond year
- 3) General: all remaining monies

A schedule of the breakdown by account is included in the supplemental section of the report.

##### Noncommitment Debt

Special service area bonds outstanding as of the date of this report totaled \$600,000. These bonds are not an obligation of the Village and are secured by the levy of an annual tax on the real property within the special service area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**Net Assets Classifications**

Investment in capital assets – net of related debt, was comprised of the following as of April 30, 2008:

<b>Governmental Activities</b>		
Capital Assets - Net of Accumulated Depreciation		\$ 52,852,171
Less Capital Related Debt:		
General Obligation Bonds of 2001	(1,635,000)	
General Obligation Bonds of 2004	(7,000,000)	
Notes Payable - Internal Service	(131,834)	<u>(8,766,834)</u>
Investment in Capital Assets - Net of Related Debt		<u>\$ 44,085,337</u>
 <b>Business-Type Activities</b>		
Capital Assets - Net of Accumulated Depreciation		\$ 25,685,239
Less Capital Related Debt:		
IEPA Loan	(3,091,905)	<u>(3,091,905)</u>
Investment in Capital Assets - Net of Related Debt		<u>\$ 22,593,334</u>

Other restricted net assets include amounts restricted for TIF development, debt service and motor fuel tax projects.

# VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2008

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## NOTE 4 – OTHER INFORMATION

### RISK MANAGEMENT

#### Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

#### Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

#### DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. In accordance with legal requirements, the plan assets have been placed in trust for the benefit of the employees. Accordingly, the plan assets are not reported in these financial statements.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**CONTINGENT LIABILITIES**

**Litigation**

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

**Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

**Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The Village has committed to purchase water from the Northwest Suburban Municipal Joint Action Water Agency (JAWA). The Village expects to pay the following minimum amounts (these amounts represent the Village's share of the principal and interest – "fixed costs").

Fiscal Year Ending April 30	Amount
2009	\$ 927,034
2010	1,021,940
2011	1,029,393
2012	1,048,022
2013	1,064,400
2014	1,408,287
2015	1,689,621
2016	1,051,788
	<u>\$ 9,240,485</u>

These amounts have been calculated using the Village's current allocation percentage of 9.90%. In future years, this allocation on percentage will be subject to change.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**JOINT VENTURES**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The seven members of JAWA and their percentage shares as of April 30, 2007 are as follows:

	<u>Percent Share</u>
Village of Elk Grove Village	17.70 %
Village of Hanover Park	9.90
Village of Hoffman Estates	16.00
Village of Mount Prospect	11.40
City of Rolling Meadows	8.20
Village of Schaumburg	28.80
Village of Streamwood	<u>8.00</u>
	<u><u>100.00 %</u></u>

These percentage shares are based upon formulae contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**JOINT VENTURES – Continued**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued**

Summary of financial positions as of April 30, 2007:

Current Assets	\$ 17,552,029	Current Liabilities	\$ 8,708,957
Noncurrent Assets		Long-Term Liabilities	<u>78,730,229</u>
Capital Assets	54,862,019		
Other Assets	<u>11,156,128</u>	Total Liabilities	<u>87,439,186</u>
Total Assets	<u>\$ 83,570,176</u>	Net Assets	<u>\$ (3,869,010)</u>

Summary of revenues, expenses and changes in net assets for the year ended April 30, 2007:

Operating Revenues	\$ 27,662,560
Operating Expenses	<u>21,216,149</u>
Operating Income	6,446,411
Nonoperating Revenue (Expenses)	<u>(2,376,380)</u>
Change in Net Assets	4,070,031
Net Assets - Beginning as Restated	<u>(7,939,041)</u>
Net Assets - Ending	<u>\$ (3,869,010)</u>

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2008

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#### NOTE 4 – OTHER INFORMATION – Continued

##### JOINT VENTURES – Continued

##### Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 903 Brantwood Avenue, Elk Grove Village, Illinois 60007.

Revenues of the system consist of: (a) all receipts derived from Water Supply Agreements or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

JAWA has entered into Water Supply Agreements with the seven-member municipalities for a term of 40 years, extending to December 31, 2022. The Agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this Agreement.

The payments required to be made by the Village under this Agreement shall be required to be made solely from revenues to be derived by the Village from the operation of the Waterworks and Sewerage System. Members are not prohibited by the Agreement, however, from using other available funds to make payments under the Agreement. This Agreement shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this Agreement from revenues of the Waterworks and Sewerage System shall be payable from the operation and maintenance account of the Waterworks and Sewerage Fund.

In accordance with the joint venture agreement, the Village remitted \$2,576,440 to JAWA for the year ended April 30, 2008. All payments were paid from the Waterworks and Sewerage Fund. The Village’s share of net assets of JAWA was \$0 at April 30, 2008.

At April 30, 2005, the Northwest Suburban Municipal Joint Action Water Agency reported a negative net assets balance; therefore, as specified by APB 18, the Village’s investment in joint venture has been reduced to zero and the equity method of accounting has been suspended until such time as the joint venture returns to a positive equity position.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by the IMRF, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the Village at 2121 West Lake Street, Hanover Park, Illinois 60133-4398. IMRF also issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

#### Plan Descriptions, Provisions and Funding Policies

##### Illinois Municipal Retirement System

All employees (other than those covered by the Police plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the IMRF are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2007 was 10.37 percent for IMRF.

##### Sheriff's Law Enforcement Personnel

Sheriff's Law Enforcement Personnel (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earning rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Sheriff's Law Enforcement Personnel – Continued**

These benefit provisions and all other requirements are established by State statutes. SLEP members are required to contribute 7.50% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution rate for the calendar year 2007 was 13.05 percent.

**Police Pension Plan**

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At April 30, 2007 the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	25
Current Employees	
Vested	27
Nonvested	<u>23</u>
	<u>75</u>

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Police Pension Plan – Continued**

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest, or transferred to a new police pension fund with another municipality. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

**Firefighters' Pension Fund**

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At April 30, 2007 the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	12
Current Employees	
Vested	13
Nonvested	<u>22</u>
	<u>47</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions, Provisions and Funding Policies – Continued

##### Firefighters' Pension Plan – Continued

The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest, or is entitled to receive a pension upon attaining the age of 50 or more with 20 or more years of accumulated credible service. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

##### Summary of Significant Accounting Policies and Plan Asset Matters

##### Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

##### Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### Significant Investments

There are no investments in any one organization that represent 5 percent or more of net assets available for benefits for the Police Pension Plan. Information for IMRF is not available.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Related Party Transactions**

There are no securities of the employer or any other related parties included in plan assets.

**Annual Pension Cost and Net Pension Obligation**

There was no net pension obligation for the IMRF plan. The pension liability for the Police and Firefighters' Pension Plans are as follows:

	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 892,877	\$ 374,835	\$ 1,267,712
Interest on Net Pension Obligation	(18,452)	7,401	(11,051)
Adjustment to Annual Required Contribution	13,359	(3,719)	9,640
Annual Pension Cost	887,784	378,517	1,266,301
Actual Contribution	892,877	374,835	1,267,712
Increase (Decrease) in the NPO	(5,093)	3,682	(1,411)
NPO - Beginning of Year	(246,031)	98,676	(147,355)
NPO - End of Year	\$ (251,124)	\$ 102,358	\$ (148,766)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Annual Pension Cost and Net Pension Obligation – Continued**

The Village's annual pension cost for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Contribution Rates				
Employer	10.37%	13.05%	35.135%	17.626%
Employee	4.50%	7.50%	9.91%	9.455%
Annual Required Contribution	\$657,704	\$16,282	\$892,877	\$374,835
Contributions Made	\$657,704	\$16,282	\$892,877	\$374,835
Actuarial Valuation Date	12/31/2007	12/31/2007	4/30/2007	4/30/2007
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis			
Remaining Amortization Period	25	29	26 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market	Market	Market
Actuarial Assumptions				
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 10.0%	.4 to 10.0%	5.00%	5.00%
Inflation Rate Included	4.00%	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%	3.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Trend Information**

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Year	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2006	\$ 593,092	\$ 15,548	\$ 960,163	\$ 326,816
	2007	640,492	17,788	(83,194)	126,187
	2008	657,704	16,282	887,784	378,517
Actual Contributions	2006	593,092	15,548	1,124,952	367,369
	2007	640,492	17,788	1,188,133	371,075
	2008	657,704	16,282	892,877	374,835
Percentage of APC Contributed	2006	100.00%	100.00%	117.16%	112.41%
	2007	100.00%	100.00%	1,428.15%	294.07%
	2008	100.00%	100.00%	100.57%	99.03%
Net Pension Obligation	2006	-	-	1,025,296	343,564
	2007	-	-	(246,031)	98,676
	2008	-	-	(251,124)	102,358

**OTHER POST-EMPLOYMENT BENEFITS**

**Plan Descriptions, Provisions, and Funding Policies**

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's Employee Benefits and Water and Sewer Fund.

The Village provides pre and post Medicare post-employment healthcare benefits to all retirees who worked for the Village, were enrolled in one of the Village's healthcare plans at the time of employment, and receive a pension from the Village through the Illinois Municipal Retirement Fund, Police Pension Fund or Firefighters' Pension Fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

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**NOTE 4 -- OTHER INFORMATION -- Continued**

**OTHER POST-EMPLOYMENT BENEFITS -- Continued**

**Plan Descriptions, Provisions, and Funding Policies -- Continued**

All health care benefits are provided through the Village's various healthcare plans. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2008, retirees contributed \$156,600. Active employees do not contribute to the plan until retirement.

At April 30, 2008, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	17
Active Employees	<u>188</u>
Total	<u>205</u>
Participating Employers	1

The Village does not currently have a funding policy.

**Annual OPEB Costs and Net OPEB Obligation**

The Village first had an actuarial valuation performed for the plan as of April 30, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2008.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2008**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Annual OPEB Costs and Net OPEB Obligation – Continued**

The net OPEB obligation (NOPEBO) as of April 30, 2008, was calculated as follows:

	Governmental Activities	Waterworks and Sewerage	Total
Annual Required Contribution	\$ 424,000	\$ 20,900	\$ 444,900
Interest on the NPO	-	-	-
Adjustment to the ARC	-	-	-
Annual OPEB Cost	424,000	20,900	444,900
Actual Contribution	155,400	1,200	156,600
Increase in the NPO	268,600	19,700	288,300
NOPEBO - Beginning of Year	-	-	-
NOPEBO - End of Year	<u>\$ 268,600</u>	<u>\$ 19,700</u>	<u>\$ 288,300</u>

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2008, was as follows:

Actuarial Accrued Liability (AAL)	\$ 4,856,900
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	4,856,900
Funded Ratio (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	12,188,800
UAAL as a percentage of covered payroll	39.85%

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2008

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Annual OPEB Costs and Net OPEB Obligation – Continued

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

##### Actuarial Methods and Assumptions

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

In the April 30, 2008 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.00% discount rate, a 3.00% price inflation assumption, a 4.00% wage inflation assumption as well as a healthcare cost trend rate of 4.50% to 10.00% depending on fiscal year. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2008, was 30 years.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- **Schedule of Funding Progress**
  - Illinois Municipal Retirement Fund
  - Sheriff's Law Enforcement Information
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefits Plan
  
- **Employer Contributions**
  - Illinois Municipal Retirement Fund
  - Sheriff's Law Enforcement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefits Plan
  
- **Budgetary Comparison Schedule – General Fund**
  
- **Budgetary Comparison Schedule – Motor Fuel Tax Fund**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**April 30, 2008**

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 14,352,417	\$ 14,342,604	100.07%	\$ (9,813)	\$ 5,377,043	(0.18)%
2003	15,043,997	16,597,291	90.64%	1,553,294	5,807,317	26.75%
2004	15,330,214	17,094,439	89.68%	1,764,225	5,690,966	31.00%
2005	16,813,591	18,827,877	89.30%	2,014,286	5,854,803	34.40%
2006	18,236,647	19,927,134	91.52%	1,690,487	6,146,757	27.50%
2007	20,213,615	21,407,596	94.42%	1,193,981	6,342,374	18.83%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Sheriff's Law Enforcement Personnel**

**Required Supplementary Information  
Schedule of Funding Progress  
April 30, 2008**

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 79,949	\$ 67,491	118.46%	\$ (12,458)	\$ 96,523	(12.91)%
2003	98,293	97,028	101.30%	(1,265)	106,805	(1.18)%
2004	121,124	122,305	99.03%	1,181	107,586	1.10%
2005	151,419	158,021	95.82%	6,602	112,419	5.87%
2006	185,317	463,575	39.98%	278,258	119,701	232.46%
2007	229,258	336,881	68.05%	107,623	124,768	86.26%

VILLAGE OF HANOVER PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2008

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 10,759,150	\$ 16,048,736	67.04%	\$ 5,289,586	\$ 2,514,966	210.32%
2003	11,147,739	18,644,843	59.79%	7,497,104	2,669,442	280.85%
2004	11,970,812	21,294,166	56.22%	9,323,354	2,751,780	338.81%
2005	12,825,986	24,600,364	52.14%	11,774,378	2,777,082	423.98%
2006	14,584,155	23,843,938	61.17%	9,259,783	3,176,997	291.46%
2007	16,440,752	26,313,270	62.48%	9,872,518	3,381,577	291.95%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**April 30, 2008**

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 5,417,873	\$ 6,157,023	88.00%	\$ 739,150	\$ 1,144,765	64.57%
2003	5,542,606	7,223,201	76.73%	1,680,595	1,251,010	134.34%
2004	6,038,047	8,878,884	68.00%	2,840,837	1,421,560	199.84%
2005	6,504,039	9,270,905	70.16%	2,766,866	1,667,797	165.90%
2006	7,295,525	10,085,306	72.34%	2,789,781	1,808,081	154.30%
2007	8,230,081	11,633,405	70.75%	3,403,324	2,105,239	161.66%

VILLAGE OF HANOVER PARK, ILLINOIS

Other Post-Employment Benefits Plan

Required Supplementary Information

Schedule of Funding Progress

April 30, 2008

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2004	N/A	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	-	4,856,900	0.00%	4,856,900	12,188,800	39.85%

The Village Implemented GASB Statement No. 45 for the fiscal year ended April 30, 2008. Information for prior years is not available.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Employer Contributions**

**April 30, 2008**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2002	\$ 246,269	\$ 246,269	100.00%
2003	315,918	315,918	100.00%
2004	511,618	511,618	100.00%
2005	593,092	593,092	100.00%
2006	640,492	640,492	100.00%
2007	657,704	657,704	100.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Sheriff's Law Enforcement Personnel**

**Required Supplementary Information**

**Employer Contributions**

**April 30, 2008**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2002	\$ 10,724	\$ 10,724	100.00%
2003	10,317	10,317	100.00%
2004	13,642	13,642	100.00%
2005	15,548	15,548	100.00%
2006	17,788	17,788	100.00%
2007	16,282	16,282	100.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Employer Contributions  
April 30, 2008**

<b>Year Ended April 30</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2003	\$ 516,701	\$ 516,612	100.02%
2004	483,420	483,420	100.00%
2005	884,932	664,932	133.09%
2006	1,124,952	952,015	118.17%
2007	1,188,133	1,150,862	103.24%
2008	892,877	892,877	100.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information**

**Employer Contributions**

**April 30, 2008**

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<b>Year Ended April 30</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2003	\$ 149,500	\$ 149,484	100.01%
2004	164,761	164,761	100.00%
2005	346,769	236,769	146.46%
2006	367,369	326,724	112.44%
2007	371,075	371,075	100.00%
2008	374,835	374,835	100.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Other Post-Employment Benefits Plan**

**Required Supplementary Information**

**Employer Contributions**

**April 30, 2008**

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Calendar Year	Employer Contributions	Annual Required Contributions	Percent Contributed
2003	\$ N/A	\$ N/A	N/A
2004	N/A	N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	156,600	444,900	35.20%

The Village Implemented GASB Statement No. 45 for the fiscal year ended April 30, 2008. Information for prior years is not available.

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 14,226,162	\$ 14,226,162	\$ 14,367,254
Licenses and Permits	726,080	726,080	839,389
Intergovernmental	3,879,204	3,879,204	4,302,454
Charges for Services	1,231,117	1,231,117	1,080,833
Fines and Forfeits	631,500	631,500	528,764
Interest	346,170	346,170	485,263
Miscellaneous	521,206	521,206	469,200
Total Revenues	<u>21,561,439</u>	<u>21,561,439</u>	<u>22,073,157</u>
<b>Expenditures</b>			
General Government	3,296,041	3,253,804	2,972,390
Public Works	3,142,249	3,184,486	3,331,597
Public Safety	13,700,420	13,700,420	13,589,622
Community Development	964,851	964,851	915,879
Debt Service			
Principal Retirement	15,124	15,124	19,878
Interest and Fiscal Charges	-	-	107
Total Expenditures	<u>21,118,685</u>	<u>21,118,685</u>	<u>20,829,473</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>442,754</u>	<u>442,754</u>	<u>1,243,684</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	66,503	66,503	6,652
Transfers Out	(2,520,296)	(3,053,296)	(2,368,962)
	<u>(2,453,793)</u>	<u>(2,986,793)</u>	<u>(2,362,310)</u>
Net Change in Fund Balance	<u>\$ (2,011,039)</u>	<u>\$ (2,544,039)</u>	<u>(1,118,626)</u>
Fund Balance - Beginning			<u>9,843,217</u>
Fund Balance - Ending			<u>\$ 8,724,591</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Intergovernmental			
Allotments	\$ 1,119,288	\$ 1,119,288	\$ 1,092,166
Interest	103,000	103,000	168,638
Miscellaneous	2,550	2,550	29,930
Total Revenues	<u>1,224,838</u>	<u>1,224,838</u>	<u>1,290,734</u>
<b>Expenditures</b>			
Highways and Streets			
Salaries	102,614	102,614	102,649
Overtime Wages	-	-	1,153
Performance Bonus	645	645	525
On Call Premium Pay	-	-	63
State Retirement	10,708	10,708	10,535
Social Security	7,900	7,900	7,891
Employee Insurance	27,430	27,430	24,955
Special Pension	361	361	-
Materials and Supplies	96,250	96,250	135,475
Street Lighting	66,590	66,590	62,921
Repairs - Streets and Bridges	223,000	223,000	229,432
Maintenance Agreements	29,988	29,988	29,105
Repairs - Other Equipment	4,000	4,000	586
Improvements Other Than Buildings	1,112,435	1,112,435	553,835
Total Expenditures	<u>1,681,921</u>	<u>1,681,921</u>	<u>1,159,125</u>
Net Change in Fund Balance	<u>\$ (457,083)</u>	<u>\$ (457,083)</u>	131,609
Fund Balance - Beginning			<u>3,273,066</u>
Fund Balance - Ending			<u>\$ 3,404,675</u>

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Required Supplementary Information April 30, 2008

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#### **BUDGETARY INFORMATION**

All departments of the Village submit requests for appropriations to the Village Manager in January of each year so that a budget may be prepared. The budget is prepared by fund, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year, covering a period from May 1<sup>st</sup> to April 30<sup>th</sup>.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may adjust appropriations. The final budget must be approved by April 30.

Management is authorized to transfer budgeted amounts within any fund without the approval of the governing body. The budget may be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplemental appropriations were necessary.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service (Central Equipment), and Pension Trust Funds. Budgetary comparisons are reflected in the Village's financial report for all governmental funds.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

These financial statements and schedules are not required by the Governmental Accounting Standards Board (GASB), nor a part of the basic financial statements, but are presented for the purpose of additional analysis.

## **GOVERNMENTAL FUNDS**

### **General Fund**

The General Fund is a major governmental fund used to account for resources traditionally associated with the Village's operations that are not required legally or by sound financial management to be accounted for in another fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property - General	\$ 7,750,202	\$ 7,750,202	\$ 7,655,340
Municipal Sales	2,377,540	2,377,540	2,549,324
Home Rule Sales Tax	908,120	908,120	936,888
Municipal Utility - Simplified Telephone	1,237,600	1,237,600	1,355,699
Municipal Utility - Natural Gas	198,300	198,300	216,842
Municipal Utility - Electric	434,000	434,000	443,218
Prepared Food Tax	1,078,900	1,078,900	1,101,714
Hotel/Motel Tax	40,500	40,500	40,591
Real Estate Transfer Tax	201,000	201,000	67,638
	<u>14,226,162</u>	<u>14,226,162</u>	<u>14,367,254</u>
<b>Licenses and Permits</b>			
<b>Licenses</b>			
Business	88,000	88,000	88,507
Liquor	46,850	46,850	51,836
Contractor	41,000	41,000	39,200
Vendor/Solicitor	280	280	370
Animal	1,800	1,800	1,470
<b>Permits</b>			
Building - DuPage	70,000	70,000	109,745
Building - Cook	71,100	71,100	128,435
Sign	4,000	4,000	4,886
<b>Fees</b>			
Penalties on Licenses	11,500	11,500	8,000
Multi-Family	38,500	38,500	45,875
Cable Franchise Fees	247,020	247,020	255,035
Solid Waste Franchise Fees	106,030	106,030	106,030
	<u>726,080</u>	<u>726,080</u>	<u>839,389</u>
<b>Intergovernmental</b>			
Personal Property Replacement Taxes	89,262	89,262	99,767
State Income Taxes	3,180,186	3,180,186	3,524,383
Local Use Taxes	498,667	498,667	539,698
IDOT Highway Safety Grant	-	-	1,204

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
<b>Intergovernmental - Continued</b>			
Federal Safer Grant	\$ 101,000	\$ 101,000	\$ 99,608
IL EMA Disaster Grant	5,889	5,889	7,336
FEMA Grant	-	-	29,278
OJP Bullet Proof Vest Grant	4,200	4,200	1,180
	<u>3,879,204</u>	<u>3,879,204</u>	<u>4,302,454</u>
<b>Charges for Services</b>			
Printed Materials	7,900	7,900	9,275
Ambulance Fees	320,000	320,000	365,442
Vehicle Maintenance Fees	154,917	154,917	154,917
Plan Review - Engineering	2,000	2,000	1,686
Traffic Study Reimbursements	1,000	1,000	-
Volume Cap Fees	-	-	3,447
Plan Review - Community Development	30,000	30,000	33,351
Building Reinspection Fees -	8,000	8,000	15,080
Vehicle Impoundment Fees	640,000	640,000	473,500
Impact Fees	65,000	65,000	22,100
CPR Fees	2,300	2,300	2,035
	<u>1,231,117</u>	<u>1,231,117</u>	<u>1,080,833</u>
<b>Fines and Forfeitures</b>			
Traffic Fines - DuPage	37,000	37,000	51,855
Traffic Fines - Cook	185,000	185,000	166,177
Ordinance Violations	325,000	325,000	279,777
Warning Tickets	3,000	3,000	1,410
DUI Fines	65,000	65,000	-
False Alarm Fines	15,500	15,500	13,475
Traffic Court Supervision	1,000	1,000	16,070
	<u>631,500</u>	<u>631,500</u>	<u>528,764</u>
Interest	<u>346,170</u>	<u>346,170</u>	<u>485,263</u>
<b>Miscellaneous</b>			
Reimbursement - ILEOT Boards	4,478	4,478	3,447
Reimbursement - Property Damage	5,000	5,000	17,216
Reimbursement - Police Programs	500	500	2,698
Reimbursement - Fire Services	8,000	8,000	8,374

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Miscellaneous - Continued			
Reimbursement - DuPage County	\$ 15,000	\$ 15,000	\$ 14,959
Reimbursement - Miscellaneous	50,000	50,000	49,725
Rental Income	206,378	206,378	192,125
Hazardous Materials	20,000	20,000	-
Drug Forfeiture Revenue	7,850	7,850	-
Fire District Transfer	85,000	85,000	46,416
Corporate Partnership Program	14,000	14,000	17,425
Proceeds from Sale of Capital Assets	25,000	25,000	4,394
Miscellaneous	80,000	80,000	112,421
	<u>521,206</u>	<u>521,206</u>	<u>469,200</u>
Total Revenues	<u>\$ 21,561,439</u>	<u>\$ 21,561,439</u>	<u>\$ 22,073,157</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
<b>General Government</b>			
President and Board of Trustees	\$ 89,269	\$ 89,269	\$ 84,795
Village Clerk	99,287	99,287	96,981
Sister City Committee	6,565	6,565	6,152
Citizens Corp Council Committee	1,400	1,400	-
Development Commission	2,245	2,245	559
Economic Development Committee	68,800	68,800	36,036
Village Manager	558,570	558,570	560,628
Legal Department	198,328	198,328	212,124
Human Resources Department	373,697	373,697	396,941
Public Information	105,727	105,727	107,066
Special Events	131,050	131,050	93,470
Information Technology	423,218	423,218	308,235
Finance Department Administration	247,473	247,473	231,762
Collections	187,635	187,635	191,753
General Accounting	160,004	160,004	158,541
General Administrative Services	642,773	600,536	487,347
<b>Total General Government</b>	<b>3,296,041</b>	<b>3,253,804</b>	<b>2,972,390</b>
<b>Public Works</b>			
Administration	155,900	155,900	156,318
Streets	1,039,752	1,058,011	1,190,515
Forestry	533,586	539,482	532,334
Public Buildings	401,436	406,689	416,603
Fleet Services	688,641	701,470	713,279
Engineering Department	322,934	322,934	322,548
<b>Total Public Works</b>	<b>3,142,249</b>	<b>3,184,486</b>	<b>3,331,597</b>
<b>Public Safety</b>			
Fire Department	4,373,232	4,373,232	4,413,163

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department			
Administration	\$ 786,163	\$ 786,163	\$ 745,391
Patrol Division	5,343,526	5,343,526	5,207,252
Investigations	1,107,109	1,107,109	1,167,372
Community Services	203,493	203,493	203,326
Staff Services	1,420,855	1,420,855	1,397,100
Emergency Services	35,400	35,400	31,987
Community Policing/Code Enforcement	430,642	430,642	424,031
	<u>9,327,188</u>	<u>9,327,188</u>	<u>9,176,459</u>
Total Public Safety	<u>13,700,420</u>	<u>13,700,420</u>	<u>13,589,622</u>
Community Development			
Economic Development	240,857	240,857	223,855
Inspection Services	723,994	723,994	692,024
	<u>964,851</u>	<u>964,851</u>	<u>915,879</u>
Total Community Development	<u>964,851</u>	<u>964,851</u>	<u>915,879</u>
Debt Service			
Principal Retirement	15,124	15,124	19,878
Interest and Fiscal Charges	-	-	107
	<u>15,124</u>	<u>15,124</u>	<u>19,985</u>
Total Debt Service	<u>15,124</u>	<u>15,124</u>	<u>19,985</u>
Total Expenditures	<u>\$ 21,118,685</u>	<u>\$ 21,118,685</u>	<u>\$ 20,829,473</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government			
Boards and Commissions			
President and Board of Trustees			
Salaries - Part-Time	\$ 20,400	\$ 20,400	\$ 20,500
State Retirement	622	622	-
Social Security	1,561	1,561	1,568
Office Supplies	950	950	2,225
Memberships and Subscriptions	46,790	46,790	39,654
Materials and Supplies	200	200	2,510
Miscellaneous	50	50	-
Postage	170	170	136
Consulting Services	1,200	1,200	656
Legal Services	7,425	7,425	7,800
Schools, Conventions and Meetings	7,671	7,671	7,728
Transportation	2,130	2,130	1,946
Special Events	100	100	72
	<u>89,269</u>	<u>89,269</u>	<u>84,795</u>
Village Clerk			
Salaries - Regular	63,200	63,200	64,177
State Retirement	6,554	6,554	6,261
Social Security	4,835	4,835	4,686
Employee Insurance	5,278	5,278	5,064
Office Supplies	375	375	28
Memberships and Subscriptions	370	370	369
Postage	800	800	649
Maintenance Agreements	875	875	880
Legal Service	2,000	2,000	340
Legal Publications	8,000	8,000	6,166
Binding and Printing	6,000	6,000	7,741
Schools, Conventions and Meetings	835	835	616
Transportation	165	165	4
	<u>99,287</u>	<u>99,287</u>	<u>96,981</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Boards and Commissions - Continued			
Sister City Committee			
Office Supplies	\$ 60	\$ 60	\$ -
Memberships and Subscriptions	550	550	544
Postage	100	100	9
Schools, Conventions and Meetings	1,275	1,275	1,046
Special Events	4,580	4,580	4,553
	<u>6,565</u>	<u>6,565</u>	<u>6,152</u>
Citizens Corp Council			
Office Supplies	200	200	-
Memberships and Subscriptions	200	200	-
Books, Publications, and Maps	50	50	-
Materials and Supplies	250	250	-
Small Tools	100	100	-
Postage	200	200	-
Schools, Conventions and Meetings	400	400	-
	<u>1,400</u>	<u>1,400</u>	<u>-</u>
Development Commission			
Overtime Compensation	750	750	211
State Retirement	78	78	21
Social Security	57	57	16
Office Supplies	150	150	-
Memberships and Subscriptions	260	260	-
Books, Publications and Maps	225	225	-
Miscellaneous	50	50	6
Postage	300	300	65
Schools, Conventions and Meetings	375	375	240
	<u>2,245</u>	<u>2,245</u>	<u>559</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Boards and Commissions - Continued			
Economic Development Committee			
Office Supplies	\$ 650	\$ 650	\$ 516
Memberships and Subscriptions	700	700	545
Miscellaneous	50	50	-
Postage	1,200	1,200	827
Consulting Services	55,000	55,000	30,000
Schools, Conventions and Meetings	100	100	-
Special Events	11,100	11,100	4,148
	<u>68,800</u>	<u>68,800</u>	<u>36,036</u>
Total Boards and Commissions	<u>267,566</u>	<u>267,566</u>	<u>224,523</u>
Administrative Services			
Village Manager			
Salaries - Regular	323,450	323,450	344,550
Overtime Compensation	50	50	99
State Retirement	33,547	33,547	35,269
Social Security	24,748	24,748	22,019
Employee Insurance	49,976	49,976	47,802
Office Supplies	850	850	1,936
Memberships and Subscriptions	3,600	3,600	3,479
Books, Publications and Maps	50	50	47
Gasoline and Lube	750	750	305
Materials and Supplies	100	100	30
Miscellaneous	100	100	-
Postage	350	350	520
Repairs - Office Equipment	50	50	-
Maintenance Agreements	300	300	683
Vehicle Maintenance	3,234	3,234	3,234
Consulting Services	30,000	30,000	22,156
Legal Services	82,500	82,500	75,610
Schools, Conventions and Meetings	4,225	4,225	2,361
Transportation	665	665	528
Miscellaneous	25	25	-
	<u>558,570</u>	<u>558,570</u>	<u>560,628</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Legal Department			
Salaries - Regular	137,486	137,486	153,652
State Retirement	14,257	14,257	15,541
Social Security	10,518	10,518	9,840
Employee Insurance	22,164	22,164	20,698
Office Supplies	120	120	85
Memberships and Subscriptions	1,489	1,489	464
Books, Publications and Maps	8,150	8,150	8,445
Miscellaneous	50	50	-
Postage	200	200	226
Maintenance Agreements	225	225	65
Consulting Services	100	100	-
Schools, Conventions and Meetings	2,969	2,969	2,578
Transportation	600	600	530
	<u>198,328</u>	<u>198,328</u>	<u>212,124</u>
Human Resources Department			
Salaries - Regular	177,099	177,099	177,852
Salaries - Part Time	-	-	3,996
Overtime Compensation	3,000	3,000	542
State Retirement	18,676	18,676	18,492
Social Security	13,778	13,778	13,387
Employee Insurance	24,474	24,474	23,765
Office Supplies	2,100	2,100	1,626
Memberships and Subscriptions	1,352	1,352	1,272
Books, Publications and Maps	400	400	384
Materials and Supplies	2,475	2,475	3,836
Employee Recognition	36,082	36,082	30,913
Postage	1,900	1,900	2,062
Repairs - Office Equipment	500	500	-

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Human Resources Department - Continued			
Maintenance Agreements	\$ 8,053	\$ 8,053	\$ 7,013
Equipment Rentals	6,000	6,000	5,441
Consulting Services	24,118	24,118	29,011
Legal Services	10,000	10,000	25,904
Medical Examinations	21,780	21,780	16,840
Legal Publications	6,000	6,000	20,360
Schools, Conventions and Meetings	15,210	15,210	13,219
Transportation	700	700	1,026
	<u>373,697</u>	<u>373,697</u>	<u>396,941</u>
Public Information			
Salaries - Regular	23,790	23,790	24,898
State Retirement	2,467	2,467	2,598
Social Security	1,820	1,820	1,947
Employee Insurance	2,638	2,638	3,382
Office Supplies	100	100	144
Memberships and Subscriptions	260	260	257
Materials and Supplies	700	700	427
Photo Supplies	1,538	1,538	2,021
Postage	11,234	11,234	10,825
Maintenance Agreements	6,810	6,810	5,681
Consulting Services	11,290	11,290	10,237
Binding and Printing	42,800	42,800	44,412
Schools, Conventions and Meetings	250	250	200
Transportation	30	30	37
	<u>105,727</u>	<u>105,727</u>	<u>107,066</u>
Special Events			
Postage	500	500	-
Binding and Printing	10,000	10,000	2,743
Schools, Conventions and Meetings	250	250	111
Special Events	120,300	120,300	90,616
	<u>131,050</u>	<u>131,050</u>	<u>93,470</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Information Technology			
Salaries - Regular	\$ 167,307	\$ 167,307	\$ 131,775
Overtime Compensation	4,000	4,000	3,823
State Retirement	17,765	17,765	12,733
Social Security	13,106	13,106	9,600
Employee Insurance	32,916	32,916	16,700
Office Supplies	46,200	46,200	48,369
Memberships and Subscriptions	1,340	1,340	598
Books, Publications and Maps	250	250	-
Materials	7,000	7,000	6,996
Small Tools	3,950	3,950	2,315
Postage	-	-	29
Repairs - Office Equipment	400	400	1,657
Maintenance Agreements	62,284	62,284	60,749
Consulting Services	50,000	50,000	12,036
Schools, Conventions and Meetings	15,400	15,400	555
Transportation	1,000	1,000	-
Miscellaneous	300	300	300
	<u>423,218</u>	<u>423,218</u>	<u>308,235</u>
Total Administrative Services	<u>1,790,590</u>	<u>1,790,590</u>	<u>1,678,464</u>
Finance Department			
Administration			
Salaries - Regular	164,701	164,701	166,641
Salaries - Part-Time	740	740	-
Overtime Compensation	200	200	7
State Retirement	17,100	17,100	16,407
Social Security	12,673	12,673	11,509
Employee Insurance	28,222	28,222	19,577
Office Supplies	550	550	712
Memberships and Subscriptions	1,360	1,360	1,153
Books, Publications and Maps	200	200	203
Miscellaneous Commodities	25	25	-
Repairs - Office Equipment	100	100	-

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department - Continued			
Administration - Continued			
Maintenance Agreements	\$ 65	\$ 65	\$ 65
Consulting Services	11,800	11,800	6,370
Schools, Conventions and Meetings	4,157	4,157	4,218
Transportation	1,130	1,130	629
Miscellaneous	4,450	4,450	4,271
	<u>247,473</u>	<u>247,473</u>	<u>231,762</u>
Collections			
Salaries - Regular	128,872	128,872	130,792
State Retirement	13,364	13,364	13,629
Social Security	9,859	9,859	10,211
Employee Insurance	15,830	15,830	24,319
Office Supplies	13,250	13,250	7,777
Postage	5,395	5,395	4,665
Maintenance Agreements	325	325	161
Repairs - Office Equipment	-	-	199
Schools, Conventions and Meetings	640	640	-
Transportation	100	100	-
	<u>187,635</u>	<u>187,635</u>	<u>191,753</u>
General Accounting			
Salaries - Regular	92,936	92,936	97,891
Overtime Compensation	1,000	1,000	25
State Retirement	9,741	9,741	9,694
Social Security	7,187	7,187	7,258
Employee Insurance	13,320	13,320	12,506
Office Supplies	1,025	1,025	337
Memberships and Subscriptions	200	200	195
Books, Publications and Maps	100	100	99
Small Tools	500	500	-
Miscellaneous Commodities	25	25	-
Postage	3,124	3,124	2,564

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department - Continued			
General Accounting - Continued			
Repairs - Office Equipment	\$ 100	\$ 100	\$ -
Maintenance Agreements	1,200	1,200	1,016
Equipment Rentals	600	600	600
Consulting Services	600	600	-
Auditing Services	18,986	18,986	17,965
Binding and Printing	2,130	2,130	1,081
Schools, Conventions and Meetings	525	525	325
Transportation	105	105	78
Collection Service Fee	300	300	-
Miscellaneous	6,300	6,300	6,907
	<u>160,004</u>	<u>160,004</u>	<u>158,541</u>
General Administrative Services			
Salaries - Regular	30,584	-	-
Performance Bonus	34,075	34,075	9,356
State Retirement	6,706	-	-
Social Security	4,947	-	-
Special Pension	39,315	39,315	42,008
Unemployment Compensation	29,760	29,760	32,730
Telephone	42,980	42,980	25,661
Natural Gas	-	-	2,208
Liability Insurance	415,029	415,029	356,389
Equipment Rentals	17,377	17,377	11,495
Shelter, Inc.	3,000	3,000	3,000
Kasper Program	4,500	4,500	-
Park District - Youth Programs	2,500	2,500	2,500
W.A.Y.S.	2,000	2,000	2,000
Contingency	10,000	10,000	-
	<u>642,773</u>	<u>600,536</u>	<u>487,347</u>
Total Finance Department	<u>1,237,885</u>	<u>1,195,648</u>	<u>1,069,403</u>
Total General Government	<u>3,296,041</u>	<u>3,253,804</u>	<u>2,972,390</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works Department			
Public Works			
Administration			
Salaries - Regular	\$ 104,416	\$ 104,416	\$ 108,668
Overtime Compensation	200	200	35
State Retirement	10,538	10,538	10,405
Social Security	8,003	8,003	7,320
Employee Insurance	20,854	20,854	23,597
Office Supplies	1,555	1,555	1,342
Memberships and Subscriptions	501	501	405
Books, Publications and Maps	100	100	-
Gasoline and Lube	225	225	398
Postage	450	450	270
Repairs - Office Equipment	50	50	-
Repairs - Communication Equipment	50	50	-
Maintenance Agreements	1,130	1,130	683
Equipment Rentals	2,628	2,628	1,322
Schools, Conventions and Meetings	3,700	3,700	851
Transportation	500	500	22
IEPA Discharge Fee	1,000	1,000	1,000
	<u>155,900</u>	<u>155,900</u>	<u>156,318</u>
Streets			
Salaries - Regular	399,481	412,702	417,259
Salaries - Part-Time	15,145	15,145	11,872
Overtime Compensation	28,500	28,500	71,149
On Call Premium Pay	2,252	2,252	2,305
State Retirement	44,615	47,514	49,145
Social Security	34,072	36,211	37,792
Employee Insurance	110,372	110,372	106,203
Office Supplies	100	100	31
Memberships and Subscriptions	110	110	110
Books, Publications and Maps	100	100	-
Gasoline and Lube	27,700	27,700	43,120
Materials and Supplies	94,556	94,556	117,037
Uniforms	4,000	4,000	2,347

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works Department - Continued			
Public Works - Continued			
Streets - Continued			
Safety and Protective Equipment	\$ 3,650	\$ 3,650	\$ 3,294
Small Tools	1,750	1,750	492
Miscellaneous	75	75	152
Repairs - Communication Equipment	75	75	-
Repairs - Streets and Bridges	122,800	122,800	178,883
Repairs - Other Equipment	400	400	-
Equipment Rental	150	150	-
Vehicle Maintenance	147,364	147,364	147,364
Schools, Conventions and Meetings	2,125	2,125	1,960
Transportation	360	360	-
	<u>1,039,752</u>	<u>1,058,011</u>	<u>1,190,515</u>
Forestry			
Salaries - Regular	166,285	170,554	174,081
Salaries - Part-Time	17,586	17,586	16,031
Overtime Compensation	4,500	4,500	6,989
On Call Premium Pay	350	350	110
State Retirement	17,747	18,683	18,357
Social Security	14,437	15,128	14,975
Employee Insurance	39,206	39,206	30,691
Office Supplies	100	100	76
Memberships and Subscriptions	140	140	150
Books, Publications and Maps	75	75	-
Gasoline and Lube	8,110	8,110	9,392
Materials and Supplies	4,685	4,685	2,485
Parts and Accessories	4,435	4,435	3,025
Uniforms	1,000	1,000	1,097
Safety and Protective Equipment	1,802	1,802	1,197
Small Tools	1,175	1,175	757
Repairs - Communication Equipment	50	50	-
Repairs - Buildings	4,000	4,000	2,780
Repairs - Streets and Bridges	136,310	136,310	134,863

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works Department - Continued			
Public Works - Continued			
Forestry - Continued			
Repairs - Other Equipment	\$ 100	\$ 100	\$ -
Maintenance - Forestry	80,300	80,300	84,549
Equipment Rental	150	150	-
Vehicle Maintenance	30,443	30,443	30,443
Schools, Conventions and Meetings	600	600	286
	<u>533,586</u>	<u>539,482</u>	<u>532,334</u>
Public Buildings			
Salaries - Regular	143,026	146,830	150,251
Salaries - Part-Time	29,768	29,768	31,789
Overtime Compensation	14,000	14,000	10,215
On Call Premium Pay	900	900	960
State Retirement	16,377	17,211	16,623
Social Security	14,359	14,974	15,032
Employee Insurance	36,950	36,950	32,225
Office Supplies	300	300	61
Memberships and Subscriptions	-	-	50
Books, Publications and Maps	50	50	-
Gasoline and Lube	3,000	3,000	3,545
Materials and Supplies	41,000	41,000	40,526
Cleaning Supplies	15,750	15,750	14,427
Parts and Accessories	9,000	9,000	11,115
Uniforms	3,150	3,150	2,216
Safety and Protective Equipment	2,000	2,000	1,823
Small Tools	2,850	2,850	2,731
Miscellaneous	25	25	23
Repairs - Communication Equipment	50	50	-
Repairs - Buildings	22,000	22,000	36,557
Maintenance Agreements	32,200	32,200	31,834
Repairs - Other Equipment	300	300	197
Equipment Rental	100	100	-
Vehicle Maintenance	13,081	13,081	13,081
Schools, Conventions and Meetings	1,200	1,200	1,322
	<u>401,436</u>	<u>406,689</u>	<u>416,603</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works Department - Continued			
Public Works - Continued			
Fleet Services			
Salaries - Regular	\$ 331,116	\$ 340,406	\$ 348,098
Overtime Compensation	6,600	6,600	9,967
State Retirement	35,021	37,058	35,916
Social Security	25,835	27,337	26,739
Employee Insurance	76,506	76,506	66,844
Office Supplies	500	500	519
Membership and Subscriptions	1,470	1,470	1,135
Books, Publications and Maps	1,520	1,520	831
Gasoline and Lube	10,445	10,445	10,741
Auto Parts and Accessories	72,000	72,000	101,929
Communication Parts	1,450	1,450	2,028
Materials and Supplies	13,700	13,700	18,584
Parts and Accessories	20,500	20,500	23,075
Uniforms	750	750	700
Safety and Protective Equipment	1,575	1,575	1,061
Small Tools	7,000	7,000	3,019
Photo Supplies	25	25	-
Postage	50	50	-
Repairs - Auto Equipment	44,000	44,000	21,088
Repairs - Office Equipment	50	50	-
Repairs - Communication Equipment	500	500	-
Repairs - Other Equipment	10,000	10,000	20,964
Maintenance Agreements	100	100	-
Equipment Rental	14,420	14,420	11,395
Vehicle Maintenance	2,635	2,635	2,635
Medical Examinations	250	250	-
Uniform Rentals	2,600	2,600	2,354
Testing Services	1,300	1,300	-
Schools, Conventions and Meetings	4,858	4,858	2,306
Transportation	665	665	375
Miscellaneous	1,200	1,200	976
	<u>688,641</u>	<u>701,470</u>	<u>713,279</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
<b>Public Works Department - Continued</b>			
<b>Public Works - Continued</b>			
<b>Engineering</b>			
Salaries - Regular	\$ 207,981	\$ 207,981	\$ 216,595
Overtime Compensation	4,025	4,025	2,511
State Retirement	21,985	21,985	21,455
Social Security	16,218	16,218	15,295
Employee Insurance	46,028	46,028	42,105
Office Supplies	1,500	1,500	1,674
Memberships and Subscriptions	490	490	401
Books, Publications and Maps	175	175	-
Gasoline and Lube	5,900	5,900	5,076
Materials and Supplies	700	700	792
Uniforms	200	200	236
Safety and Protective Equipment	230	230	230
Small Tools	100	100	48
Miscellaneous	50	50	-
Postage	250	250	576
Repairs - Office Equipment	100	100	-
Repairs - Communication Equipment	25	25	-
Maintenance Agreements	2,417	2,417	2,426
Vehicle Maintenance	8,470	8,470	8,470
Consulting Services	2,430	2,430	2,578
Engineering Services	1,000	1,000	-
Schools, Conventions and Meetings	2,510	2,510	1,840
Transportation	150	150	240
	<u>322,934</u>	<u>322,934</u>	<u>322,548</u>
<b>Total Public Works</b>	<b>3,142,249</b>	<b>3,184,486</b>	<b>3,331,597</b>
<b>Public Safety</b>			
<b>Fire Department</b>			
Salaries - Regular	2,414,003	2,414,003	2,403,673
Salaries - Part-Time	240,993	240,993	228,882
Overtime Compensation	144,600	144,600	229,322
State Retirement	5,478	5,478	5,054
Social Security	53,391	53,391	56,285
Fire Pension	374,835	374,835	374,835

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
 Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Employee Insurance	\$ 459,198	\$ 459,198	\$ 410,953
Unemployment Insurance	12,400	12,400	13,637
Office Supplies	4,900	4,900	3,492
Memberships and Subscriptions	9,930	9,930	6,725
Books, Publications and Maps	3,975	3,975	5,906
Gasoline and Lube	29,900	29,900	38,926
Automotive Parts	20,000	20,000	14,508
Communication Parts	8,130	8,130	13,525
Bulk Chemicals	4,110	4,110	4,153
Materials and Supplies	11,272	11,272	14,301
Cleaning Supplies	9,785	9,785	9,465
Parts and Accessories	4,320	4,320	4,572
Uniforms	17,405	17,405	15,641
Safety and Protective Equipment	6,222	6,222	5,536
Small Tools	5,120	5,120	6,948
Photo Supplies	400	400	425
Miscellaneous	100	100	-
Telephone	24,005	24,005	24,098
Postage	1,200	1,200	947
Natural Gas	1,000	1,000	3,557
Liability Insurance	82,660	82,660	71,005
Auto Equipment Maintenance	14,000	14,000	21,710
Office Equipment Maintenance	1,500	1,500	1,611
Building Maintenance	5,000	5,000	15,805
Maintenance Agreements	36,255	36,255	34,917
Other Equipment Maintenance	500	500	582

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Equipment Rentals	\$ 62,136	\$ 62,136	\$ 62,136
Vehicle Maintenance and Replacement	235,784	235,784	235,784
Consulting Services	16,220	16,220	19,692
Legal Services	5,000	5,000	-
Medical Examinations	10,610	10,610	11,576
Legal Publications	-	-	75
Schools, Conventions and Meetings	33,000	33,000	39,128
Transportation	1,675	1,675	1,884
Special Events	2,000	2,000	1,242
Miscellaneous	220	220	650
Total Fire Department	4,373,232	4,373,232	4,413,163
Police Department			
Administration			
Salaries - Regular	447,042	447,042	480,386
Overtime Compensation	4,500	4,500	7,997
Holiday Pay	2,500	2,500	2,662
Sick Leave Buy Back	2,474	2,474	2,474
State Retirement	19,838	19,838	24,359
Social Security	33,559	33,559	34,158
Police Pension	71,170	71,170	71,170
Employee Insurance	74,824	74,824	64,897
Memberships and Subscriptions	10,095	10,095	2,851
Books, Publications and Maps	180	180	179
Gasoline and Lube	2,300	2,300	2,353
Materials and Supplies	2,050	2,050	1,801
Uniforms	1,040	1,040	1,417
Small Tools	100	100	108
Vehicle Maintenance	3,117	3,117	3,117
Consulting Services	20,560	20,560	17,135
Medical Examinations	-	-	325
Schools, Conventions and Meetings	16,284	16,284	20,489
Transportation	1,580	1,580	2,364

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department			
Administration - Continued			
Special Events	\$ 50	\$ 50	\$ -
Drug Forfeiture Expenditures	7,850	7,850	5,028
DUI Expenditures	65,000	65,000	-
Miscellaneous	50	50	121
	<u>786,163</u>	<u>786,163</u>	<u>745,391</u>
Patrol Division			
Salaries - Regular	2,833,374	2,833,374	2,784,797
Salaries - Part Time	39,134	39,134	18,032
Overtime Compensation	360,000	360,000	367,518
Court Appearances	88,823	88,823	106,978
Holiday Pay	89,638	89,638	85,955
Employee Incentive	16,655	16,655	15,569
Sick Leave Buy Back	24,163	24,163	18,078
State Retirement	30,200	30,200	31,646
Social Security	264,062	264,062	252,552
Police Pension	640,788	640,788	640,788
Employee Insurance	623,770	623,770	538,527
Memberships and Subscriptions	6,000	6,000	4,615
Books, Publications and Maps	400	400	-
Gasoline and Lube	97,000	97,000	102,567
Ammunition	7,743	7,743	7,005
Materials and Supplies	5,500	5,500	6,724
Uniforms	32,000	32,000	34,612
Safety and Protective Equipment	5,000	5,000	4,499
Small Tools	2,905	2,905	8,149
Repairs - Other Equipment	200	200	-
Vehicle Maintenance	120,927	120,927	120,927
Medical Examinations	475	475	786
Schools, Conventions and Meetings	43,000	43,000	47,562
Transportation	11,644	11,644	9,302
Miscellaneous	125	125	64
	<u>5,343,526</u>	<u>5,343,526</u>	<u>5,207,252</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Investigations			
Salaries - Regular	\$ 603,028	\$ 603,028	\$ 636,164
Overtime Compensation	100,082	100,082	125,540
Court Appearances	11,500	11,500	13,708
Holiday Pay	14,957	14,957	16,950
Compensation Adjustment	6,000	6,000	7,016
Sick Leave Buy Back	5,270	5,270	1,254
State Retirement	5,552	5,552	4,303
Social Security	56,674	56,674	56,962
Police Pension	140,759	140,759	140,759
Employee Insurance	123,828	123,828	123,704
Memberships and Subscriptions	11,175	11,175	8,180
Books, Publications and Maps	100	100	-
Gasoline and Lube	5,500	5,500	7,257
Uniforms	3,600	3,600	6,248
Small Tools	100	100	2,264
Repairs - Office Equipment	100	100	-
Repairs - Other Equipment	50	50	-
Vehicle Maintenance	11,573	11,573	11,573
Medical Examinations	250	250	-
Schools, Conventions and Meetings	6,030	6,030	3,632
Transportation	756	756	1,786
Miscellaneous	225	225	72
	<u>1,107,109</u>	<u>1,107,109</u>	<u>1,167,372</u>
Community Services			
Salaries - Regular	128,125	128,125	122,259
Overtime Compensation	5,000	5,000	12,932
Court Appearances	-	-	651
Holiday Pay	2,444	2,444	2,444
Sick Leave Buy Back	-	-	2,407
State Retirement	6,015	6,015	6,067
Social Security	10,372	10,372	11,266
Police Pension	17,800	17,800	17,800
Employee Insurance	20,372	20,372	18,501

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Community Services - Continued			
Memberships and Subscriptions	\$ 345	\$ 345	\$ 350
Books, Publications and Maps	25	25	-
Gasoline and Lube	575	575	560
Materials and Supplies	4,500	4,500	2,043
Uniforms	529	529	98
Small Tools	50	50	9
Vehicle Maintenance	2,875	2,875	2,875
Consulting Services	2,500	2,500	2,175
Schools, Conventions and Meetings	1,220	1,220	725
Transportation	71	71	106
Miscellaneous	675	675	58
	<u>203,493</u>	<u>203,493</u>	<u>203,326</u>
Staff Services			
Salaries - Regular	478,698	478,698	510,227
Salaries - Part-Time	122,274	122,274	99,877
Overtime Compensation	16,500	16,500	11,702
Holiday Pay	5,753	5,753	7,398
Sick Leave Buy Back	2,564	2,564	1,709
State Retirement	41,538	41,538	41,591
Social Security	47,873	47,873	47,357
Police Pension	22,360	22,360	22,360
Employee Insurance	92,198	92,198	108,877
Office Supplies	5,250	5,250	9,032
Memberships and Subscriptions	620	620	265
Books, Publications and Maps	25	25	-
Communications Parts	2,163	2,163	1,725
Materials and Supplies	6,500	6,500	6,482
Uniforms	2,142	2,142	4,579
Small Tools	100	100	275
Evidence	3,700	3,700	6,538
Photo Supplies	2,000	2,000	2,089
Miscellaneous	75	75	53

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Staff Services - Continued			
Telephone	\$ 44,115	\$ 44,115	\$ 31,465
Postage	25,000	25,000	18,105
Repairs - Office Equipment	100	100	104
Repairs - Communication Equipment	2,000	2,000	4,147
Maintenance Agreements	25,973	25,973	6,730
Equipment Rentals	449,112	449,112	441,144
Vehicle Maintenance	2,673	2,673	2,673
Consulting Services	16,500	16,500	7,565
Medical Examinations	240	240	-
Binding and Printing	1,500	1,500	1,189
Schools, Conventions and Meetings	1,209	1,209	1,646
Transportation	50	50	182
Miscellaneous	50	50	14
	<u>1,420,855</u>	<u>1,420,855</u>	<u>1,397,100</u>
Emergency Services			
Salaries - Regular	12,176	12,176	12,531
State Retirement	1,735	1,735	2,205
Social Security	931	931	803
Employee Insurance	1,632	1,632	1,538
Office Supplies	100	100	1,826
Memberships and Subscriptions	55	55	-
Materials and Supplies	1,363	1,363	274
Uniforms	1,700	1,700	-
Small Tools	100	100	11
Certification Training	5,889	5,889	4,811
Postage	50	50	-
Repairs - Office Equipment	50	50	-
Repairs - Communication Equipment	100	100	-
Repairs - Other Equipment	2,581	2,581	4,203
Equipment Rental	1,788	1,788	1,428
Schools, Conventions and Meetings	5,050	5,050	2,357
Transportation	100	100	-
	<u>35,400</u>	<u>35,400</u>	<u>31,987</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Community Policing/Code Enforcement			
Salaries - Regular	\$ 236,692	\$ 236,692	\$ 281,281
Salaries - Part-Time	51,600	51,600	32,552
Overtime Compensation	10,000	10,000	4,179
Court Appearances	2,018	2,018	361
Holiday Pay	4,008	4,008	1,779
State Retirement	26,207	26,207	28,221
Social Security	23,281	23,281	24,630
Employee Insurance	52,136	52,136	24,940
Office Supplies	600	600	478
Memberships and Subscriptions	150	150	-
Books, Publications and Maps	100	100	202
Gasoline and Lube	12,200	12,200	11,614
Uniforms	2,500	2,500	2,895
Small Tools	50	50	-
Photo Supplies	100	100	-
Miscellaneous	450	450	540
Maintenance Agreements	6,000	6,000	8,290
Consulting Services	1,000	1,000	-
Binding and Printing	500	500	854
Schools, Conventions and Meetings	1,050	1,050	1,215
	<u>430,642</u>	<u>430,642</u>	<u>424,031</u>
Total Police Department	<u>9,327,188</u>	<u>9,327,188</u>	<u>9,176,459</u>
Total Public Safety	<u>13,700,420</u>	<u>13,700,420</u>	<u>13,589,622</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued**  
**Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Community Development			
Community Development Department			
Economic Development			
Salaries - Regular	\$ 124,424	\$ 124,424	\$ 120,665
Salaries - Part-Time	9,708	9,708	8,185
Overtime Compensation	750	750	573
State Retirement	12,981	12,981	12,250
Social Security	10,319	10,319	9,493
Employee Insurance	15,726	15,726	19,550
Office Supplies	2,000	2,000	1,220
Memberships and Subscriptions	2,740	2,740	2,111
Books, Publications and Maps	125	125	123
Miscellaneous	100	100	26
Postage	900	900	899
Maintenance Agreements	866	866	130
Consulting Services	50,000	50,000	38,448
Binding and Printing	100	100	1,134
Schools, Conventions and Meetings	7,778	7,778	6,002
Transportation	1,840	1,840	1,906
Special Events	500	500	1,140
	<u>240,857</u>	<u>240,857</u>	<u>223,855</u>
Inspection Services			
Salaries - Regular	471,848	471,848	478,946
Salaries - Part-Time	23,217	23,217	3,715
Overtime Compensation	5,000	5,000	2,563
State Retirement	49,450	49,450	46,938
Social Security	38,255	38,255	35,938
Employee Insurance	102,456	102,456	93,409
Office Supplies	2,000	2,000	1,097
Memberships and Subscriptions	1,465	1,465	1,123
Books, Publications and Maps	2,330	2,330	2,193
Gasoline and Lube	3,600	3,600	4,322
Uniforms	750	750	1,284

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Community Development - Continued			
Community Development - Continued			
Inspection Services - Continued			
Safety and Protective Equipment	\$ 500	\$ 500	\$ -
Miscellaneous	50	50	-
Vehicle Maintenance	8,479	8,479	8,479
Consulting Services	7,000	7,000	6,656
Binding and Printing	3,000	3,000	1,233
Schools, Conventions and Meetings	4,194	4,194	3,511
Transportation	400	400	617
	<u>723,994</u>	<u>723,994</u>	<u>692,024</u>
Total Community Development	<u>964,851</u>	<u>964,851</u>	<u>915,879</u>
Debt Service			
Principal Retirement	15,124	15,124	19,878
Interest and Fiscal Charges	-	-	107
	<u>15,124</u>	<u>15,124</u>	<u>19,985</u>
Total Debt Service	<u>15,124</u>	<u>15,124</u>	<u>19,985</u>
Total Expenditures	<u>\$ 21,118,685</u>	<u>\$ 21,118,685</u>	<u>\$ 20,829,473</u>

## **OTHER MAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUND**

**Motor Fuel Tax Fund:** The Motor Fuel Tax Fund is used to account for the revenues and expenditures for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of the State gasoline taxes. The Schedule of Revenues, Expenditures and Changes in Fund Balance for this fund is located in the Required Supplementary Information section of this report.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUND**

**Road and Bridge Fund:** The fund is used to account for the revenues and expenditures for the operation and maintenance of Village roads and bridges. Financing provided by the Township's annual property tax levy and contributions from other government agencies.

### **DEBT SERVICE FUNDS**

**General Obligation Bond Series of 2001 Fund:** This fund is used to account for the accumulation of monies for the payment of \$3,600,000 General Obligation Bonds, Series 2001 until maturity in 2011. These bonds were issued to fund the replacement of an elevated water storage tank and the construction and installation of public street improvements. Financing is being provided by an annual property tax levy.

**General Obligation Refunding Bond Series of 2002 Fund:** This fund is used to account for the accumulation of monies for the payment of \$5,210,000 General Obligation Refunding Bond Series of 2002 until maturity in 2011. These bonds were issued to refund the General Obligation Bond Series of 1996. Financing is provided by an annual property tax levy, real estate transfer tax and Village reserves.

**General Obligation Bond Series of 2004 Fund:** This fund is used to accumulate monies for the payment of the \$7,000,000 General Obligation Bond Series of 2004 until maturity in 2023. These bonds were issued to finance the construction of a new headquarters fire station. Financing is provided by an annual property tax levy. The debt payments have been structured so that they are lower in the earlier years, while the 2001 and 2002 issues are outstanding.

**TIF #2 Bond Series of 1989 Fund:** The TIF #2 Bond Series of 1987 and 1989 Fund is used to account for the accumulation of monies for the payment of \$8,100,000 Barrington-Irving tax increment revenue bonds, series 1989 until maturity in 2009. These bonds were issued to finance improvements in the Barrington-Irving Redevelopment Project Area. Financing is being provided by incremental revenues from real property taxes and sales taxes. The bonds are a limited liability of the Village and are secured by 100% of the incremental property taxes generated in the project area.

## NONMAJOR GOVERNMENTAL FUNDS – CONTINUED

### CAPITAL PROJECTS FUNDS

**Tax Increment Financing #3 Fund:** This fund is used to account for the financing of improvements in the Village Center Tax Increment Financing Redevelopment Project Area. Financing is being provided by incremental revenues from real property taxes.

**Tax Increment Financing #4 Fund:** This fund is used to account for the financing of improvements in the Redevelopment district located at Barrington and Irving Park Roads. Revenues include incremental property taxes from the TIF district.

**Special Service Area #3 Fund:** The Special Service Area #3 Fund is used to account for the financing of public improvements and scavenger and snow removal services for multifamily housing units located on Astor Avenue. Funding is provided by taxes to be levied upon the taxable property in that area of the Village designated as the “Village of Hanover Park Special Service Area Number Three.”

**Special Service Area #4 Fund:** The Special Service Area #4 Fund is used to account for the financing of public improvements and scavenger service and snow removal services for multifamily housing units located on Mark Thomas and Leslie Lanes. Funding is provided by taxes to be levied to be levied upon property in that area of the Village designated as the “Village of Hanover Park Special Service Area Number Four.”

**Special Service Area #5 Fund:** The Special Service Area #5 Fund is used to account for the financing of public improvements and scavenger for multifamily housing units located in the Tanglewood development. Funding is provided by taxes to be levied upon taxable property in that area of the Village designated as the “Village of Hanover Park Special Service Area Number Five.”

**Municipal Building Fund:** The Municipal Building Fund is used to accumulate resources for the municipal building construction project. Initial funding is provided by a transfer from the General Fund.

## **NONMAJOR GOVERNMENTAL FUNDS – CONTINUED**

### **CAPITAL PROJECTS FUNDS – CONTINUED**

**General Capital Projects Fund:** The General Capital Projects Fund is used to account for the purchase of land, machinery, office equipment and furniture and for various capital improvements. Resources are provided from transfers from other funds.

**2004 Capital Projects Fund:** The 2004 Capital Projects Fund is used to account for the construction of a new Headquarters Fire Station funded by the proceeds of the General Obligation Bonds, Series 2004.

VILLAGE OF HANOVER PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet  
April 30, 2008

	Special Revenue			
	Road and Bridge	Debt Service	Capital Projects	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 747,131	\$ 4,099,263	\$ 5,317,306	\$ 10,163,700
Receivables - Net of Allowances				
Property Taxes	-	726,393	371,775	1,098,168
Accounts	-	-	483,638	483,638
Accrued Interest	2,016	9,086	33,595	44,697
Total Assets	<u>\$ 749,147</u>	<u>\$ 4,834,742</u>	<u>\$ 6,206,314</u>	<u>\$ 11,790,203</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts Payable	\$ 2,894	\$ -	\$ 494,238	\$ 497,132
Due to Other Funds	-	-	157,447	157,447
Advances from Other Funds	-	-	69,590	69,590
Unearned/Deferred Revenues	130,000	726,393	371,775	1,228,168
Total Liabilities	<u>132,894</u>	<u>726,393</u>	<u>1,093,050</u>	<u>1,952,337</u>
Fund Balances				
Reserved - Community Development	-	-	1,248,821	1,248,821
Reserved - Debt Service	-	4,108,349	-	4,108,349
Reserved - Highways and Streets	616,253	-	-	616,253
Unreserved	-	-	3,864,443	3,864,443
Total Fund Balances	<u>616,253</u>	<u>4,108,349</u>	<u>5,113,264</u>	<u>9,837,866</u>
Total Liabilities and Fund Balances	<u>\$ 749,147</u>	<u>\$ 4,834,742</u>	<u>\$ 6,206,314</u>	<u>\$ 11,790,203</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Nonmajor Governmental Funds

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

	Special Revenue			
	Road and Bridge	Debt Service	Capital Projects	Totals
Revenues				
Taxes	\$ 97,241	\$ 2,154,195	\$ 743,983	\$ 2,995,419
Interest	37,947	196,630	256,047	490,624
Miscellaneous	-	10,795	2,529,427	2,540,222
Total Revenues	<u>135,188</u>	<u>2,361,620</u>	<u>3,529,457</u>	<u>6,026,265</u>
Expenditures				
Community Development	-	-	2,969,609	2,969,609
Highways and Streets	47,105	-	-	47,105
Capital Outlay	-	-	1,250,792	1,250,792
Debt Service				
Principal Retirement	-	2,490,000	-	2,490,000
Interest and Fiscal Charges	-	724,033	-	724,033
Total Expenditures	<u>47,105</u>	<u>3,214,033</u>	<u>4,220,401</u>	<u>7,481,539</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>88,083</u>	<u>(852,413)</u>	<u>(690,944)</u>	<u>(1,455,274)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	2,444,163	2,444,163
Transfers Out	-	-	(6,652)	(6,652)
	<u>-</u>	<u>-</u>	<u>2,437,511</u>	<u>2,437,511</u>
Net Change in Fund Balances	88,083	(852,413)	1,746,567	982,237
Fund Balances - Beginning	<u>528,170</u>	<u>4,960,762</u>	<u>3,366,697</u>	<u>8,855,629</u>
Fund Balances - Ending	<u>\$ 616,253</u>	<u>\$ 4,108,349</u>	<u>\$ 5,113,264</u>	<u>\$ 9,837,866</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Road and Bridge - Special Revenue Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 88,000	\$ 88,000	\$ 94,032
Personal Property Replacement Taxes	2,850	2,850	3,209
Interest	23,535	23,535	37,947
Total Revenues	<u>114,385</u>	<u>114,385</u>	<u>135,188</u>
Expenditures			
Highways and Streets			
Engineering Services	87,167	87,167	29,725
Improvements Other Than Buildings	195,000	195,000	17,380
Total Expenditures	<u>282,167</u>	<u>282,167</u>	<u>47,105</u>
Net Change in Fund Balance	<u>\$ (167,782)</u>	<u>\$ (167,782)</u>	88,083
Fund Balance - Beginning			<u>528,170</u>
Fund Balance - Ending			<u>\$ 616,253</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

**Combining Balance Sheet**

**April 30, 2008**

	General Obligation Bonds of 2001	General Obligation Refunding Bonds of 2002	General Obligation Bonds of 2004	TIF #2 Bond Series of 1989	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 141,414	\$ 567,361	\$ 72,409	\$ 3,318,079	\$ 4,099,263
Receivables - Net of Allowances					
Property Taxes	366,310	134,535	225,548	-	726,393
Accrued Interest	-	9,086	-	-	9,086
<b>Total Assets</b>	<b>\$ 507,724</b>	<b>\$ 710,982</b>	<b>\$ 297,957</b>	<b>\$ 3,318,079</b>	<b>\$ 4,834,742</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Unearned/Deferred Revenues	\$ 366,310	\$ 134,535	\$ 225,548	\$ -	\$ 726,393
<b>Fund Balances</b>					
Reserved - Debt Service	141,414	576,447	72,409	3,318,079	4,108,349
<b>Total Liabilities and Fund Balances</b>	<b>\$ 507,724</b>	<b>\$ 710,982</b>	<b>\$ 297,957</b>	<b>\$ 3,318,079</b>	<b>\$ 4,834,742</b>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

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

	General Obligation Bonds of 2001	General Obligation Refunding Bonds of 2002	General Obligation Bonds of 2004	TIF #2 Bond Series of 1989	Totals
<b>Revenues</b>					
Taxes	\$ 461,801	\$ 502,104	\$ 284,091	\$ 906,199	\$ 2,154,195
Interest	9,088	37,345	2,279	147,918	196,630
Miscellaneous	-	-	10,795	-	10,795
<b>Total Revenues</b>	<b>470,889</b>	<b>539,449</b>	<b>297,165</b>	<b>1,054,117</b>	<b>2,361,620</b>
<b>Expenditures</b>					
<b>Debt Service</b>					
Principal Retirement	370,000	570,000	-	1,550,000	2,490,000
Interest and Fiscal Charges	82,853	96,739	278,849	265,592	724,033
<b>Total Expenditures</b>	<b>452,853</b>	<b>666,739</b>	<b>278,849</b>	<b>1,815,592</b>	<b>3,214,033</b>
<b>Net Change in Fund Balances</b>	<b>18,036</b>	<b>(127,290)</b>	<b>18,316</b>	<b>(761,475)</b>	<b>(852,413)</b>
<b>Fund Balances - Beginning</b>	<b>123,378</b>	<b>703,737</b>	<b>54,093</b>	<b>4,079,554</b>	<b>4,960,762</b>
<b>Fund Balances - Ending</b>	<b>\$ 141,414</b>	<b>\$ 576,447</b>	<b>\$ 72,409</b>	<b>\$ 3,318,079</b>	<b>\$ 4,108,349</b>

VILLAGE OF HANOVER PARK, ILLINOIS

General Obligation Bonds of 2001 - Debt Service Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 452,268	\$ 452,268	\$ 461,801
Interest	9,500	9,500	9,088
Total Revenues	<u>461,768</u>	<u>461,768</u>	<u>470,889</u>
Expenditures			
Debt Service			
Principal Retirement	385,000	385,000	370,000
Interest and Fiscal Charges	68,068	68,068	82,853
Total Expenditures	<u>453,068</u>	<u>453,068</u>	<u>452,853</u>
Net Change in Fund Balance	<u>\$ 8,700</u>	<u>\$ 8,700</u>	18,036
Fund Balance - Beginning			<u>123,378</u>
Fund Balance - Ending			<u>\$ 141,414</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Obligation Refunding Bonds of 2002 - Debt Service Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 166,106	\$ 166,106	\$ 169,892
Real Estate Transfer Tax	419,175	419,175	332,212
Interest	27,600	27,600	37,345
Total Revenues	<u>612,881</u>	<u>612,881</u>	<u>539,449</u>
Expenditures			
Debt Service			
Principal Retirement	585,000	585,000	570,000
Interest and Fiscal Charges	82,525	82,525	96,739
Total Expenditures	<u>667,525</u>	<u>667,525</u>	<u>666,739</u>
Net Change in Fund Balance	<u>\$ (54,644)</u>	<u>\$ (54,644)</u>	(127,290)
Fund Balance - Beginning			<u>703,737</u>
Fund Balance - Ending			<u>\$ 576,447</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Obligation Bonds of 2004 - Debt Service Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 278,474	\$ 278,474	\$ 284,091
Interest	2,700	2,700	2,279
Miscellaneous	31,750	31,750	10,795
Total Revenues	<u>312,924</u>	<u>312,924</u>	297,165
Expenditures			
Debt Service			
Interest and Fiscal Charges	<u>279,474</u>	<u>279,474</u>	278,849
Net Change in Fund Balance	<u>\$ 33,450</u>	<u>\$ 33,450</u>	18,316
Fund Balance - Beginning			<u>54,093</u>
Fund Balance - Ending			<u>\$ 72,409</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Tax Increment Financing #2 Bonds of 1989 - Debt Service Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,160,800	\$ 1,160,800	\$ 906,199
Interest	175,000	175,000	147,918
Total Revenues	<u>1,335,800</u>	<u>1,335,800</u>	<u>1,054,117</u>
Expenditures			
Debt Service			
Principal Retirement	1,550,000	1,550,000	1,550,000
Interest and Fiscal Charges	273,795	273,795	265,592
Total Expenditures	<u>1,823,795</u>	<u>1,823,795</u>	<u>1,815,592</u>
Net Change in Fund Balance	<u>\$ (487,995)</u>	<u>\$ (487,995)</u>	(761,475)
Fund Balance - Beginning			<u>4,079,554</u>
Fund Balance - Ending			<u>\$ 3,318,079</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Capital Projects Funds**

**Combining Balance Sheet**

**April 30, 2008**

	Tax Increment Financing #3	Tax Increment Financing #4	Special Service Area #3
<b>ASSETS</b>			
Cash and Investments	\$ 1,248,039	\$ -	\$ 64,547
Receivables - Net of Allowances			
Property Taxes	-	-	17,868
Accounts	-	483,638	-
Accrued Interest	11,800	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,259,839</u>	<u>\$ 483,638</u>	<u>\$ 82,415</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 11,018	\$ 55,211	\$ -
Due to Other Funds	-	157,447	-
Advances from Other Funds	-	-	28,614
Unearned/Deferred Revenues	-	-	17,868
Total Liabilities	<hr/> 11,018	<hr/> 212,658	<hr/> 46,482
<b>Fund Balances</b>			
Reserved - Community Development	1,248,821	-	-
Unreserved	-	270,980	35,933
Total Fund Balances	<hr/> 1,248,821	<hr/> 270,980	<hr/> 35,933
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 1,259,839</u>	<u>\$ 483,638</u>	<u>\$ 82,415</u>

Special Service Area #4	Special Service Area #5	Municipal Building	General Capital Projects	2004 Capital Projects	Totals
\$ 48,036	\$ 84,407	\$ 823,974	\$ 2,923,137	\$ 125,166	\$ 5,317,306
23,761	330,146	-	-	-	371,775
-	-	-	-	-	483,638
-	-	2,933	18,862	-	33,595
<u>\$ 71,797</u>	<u>\$ 414,553</u>	<u>\$ 826,907</u>	<u>\$ 2,941,999</u>	<u>\$ 125,166</u>	<u>\$ 6,206,314</u>
\$ 3,431	\$ -	\$ -	\$ 299,412	\$ 125,166	\$ 494,238
-	-	-	-	-	157,447
40,976	-	-	-	-	69,590
23,761	330,146	-	-	-	371,775
<u>68,168</u>	<u>330,146</u>	<u>-</u>	<u>299,412</u>	<u>125,166</u>	<u>1,093,050</u>
-	-	-	-	-	1,248,821
3,629	84,407	826,907	2,642,587	-	3,864,443
<u>3,629</u>	<u>84,407</u>	<u>826,907</u>	<u>2,642,587</u>	<u>-</u>	<u>5,113,264</u>
<u>\$ 71,797</u>	<u>\$ 414,553</u>	<u>\$ 826,907</u>	<u>\$ 2,941,999</u>	<u>\$ 125,166</u>	<u>\$ 6,206,314</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

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

	Tax Increment Financing #3	Tax Increment Financing #4	Special Service Area #3
Revenues			
Taxes	\$ 310,531	\$ -	\$ 46,130
Interest	55,809	2,703	2,401
Miscellaneous	-	2,512,796	-
Total Revenues	<u>366,340</u>	<u>2,515,499</u>	<u>48,531</u>
Expenditures			
Community Development	7,749	2,832,409	15,397
Capital Outlay	22,164	26,855	-
Total Expenditures	<u>29,913</u>	<u>2,859,264</u>	<u>15,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>336,427</u>	<u>(343,765)</u>	<u>33,134</u>
Other Financing Sources (Uses)			
Transfers In	-	653,000	-
Transfers Out	-	-	(3,142)
	<u>-</u>	<u>653,000</u>	<u>(3,142)</u>
Net Change in Fund Balances	336,427	309,235	29,992
Fund Balances - Beginning	<u>912,394</u>	<u>(38,255)</u>	<u>5,941</u>
Fund Balances - Ending	<u>\$ 1,248,821</u>	<u>\$ 270,980</u>	<u>\$ 35,933</u>

Special Service Area #4	Special Service Area #5	Municipal Building	General Capital Projects	2004 Capital Projects	Totals
\$ 50,758	\$ 336,564	\$ -	\$ -	\$ -	\$ 743,983
1,464	5,589	30,852	157,229	-	256,047
-	16,631	-	-	-	2,529,427
52,222	358,784	30,852	157,229	-	3,529,457
22,784	87,325	3,945	-	-	2,969,609
-	199,272	-	1,002,501	-	1,250,792
22,784	286,597	3,945	1,002,501	-	4,220,401
29,438	72,187	26,907	(845,272)	-	(690,944)
-	-	800,000	991,163	-	2,444,163
(3,510)	-	-	-	-	(6,652)
(3,510)	-	800,000	991,163	-	2,437,511
25,928	72,187	826,907	145,891	-	1,746,567
(22,299)	12,220	-	2,496,696	-	3,366,697
\$ 3,629	\$ 84,407	\$ 826,907	\$ 2,642,587	\$ -	\$ 5,113,264

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Tax Increment Financing #3 - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
<b>Taxes</b>			
Property Taxes	\$ 460,000	\$ 460,000	\$ 310,531
Interest	26,000	26,000	55,809
<b>Total Revenues</b>	<b>486,000</b>	<b>486,000</b>	<b>366,340</b>
<b>Expenditures</b>			
<b>Community Development</b>			
<b>Contractual Services</b>			
Consulting	110,000	110,000	5,124
Legal Services	25,000	25,000	1,175
Engineering Services	25,000	25,000	1,450
<b>Capital Outlay</b>			
Land Purchases	140,000	140,000	-
Improvements Other Than Buildings	160,000	160,000	22,164
<b>Total Expenditures</b>	<b>460,000</b>	<b>460,000</b>	<b>29,913</b>
<b>Net Change in Fund Balance</b>	<b>\$ 26,000</b>	<b>\$ 26,000</b>	<b>336,427</b>
<b>Fund Balance - Beginning</b>			<b>912,394</b>
<b>Fund Balance - Ending</b>			<b>\$ 1,248,821</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Tax Increment Financing #4 - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	\$ -	\$ 2,703
Miscellaneous	650,000	2,650,000	2,512,796
Total Revenues	650,000	2,650,000	2,515,499
Expenditures			
Community Development			
Contractual Services			
Consulting	20,000	20,000	49,794
Legal	650,000	2,783,000	2,782,615
Capital Outlay			
Improvements Other Than Buildings	100,000	100,000	26,855
Total Expenditures	770,000	2,903,000	2,859,264
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120,000)	(253,000)	(343,765)
Other Financing Sources			
Transfers In	120,000	653,000	653,000
Net Change in Fund Balance	\$ -	\$ 400,000	309,235
Fund Balance - Beginning			(38,255)
Fund Balance - Ending			\$ 270,980

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Special Service Area #3 - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 49,144	\$ 49,144	\$ 46,130
Interest	3,452	3,452	2,401
Total Revenues	<u>52,596</u>	<u>52,596</u>	<u>48,531</u>
Expenditures			
Community Development			
Contractual Services			
Equipment Rentals	19,420	19,420	15,397
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,176	33,176	33,134
Other Financing (Uses)			
Transfers Out	<u>(39,193)</u>	<u>(39,193)</u>	<u>(3,142)</u>
Net Change in Fund Balance	<u>\$ (6,017)</u>	<u>\$ (6,017)</u>	29,992
Fund Balance - Beginning			<u>5,941</u>
Fund Balance - Ending			<u>\$ 35,933</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Special Service Area #4 - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 49,450	\$ 49,450	\$ 50,758
Interest	1,966	1,966	1,464
Total Revenues	<u>51,416</u>	<u>51,416</u>	<u>52,222</u>
Expenditures			
Community Development			
Contractual Services			
Equipment Rentals	<u>29,010</u>	<u>29,010</u>	<u>22,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,406	22,406	29,438
Other Financing (Uses)			
Transfers Out	<u>(27,310)</u>	<u>(27,310)</u>	<u>(3,510)</u>
Net Change in Fund Balance	<u>\$ (4,904)</u>	<u>\$ (4,904)</u>	25,928
Fund Balance - Beginning			<u>(22,299)</u>
Fund Balance - Ending			<u>\$ 3,629</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Special Service Area #5 - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 330,146	\$ 330,146	\$ 336,564
Interest	4,500	4,500	5,589
Miscellaneous	30,000	30,000	16,631
Total Revenues	<u>364,646</u>	<u>364,646</u>	<u>358,784</u>
Expenditures			
Community Development			
Contractual Services			
Equipment Rentals	87,825	87,825	87,325
Capital Outlay			
Improvements Other Than Buildings	270,000	270,000	199,272
Total Expenditures	<u>357,825</u>	<u>357,825</u>	<u>286,597</u>
Net Change in Fund Balance	<u>\$ (27,679)</u>	<u>\$ (27,679)</u>	72,187
Fund Balance - Beginning			<u>12,220</u>
Fund Balance - Ending			<u>\$ 84,407</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Municipal Building - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	\$ -	\$ 30,852
Expenditures			
Community Development			
Contractual Services			
Consulting	150,000	150,000	3,945
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,000)	(150,000)	26,907
Other Financing Sources			
Transfers In	800,000	800,000	800,000
Net Change in Fund Balance	<u>\$ 650,000</u>	<u>\$ 650,000</u>	826,907
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u>\$ 826,907</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Capital Projects - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Interest	\$ 98,500	\$ 98,500	\$ 157,229
<b>Expenditures</b>			
Capital Outlay			
Land	450,000	450,000	-
Buildings	226,000	226,000	232,868
Improvements	325,800	325,800	252,579
Office Equipment	385,759	385,759	318,440
Office Furniture and Fixtures	80,000	80,000	13,940
Other Equipment	217,005	217,005	184,674
Total Expenditures	1,684,564	1,684,564	1,002,501
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,586,064)	(1,586,064)	(845,272)
<b>Other Financing Sources</b>			
Transfers In	1,659,146	1,659,146	991,163
<b>Net Change in Fund Balance</b>	\$ 73,082	\$ 73,082	145,891
<b>Fund Balance - Beginning</b>			2,496,696
<b>Fund Balance - Ending</b>			\$ 2,642,587

VILLAGE OF HANOVER PARK, ILLINOIS

2004 Capital Projects - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	\$ -	\$ -
Expenditures			
Capital Outlay			
Building Improvements	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u><u>\$ -</u></u>

## **PROPRIETARY FUNDS**

## **ENTERPRISE FUNDS**

**Waterworks and Sewerage Fund:** The Waterworks and Sewerage Fund is a major fund and is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collections.

**Municipal Railroad Parking Lot Fund:** The Municipal Railroad Parking Lot Fund is a nonmajor fund and is used to account for the provision of parking services to the residents of the Village of Hanover Park and surrounding communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, maintenance, financing and collections.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 7,538,730	\$ 7,538,730	\$ 7,242,681
Operating Expenses			
Administration	1,529,647	1,529,647	1,378,513
Operations			
Waterworks	3,914,013	3,914,013	3,607,065
Sewerage	1,672,172	1,672,172	1,502,195
Depreciation	824,788	824,788	790,517
Total Operating Expenses	7,940,620	7,940,620	7,278,290
Operating (Loss)	(401,890)	(401,890)	(35,609)
Nonoperating Revenues (Expenses)			
Interest Income	210,600	210,600	312,203
Other Income	-	-	148,310
Interest Expense	(90,528)	(90,528)	(89,559)
	120,072	120,072	370,954
Income (Loss) Before Contributions and Transfers	(281,818)	(281,818)	335,345
Capital Contributions	-	-	827,377
Transfers Out	(58,850)	(58,850)	(75,201)
Change in Net Assets	\$ (340,668)	\$ (340,668)	1,087,521
Net Assets - Beginning			26,955,604
Net Assets - Ending			\$ 28,043,125

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Operating Revenues - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales	\$ 4,395,761	\$ 4,395,761	\$ 4,325,456
Sewer Service	2,391,559	2,391,559	2,384,039
Water Penalties	153,860	153,860	166,973
Tap-on Fees	249,106	249,106	91,608
Meter Sales	17,594	17,594	11,251
Leachate Treatment Revenue	300,000	300,000	220,296
Miscellaneous	30,850	30,850	43,058
Total Operating Revenues	<u>\$ 7,538,730</u>	<u>\$ 7,538,730</u>	<u>\$ 7,242,681</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operating Expenses			
Administration			
Salaries - Regular	\$ 807,189	\$ 807,189	\$ 755,551
Salaries - Part-Time	14,552	14,552	8,818
Overtime Wages	2,000	2,000	3,528
Performance Bonuses	7,650	7,650	6,484
On Call Premium Pay	300	300	(44)
State Retirement	84,738	84,738	77,168
Social Security	63,624	63,624	55,954
Employee Insurance	148,256	148,256	130,724
Special Pension	13,429	13,429	7,200
Unemployment Compensation	7,440	7,440	8,182
OPEB	-	-	19,700
Office Supplies and Expense	4,793	4,793	3,843
Memberships and Subscriptions	3,020	3,020	3,080
Books, Publications and Maps	425	425	474
Small Tools	500	500	-
Miscellaneous	25	25	55
Telephone	18,830	18,830	12,857
Postage	24,842	24,842	23,461
Natural Gas	-	-	736
Insurance - Liability	215,074	215,074	179,657
Repairs - Office Equipment	300	300	-
Maintenance Agreements	38,967	38,967	39,204
Repairs - Other Equipment	400	400	-
Equipment Rental	8,293	8,293	6,026
ISeries Computer	5,041	5,041	4,998
Consulting Services	29,000	29,000	3,605
Auditing Services	9,814	9,814	9,282
Schools, Conventions and Meetings	3,000	3,000	1,345
Transportation	70	70	80
Collection Fees	100	100	26
Miscellaneous	17,975	17,975	16,519
Total Administration	1,529,647	1,529,647	1,378,513

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations - Waterworks			
Water Treatment			
Salaries - Regular	\$ 200,840	\$ 200,840	\$ 213,425
Overtime Wages	12,500	12,500	7,497
On Call Premium Pay	5,816	5,816	6,060
State Retirement	22,726	22,726	22,939
Social Security	16,765	16,765	17,174
Employee Insurance	23,612	23,612	26,952
Office Supplies and Expense	394	394	446
Memberships and Subscriptions	583	583	278
Books, Publications and Maps	200	200	53
Gasoline and Lube	3,000	3,000	3,940
Bulk Chemicals	2,119	2,119	2,235
Materials and Supplies	16,010	16,010	10,542
Cleaning Supplies	248	248	264
Uniforms	700	700	612
Safety and Protective Equipment	5,685	5,685	1,115
Small Tools	150	150	158
Photo Supplies	50	50	-
Telephone	14,695	14,695	13,126
Postage	490	490	355
Light and Power	27,500	27,500	66,369
Natural Gas	7,460	7,460	7,188
Repairs - Office Equipment	50	50	-
Repairs - Communication Equipment	50	50	-
Repairs - Buildings	4,000	4,000	1,423
Maintenance Agreements	12,000	12,000	10,393
Maintenance - Other Equipment	4,540	4,540	1,476
Maintenance - Wells	3,000	3,000	12,627
Maintenance - Water Storage Tanks	11,000	11,000	5,140
Equipment Rental	50	50	-
Vehicle Maintenance and Replacement	14,343	14,343	7,915
Engineering Services	15,000	15,000	11,714
Medical Examinations	300	300	-
Testing Services	19,576	19,576	13,703
Binding and Printing	2,600	2,600	2,600
Schools, Conventions and Meetings	4,000	4,000	2,647
Transportation	135	135	-

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations - Waterworks - Continued			
Water Treatment - Continued			
JAWA Fixed and Operating Costs	\$ 2,738,661	\$ 2,738,661	\$ 2,576,440
Improvement Other Than Buildings	30,000	30,000	22,368
Other Equipment	25,000	25,000	4,110
Total Water Treatment	3,245,848	3,245,848	3,073,284
Water Maintenance			
Salaries - Regular	176,779	176,779	187,317
Salaries - Part-Time	8,087	8,087	2,914
Overtime Wages	33,000	33,000	19,344
On Call Premium Pay	1,200	1,200	1,268
State Retirement	21,879	21,879	20,791
Social Security	16,759	16,759	15,819
Employee Insurance	30,428	30,428	28,238
Memberships and Subscriptions	-	-	60
Gasoline and Lube	9,000	9,000	11,883
Materials and Supplies	36,500	36,500	33,949
Uniforms	1,000	1,000	530
Safety and Protective Equipment	915	915	879
Small Tools	1,940	1,940	1,045
Photo Supplies	50	50	-
Repairs - Communication Equipment	100	100	-
Maintenance and Repairs - Streets and Bridges	8,000	8,000	-
Repairs - Other Equipment	600	600	350
Maintenance and Repairs - Water Mains	12,000	12,000	3,774
Equipment Rental	100	100	-
Vehicle Maintenance and Replacement	93,221	93,221	43,635
Testing Services	3,000	3,000	3,917
Schools, Conventions and Meetings	2,300	2,300	658

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations - Waterworks - Continued			
Water Maintenance - Continued			
Water Mains	\$ 270,000	\$ 270,000	\$ 223,107
	726,858	726,858	599,478
Less Capital Assets Capitalized	(250,000)	(250,000)	(202,478)
Total Water Maintenance	476,858	476,858	397,000
Water Meter			
Salaries - Regular	82,951	82,951	63,718
Overtime Wages	11,000	11,000	8,526
On Call Premium Pay	8,000	8,000	6,960
State Retirement	10,572	10,572	7,833
Social Security	7,800	7,800	5,906
Employee Insurance	8,468	8,468	8,069
Office Supplies and Expense	850	850	480
Membership and Subscriptions	341	341	75
Gasoline and Lube	5,400	5,400	6,166
Materials and Supplies	10,000	10,000	3,729
Uniforms	800	800	281
Safety and Protective Equipment	500	500	208
Small Tools	95	95	40
Photo Supplies	50	50	-
Resale Merchandise	23,617	23,617	17,012
Postage	250	250	189
Repairs - Other Equipment	100	100	-
Repairs - Water Meters	3,800	3,800	-
Vehicle Maintenance and Replacement	16,213	16,213	7,589
Schools, Conventions and Meetings	500	500	-
Other Equipment	60,200	60,200	68,400
	251,507	251,507	205,181
Less Capital Assets Capitalized	(60,200)	(60,200)	(68,400)
Total Water Meter	191,307	191,307	136,781
Total Operations - Waterworks	3,914,013	3,914,013	3,607,065

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations - Sewerage			
Sewer Treatment			
Salaries - Regular	\$ 299,780	\$ 299,780	\$ 317,488
Salaries - Part-Time	5,352	5,352	2,725
Overtime Wages	20,703	20,703	21,785
On Call Premium Pay	5,616	5,616	5,896
State Retirement	33,816	33,816	34,037
Social Security	25,355	25,355	25,723
Employee Insurance	94,482	94,482	87,142
Office Supplies and Expense	200	200	323
Membership and Subscriptions	5,460	5,460	5,574
Books, Publications and Maps	70	70	85
Gasoline and Lube	7,750	7,750	8,485
Bulk Chemicals	7,400	7,400	10,895
Materials and Supplies	17,940	17,940	18,213
Cleaning Supplies	598	598	217
Parts and Accessories	100	100	462
Uniforms	700	700	1,007
Safety and Protective Equipment	1,083	1,083	1,219
Small Tools	250	250	77
Photo Supplies	50	50	-
Telephone	14,375	14,375	13,273
Postage	180	180	160
Light and Power	191,500	191,500	155,784
Natural Gas	4,020	4,020	3,190
Repairs - Communication Equipment	50	50	-
Repairs - Buildings	16,500	16,500	19,039
Maintenance Agreements	1,850	1,850	1,205
Maintenance - Other Equipment	150	150	58
Maintenance - Sewage Treatment Plant	53,800	53,800	39,690
Maintenance - Sewer Lines	9,000	9,000	8,142
Equipment Rental	120,000	120,000	141,391
Vehicle Maintenance and Replacement	37,755	37,755	17,672
Engineering Services	59,000	59,000	64,471
Testing Services	6,500	6,500	8,714
Schools, Conventions and Meetings	1,900	1,900	10
Transportation	300	300	-

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations - Sewerage - Continued			
Sewer Treatment - Continued			
IEPA Discharge Fee	\$ 17,500	\$ 17,500	\$ 17,500
Buildings	11,000	11,000	12,112
Sewerage Treatment Plant	36,000	36,000	32,232
	<u>1,108,085</u>	<u>1,108,085</u>	<u>1,075,996</u>
 Sewer Maintenance			
Salaries - Regular	176,779	176,779	183,001
Salaries - Part-Time	20,643	20,643	10,436
Overtime Wages	3,500	3,500	5,014
On Call Premium Pay	1,800	1,800	2,808
State Retirement	18,882	18,882	19,483
Social Security	15,508	15,508	15,399
Employee Insurance	30,426	30,426	28,174
Gasoline and Lube	11,100	11,100	12,820
Materials and Supplies	10,000	10,000	4,155
Parts and Accessories	6,200	6,200	7,872
Uniforms	1,000	1,000	445
Safety and Protective Equipment	1,785	1,785	1,568
Small Tools	125	125	39
Photo Supplies	50	50	-
Repairs - Communication Equipment	60	60	-
Maintenance and Repairs - Streets and Bridges	5,500	5,500	483
Repairs - Other Equipment	400	400	961
Maintenance and Repairs - Sewer Lines	2,000	2,000	2,850
Vehicle Maintenance and Replacement	166,864	166,864	78,106
Schools, Conventions and Meetings	1,425	1,425	756
Transportation	40	40	11
Sewer Lines	90,000	90,000	51,818
	<u>564,087</u>	<u>564,087</u>	<u>426,199</u>
 Total Operations - Sewerage	<u>1,672,172</u>	<u>1,672,172</u>	<u>1,502,195</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Debt Service			
Principal Retirement	\$ 273,500	\$ 273,500	\$ -
Interest Expense	90,528	90,528	89,559
	<u>364,028</u>	<u>364,028</u>	<u>89,559</u>
Less Nonoperating Items			
Debt Service	<u>(364,028)</u>	<u>(364,028)</u>	<u>(89,559)</u>
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>\$ 7,115,832</u>	<u>\$ 7,115,832</u>	<u>\$ 6,487,773</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Capital Assets and Depreciation  
Year Ended April 30, 2008**

	Capital Assets			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Land	\$ 937,116	\$ -	\$ -	\$ 937,116
Buildings	12,568,138	-	-	12,568,138
Machinery and Equipment	1,397,261	119,473	-	1,516,734
Vehicles	1,120,215	24,940	24,245	1,120,910
Underground Systems	11,636,500	1,029,855	-	12,666,355
Improvements Other Than Buildings	6,682,803	-	-	6,682,803
	<u>\$ 34,342,033</u>	<u>\$ 1,174,268</u>	<u>\$ 24,245</u>	<u>\$ 35,492,056</u>

	Accumulated Depreciation			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Buildings	\$ 4,157,479	\$ 256,478	\$ -	\$ 4,413,957
Machinery and Equipment	877,168	46,061	-	923,229
Vehicles	787,755	67,994	20,204	835,545
Underground Systems	3,832,454	209,764	-	4,042,218
Improvements Other Than Buildings	1,651,441	210,220	-	1,861,661
	<u>\$ 11,306,297</u>	<u>\$ 790,517</u>	<u>\$ 20,204</u>	<u>\$ 12,076,610</u>

Net Asset Value	<u>\$ 23,035,736</u>	<u>\$ 23,415,446</u>
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**VILLAGE OF HANOVER PARK, ILLINOIS**

**Municipal Railroad Parking Lot - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 276,501	\$ 276,501	\$ 285,960
Rental Equipment	6,000	6,000	6,000
Total Operating Revenues	<u>282,501</u>	<u>282,501</u>	<u>291,960</u>
Operating Expenses			
Operations	318,567	321,567	320,824
Depreciation	32,304	32,304	32,304
Total Operating Expenses	<u>350,871</u>	<u>353,871</u>	<u>353,128</u>
Operating Income (Loss)	<u>(68,370)</u>	<u>(71,370)</u>	<u>(61,168)</u>
Nonoperating Revenues			
Interest Income	9,000	9,000	17,521
Other Income	-	-	14,185
	<u>9,000</u>	<u>9,000</u>	<u>31,706</u>
Change in Net Assets	<u>\$ (59,370)</u>	<u>\$ (62,370)</u>	(29,462)
Net Assets - Beginning			<u>2,613,257</u>
Net Assets - Ending			<u>\$ 2,583,795</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Municipal Railroad Parking Lot - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations			
Salaries - Regular	\$ 117,884	\$ 117,884	\$ 121,450
Overtime Salaries	7,000	12,500	19,497
Performance Bonus	830	830	450
On Call Premium Pay	130	130	19
State Retirement	13,051	13,051	14,358
Social Security	9,627	9,627	10,749
Employee Insurance	32,106	32,106	24,998
Special Pension	1,123	1,123	-
Office Supplies and Expense	1,009	1,009	963
Bulk Chemicals	3,000	8,950	8,948
Materials and Supplies	7,000	7,000	3,573
Cleaning Supplies	800	800	800
Small Tools	50	50	-
Miscellaneous	50	50	-
Postage	300	300	247
Light and Power	12,370	12,370	13,863
Natural Gas	2,930	2,930	3,365
Liability Insurance	13,557	13,557	11,294
Maintenance and Repairs - Building	-	-	6,892
Maintenance and Repairs - Street	41,700	63,450	63,445
Maintenance Agreements	1,200	1,200	1,945
Real Property Rental	800	800	820
Miscellaneous	2,050	2,050	1,976
Buildings	20,000	-	-
Improvements Other Than Buildings	30,000	19,800	11,172
Total Operating Expenses	\$ 318,567	\$ 321,567	\$ 320,824

VILLAGE OF HANOVER PARK, ILLINOIS

Municipal Railroad Parking Lot - Enterprise Fund

Schedule of Capital Assets and Depreciation

Year Ended April 30, 2008

	Capital Assets			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Land	\$ 1,317,517	\$ -	\$ -	\$ 1,317,517
Vehicles	73,190	-	73,190	-
Improvements Other Than Buildings	1,579,280	-	-	1,579,280
	<u>\$ 2,969,987</u>	<u>\$ -</u>	<u>\$ 73,190</u>	<u>\$ 2,896,797</u>
	Accumulated Depreciation			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Vehicles	\$ 67,089	\$ -	\$ 67,089	\$ -
Improvements Other Than Buildings	594,700	32,304	-	627,004
	<u>\$ 661,789</u>	<u>\$ 32,304</u>	<u>\$ 67,089</u>	<u>\$ 627,004</u>
Net Asset Value	<u>\$ 2,308,198</u>			<u>\$ 2,269,793</u>

## **INTERNAL SERVICE FUNDS**

**Central Equipment Fund:** The Central Equipment Fund is used to account for the purchase of vehicles and equipment for various departments throughout the Village. Financing is provided by transfers from the various Village funds. This fund is reported as a governmental activity.

**Compensated Absences Fund:** The Compensated Absences Fund is used to account for the accumulation of resources to fund the compensated absences liability for the General Fund. Financing is provided by transfers from the General Fund. This fund is reported as a governmental activity.

**Employee Benefits Fund:** The Employee Benefits Fund is used to account for the accumulation of resources to fund the other post-employment benefits liability for the General Fund. Financing is provided by the IPBC Terminal Reserve balance. This fund is reported as a governmental activity.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Combining Statement of Net Assets**

**Internal Service Funds**

**April 30, 2008**

	Central Equipment	Employee Compensated Absences	Employee Benefits	Totals
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 6,061,443	\$ 1,056,979	\$ -	\$ 7,118,422
Receivables				
Accrued Interest	74,316	-	-	74,316
Prepays	-	-	935,931	935,931
Total Current Assets	6,135,759	1,056,979	935,931	8,128,669
Noncurrent Assets				
Capital Assets				
Depreciable	4,825,835	-	-	4,825,835
Accumulated Depreciation	(2,487,908)	-	-	(2,487,908)
Total Noncurrent Assets	2,337,927	-	-	2,337,927
Total Assets	8,473,686	1,056,979	935,931	10,466,596
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	10,947	-	-	10,947
Accrued Interest Payable	181	-	-	181
Compensated Absences Payable	-	52,849	-	52,849
Notes Payable	82,584	-	-	82,584
Total Current Liabilities	93,712	52,849	-	146,561
Long-Term Liabilities				
Compensated Absences Payable	-	1,004,130	-	1,004,130
Advances from Other Funds	1,374,075	-	-	1,374,075
Net Other Post-Employment Benefits Obligation Payable	-	-	268,600	268,600
Notes Payable	49,250	-	-	49,250
Total Long-Term Liabilities	1,423,325	1,004,130	268,600	2,696,055
Total Liabilities	1,517,037	1,056,979	268,600	2,842,616
<b>NET ASSETS</b>				
Invested in Capital Assets -				
Net of Related Debt	2,206,093	-	-	2,206,093
Unrestricted	4,750,556	-	667,331	5,417,887
Total Net Assets	\$ 6,956,649	\$ -	\$ 667,331	\$ 7,623,980

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Combining Statement of Revenues, Expenses and Changes in Net Assets**

**Internal Service Funds**

**Year Ended April 30, 2008**

	Central Equipment	Employee Compensated Absences	Employee Benefits	Totals
Operating Revenues				
Interfund Services	\$ 590,655	\$ 126,958	\$ -	\$ 717,613
Operating Expenses				
Operations	9,995	126,958	268,600	405,553
Depreciation	345,120	-	-	345,120
Total Operating Expenses	355,115	126,958	268,600	750,673
Operating Income (Loss)	235,540	-	(268,600)	(33,060)
Nonoperating Revenues (Expenses)				
Interest	347,946	-	-	347,946
Other Income	-	-	935,931	935,931
Disposal of Capital Assets	18,466	-	-	18,466
Interest Expense	(4,797)	-	-	(4,797)
	361,615	-	935,931	1,297,546
Change in Net Assets	597,155	-	667,331	1,264,486
Net Assets - Beginning	6,359,494	-	-	6,359,494
Net Assets - Ending	\$ 6,956,649	\$ -	\$ 667,331	\$ 7,623,980

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Combining Statement of Cash Flows**

**Internal Service Funds  
Year Ended April 30, 2008**

	Central Equipment	Employee Compensated Absences	Employee Benefits	Totals
<b>Cash Flows from Operating Activities</b>				
Interfund Services Provided	\$ 568,803	\$ 126,972	\$ -	\$ 695,775
Payment to Suppliers	(33,301)	-	-	(33,301)
	<u>535,502</u>	<u>126,972</u>	<u>-</u>	<u>662,474</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Advances from Other Funds	<u>33,250</u>	<u>-</u>	<u>-</u>	<u>33,250</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(213,907)	-	-	(213,907)
Proceeds on Disposal of Capital Assets	50,919	-	-	50,919
Principal Paid on Debt	(80,305)	-	-	(80,305)
Interest Paid on Debt	(4,797)	-	-	(4,797)
	<u>(248,090)</u>	<u>-</u>	<u>-</u>	<u>(248,090)</u>
<b>Cash Flows from Investing Activities</b>				
Interest Received	<u>347,946</u>	<u>-</u>	<u>-</u>	<u>347,946</u>
<b>Net Change in Cash and Cash Equivalents</b>	<b>668,608</b>	<b>126,972</b>	<b>-</b>	<b>795,580</b>
<b>Cash and Cash Equivalents - Beginning</b>	<u><b>5,392,835</b></u>	<u><b>930,007</b></u>	<u><b>-</b></u>	<u><b>6,322,842</b></u>
<b>Cash and Cash Equivalents - Ending</b>	<u><u><b>\$ 6,061,443</b></u></u>	<u><u><b>\$ 1,056,979</b></u></u>	<u><u><b>\$ -</b></u></u>	<u><u><b>\$ 7,118,422</b></u></u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	\$ 235,540	\$ -	\$ (268,600)	\$ (33,060)
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities</b>				
Depreciation	345,120	-	-	345,120
Other Income	-	-	935,931	935,931
(Increase) Decrease in Current Assets	(21,852)	14	(935,931)	(957,769)
Increase (Decrease) in Current Liabilities	(23,306)	126,958	268,600	372,252
	<u>(23,306)</u>	<u>126,958</u>	<u>268,600</u>	<u>372,252</u>
<b>Net Cash Provided by Operating Activities</b>	<u><u><b>\$ 535,502</b></u></u>	<u><u><b>\$ 126,972</b></u></u>	<u><u><b>\$ -</b></u></u>	<u><u><b>\$ 662,474</b></u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Central Equipment - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 764,134	\$ 764,134	\$ 590,655
Operating Expenses			
Operations	339,800	339,800	9,995
Depreciation	-	-	345,120
Total Operating Expenses	339,800	339,800	355,115
Operating Income	424,334	424,334	235,540
Nonoperating Revenues (Expenses)			
Interest	208,400	208,400	347,946
Disposal of Capital Assets	-	-	18,466
Interest Expense	-	-	(4,797)
	208,400	208,400	361,615
Change in Net Assets	\$ 632,734	\$ 632,734	597,155
Net Assets - Beginning			6,359,494
Net Assets - Ending			\$ 6,956,649

VILLAGE OF HANOVER PARK, ILLINOIS

Central Equipment - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations			
Fleet Services			
Capital Outlay			
Automobiles	\$ 182,500	\$ 182,500	\$ 21,205
Trucks	140,000	140,000	20,620
Other Equipment	260,000	260,000	182,077
	<u>582,500</u>	<u>582,500</u>	<u>223,902</u>
Less Capital Assets Capitalized	<u>(242,700)</u>	<u>(242,700)</u>	<u>(213,907)</u>
Total Operating Expenses	<u>\$ 339,800</u>	<u>\$ 339,800</u>	<u>\$ 9,995</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Central Equipment - Internal Service Fund**

**Schedule of Capital Assets and Depreciation  
Year Ended April 30, 2008**

	Capital Assets			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Equipment	\$ 4,801,765	\$ 213,907	\$ 189,837	\$ 4,825,835

	Accumulated Depreciation			
	Beginning Balances	Additions/ Transfers	Retirements/ Transfers	Ending Balances
Equipment	\$ 2,300,172	\$ 345,120	\$ 157,384	\$ 2,487,908

Net Asset Value	\$ 2,501,593			\$ 2,337,927
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## **FIDUCIARY FUNDS**

## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

**Police Pension Fund:** The Police Pension Fund is used to account for the accumulation of resources to be used for police pension benefit payments. Resources are provided by investment earnings, employee contributions at a rate fixed by law and by the Village at amounts determined by an actuary.

**Firefighters' Pension Fund:** The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for firefighters' pension benefit payments. Resources are provided by investment earnings, employee contributions at a rate fixed by law and by the Village at amounts determined by an actuary.

### **AGENCY FUND**

**Special Service Area Number Two Unlimited Tax Bond Fund:** The Special Service Area Number Two Unlimited Tax Bond Fund is used to account for the accumulation of monies for the payment of \$2,300,000 Special Service Area Number Two Unlimited Tax Bonds which are due in annual installments until maturity in 2009. These bonds were issued to finance public improvements on Tower, Barrington and Irving Park Roads. Financing is being provided by ad valorem taxes to be levied without limitation as to rate or amount upon the taxable property in the Village designated as the "Village of Hanover Park Special Service Area Number Two." These bonds are not general obligations of the Village, and neither the full faith and credit nor the taxing power of the Village is pledged to the payment thereof.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

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

	Police Pension	Firefighters' Pension	Totals
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,171,937	\$ 672,545	\$ 1,844,482
Investments			
State and Local Obligations	493,771	-	493,771
U.S. Government and Agency Obligations	8,830,481	4,790,494	13,620,975
Mutual Funds	6,439,618	3,155,823	9,595,441
Receivables			
Accrued Interest	107,386	50,021	157,407
Total Assets	17,043,193	8,668,883	25,712,076
<b>Liabilities</b>			
Accounts Payable	3,190	-	3,190
<b>Net Assets</b>			
Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	<u>\$ 17,040,003</u>	<u>\$ 8,668,883</u>	<u>\$ 25,708,886</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Changes in Net Plan Assets  
Year Ended April 30, 2008**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 892,877	\$ 374,835	\$ 1,267,712
Contributions - Plan Members	338,513	217,075	555,588
<b>Total Contributions</b>	<u>1,231,390</u>	<u>591,910</u>	<u>1,823,300</u>
<b>Investment Income</b>			
Interest Earned	603,440	308,366	911,806
Net Change in Fair Value	(38,944)	(31,300)	(70,244)
	<u>564,496</u>	<u>277,066</u>	<u>841,562</u>
Less Investment Expenses	(31,354)	(12,248)	(43,602)
<b>Net Investment Income</b>	<u>533,142</u>	<u>264,818</u>	<u>797,960</u>
<b>Total Additions</b>	<u>1,764,532</u>	<u>856,728</u>	<u>2,621,260</u>
<b>Deductions</b>			
Administration	28,212	18,083	46,295
Benefits and Refunds	1,137,068	399,843	1,536,911
<b>Total Deductions</b>	<u>1,165,280</u>	<u>417,926</u>	<u>1,583,206</u>
<b>Change in Net Assets</b>	599,252	438,802	1,038,054
<b>Net Assets - Beginning</b>	<u>16,440,751</u>	<u>8,230,081</u>	<u>24,670,832</u>
<b>Net Assets - Ending</b>	<u>\$ 17,040,003</u>	<u>\$ 8,668,883</u>	<u>\$ 25,708,886</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension - Pension Trust Fund**

**Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 892,877	\$ 892,877	\$ 892,877
Contributions - Plan Members	343,311	343,311	338,513
Total Contributions	<u>1,236,188</u>	<u>1,236,188</u>	<u>1,231,390</u>
<b>Investment Income</b>			
Interest Earned	500,000	500,000	603,440
Net Change in Fair Value	400,000	400,000	(38,944)
	<u>900,000</u>	<u>900,000</u>	<u>564,496</u>
Less Investment Expenses	(25,060)	(25,060)	(31,354)
Net Investment Income	<u>874,940</u>	<u>874,940</u>	<u>533,142</u>
Total Additions	<u>2,111,128</u>	<u>2,111,128</u>	<u>1,764,532</u>
<b>Deductions</b>			
Administration	29,250	29,250	28,212
Benefits and Refunds	1,200,373	1,200,373	1,137,068
Total Deductions	<u>1,229,623</u>	<u>1,229,623</u>	<u>1,165,280</u>
Change in Net Assets	<u>\$ 881,505</u>	<u>\$ 881,505</u>	599,252
Net Assets - Beginning			<u>16,440,751</u>
Net Assets - Ending			<u>\$ 17,040,003</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension - Pension Trust Fund**

**Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 374,835	\$ 374,835	\$ 374,835
Contributions - Plan Members	205,698	205,698	217,075
Total Contributions	<u>580,533</u>	<u>580,533</u>	<u>591,910</u>
<b>Investment Income</b>			
Interest Earned	225,000	225,000	308,366
Net Change in Fair Value	320,000	320,000	(31,300)
	<u>545,000</u>	<u>545,000</u>	<u>277,066</u>
Less Investment Expenses	(12,000)	(12,000)	(12,248)
Net Investment Income	<u>533,000</u>	<u>533,000</u>	<u>264,818</u>
Total Additions	<u>1,113,533</u>	<u>1,113,533</u>	<u>856,728</u>
<b>Deductions</b>			
Administration	23,550	23,550	18,083
Benefits and Refunds	493,907	493,907	399,843
Total Deductions	<u>517,457</u>	<u>517,457</u>	<u>417,926</u>
Change in Net Assets	<u>\$ 596,076</u>	<u>\$ 596,076</u>	438,802
Net Assets - Beginning			<u>8,230,081</u>
Net Assets - Ending			<u>\$ 8,668,883</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Special Service Area #2 - Agency Fund**

**Schedule of Changes in Assets and Liabilities  
Year Ended April 30, 2008**

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	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
<b>ASSETS</b>				
Cash and Investments	\$ 400,797	\$ 1,830,505	\$ 1,916,482	\$ 314,820
Accrued Interest	5,060	625	5,060	625
Total Assets	<u>\$ 405,857</u>	<u>\$ 1,831,130</u>	<u>\$ 1,921,542</u>	<u>\$ 315,445</u>
<b>LIABILITIES</b>				
Due to Bondholders	<u>\$ 405,857</u>	<u>\$ 1,831,130</u>	<u>\$ 1,921,542</u>	<u>\$ 315,445</u>

## **SUPPLEMENTAL SCHEDULES**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds of 2001  
April 30, 2008**

Date of Issue	July 1, 2001
Date of Maturity	December 1, 2011
Authorized Issue	\$3,600,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 4.15%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2007	394-470	\$ 385,000	\$ 67,268	\$ 452,268	2008	\$ 33,634	2008	\$ 33,634
2008	471-550	400,000	51,676	451,676	2009	25,838	2009	25,838
2009	551-633	415,000	35,276	450,276	2010	17,638	2010	17,638
2010	634-720	435,000	18,054	453,054	2011	9,027	2011	9,027
		<u>\$ 1,635,000</u>	<u>\$ 172,274</u>	<u>\$ 1,807,274</u>	<u>\$ 86,137</u>		<u>\$ 86,137</u>	

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2002  
April 30, 2008**

Date of Issue	December 15, 2002
Date of Maturity	December 1, 2011
Authorized Issue	\$5,210,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2007	548-665	\$ 585,000	\$ 79,426	\$ 664,426	2008	\$ 39,713	2008	\$ 39,713
2008	666-788	610,000	61,876	671,876	2009	30,938	2009	30,938
2009	789-915	630,000	43,574	673,574	2010	21,787	2010	21,787
2010	916-1048	660,000	23,098	683,098	2011	11,549	2011	11,549
		<u>\$ 2,485,000</u>	<u>\$ 207,974</u>	<u>\$ 2,692,974</u>	<u>\$ 103,987</u>		<u>\$ 103,987</u>	

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds of 2004  
April 30, 2008**

Date of Issue	November 1, 2004
Date of Maturity	December 1, 2024
Authorized Issue	\$7,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% - 4.40%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2007		\$ -	\$ 278,474	\$ 278,474	2008	\$ 139,237	2008	\$ 139,237
2008		-	278,474	278,474	2009	139,237	2009	139,237
2009		-	278,474	278,474	2010	139,237	2010	139,237
2010		-	278,474	278,474	2011	139,237	2011	139,237
2011	1-84	420,000	278,474	698,474	2012	139,237	2012	139,237
2012	85-171	435,000	263,774	698,774	2013	131,887	2013	131,887
2013	172-261	450,000	248,549	698,549	2014	124,274	2014	124,275
2014	262-355	470,000	232,798	702,798	2015	116,399	2015	116,399
2015	356-452	485,000	215,878	700,878	2016	107,939	2016	107,939
2016	453-553	505,000	197,934	702,934	2017	98,967	2017	98,967
2017	554-659	530,000	178,744	708,744	2018	89,372	2018	89,372
2018	660-769	550,000	157,544	707,544	2019	78,772	2019	78,772
2019	770-884	575,000	135,544	710,544	2020	67,772	2020	67,772
2020	885-1004	600,000	111,824	711,824	2021	55,912	2021	55,912
2021	1005-1130	630,000	86,325	716,325	2022	43,162	2022	43,163
2022	1131-1262	660,000	59,234	719,234	2023	29,617	2023	29,617
2023	1263-1400	690,000	30,360	720,360	2024	15,180	2024	15,180
		<u>\$ 7,000,000</u>	<u>\$ 3,310,878</u>	<u>\$ 10,310,878</u>	<u>\$ 1,655,438</u>		<u>\$ 1,655,440</u>	

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**Barrington-Irving Tax Increment Revenue Bonds of 1989 (TIF #2)  
April 30, 2008**

Date of Issue	December 21, 1989
Date of Maturity	December 1, 2009
Authorized Issue	\$8,100,000
Denomination of Bonds	\$5,000
Interest Rates	4.825%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	The Bank of New York

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2009	641-950	\$ 1,700,000	\$ 161,638	\$ 1,861,638	2008	\$ 80,819	2009	\$ 80,819
2010	* 951-1290	1,650,000	79,613	1,729,613	2009	39,808	*	39,805
		<u>\$ 3,350,000</u>	<u>\$ 241,251</u>	<u>\$ 3,591,251</u>		<u>\$ 120,627</u>		<u>\$ 120,624</u>

\* December 1, 2009

Note: Interest for this issue was fixed at an initial rate of 8.125%, and was adjusted to 6.405% on January 1, 1992, 6.525% on January 1, 1997 and to 4.825% on January 1, 2002 and to 5.055% on January 1, 2007.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**Notes Payable of 2004  
April 30, 2008**

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Date of Issue	November 11, 2004
Date of Maturity	November 11, 2009
Authorized Issue	\$397,277
Interest Rates	2.75%
Interest Dates	Monthly beginning December 12, 2004
Principal Maturity Date	Monthly beginning December 12, 2004
Payable at	Charter National Bank and Trust

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on	
	Principal	Interest	Totals	Dec. 1	Amount
2009	\$ 82,584	\$ 2,629	\$ 85,213	2008	\$ 2,629
2010	49,250	460	49,710	2009	460
	<u>\$ 131,834</u>	<u>\$ 3,089</u>	<u>\$ 134,923</u>		<u>\$ 3,089</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**1997 Illinois Environmental Protection Agency Loan  
April 30, 2008**

Date of Issue	April 9, 1997
Date of Maturity	April 9, 2017
Authorized Issue	\$3,750,000
Interest Rates	2.815%
Interest Dates	April 9 and October 9
Principal Maturity Date	April 9 and October 9
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Oct. 9	Amount	April 9	Amount
2009	\$ 193,012	\$ 53,479	\$ 246,491	2008	\$ 27,414	2009	\$ 26,065
2010	198,483	48,007	246,490	2009	24,697	2010	23,310
2011	204,110	42,381	246,491	2010	21,904	2011	20,477
2012	209,897	36,593	246,490	2011	19,030	2012	17,563
2013	215,846	30,644	246,490	2012	16,076	2013	14,568
2014	221,965	24,525	246,490	2013	13,038	2014	11,487
2015	228,257	18,233	246,490	2014	9,914	2015	8,319
2016	234,728	11,762	246,490	2015	6,701	2016	5,061
2017	241,384	5,107	246,491	2016	3,397	2017	1,710
	<u>\$ 1,947,682</u>	<u>\$ 270,731</u>	<u>\$ 2,218,413</u>		<u>\$ 142,171</u>		<u>\$ 128,560</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Long-Term Debt Requirements**

**2000 Illinois Environmental Protection Agency Loan  
April 30, 2008**

Date of Issue	April 12, 2000
Date of Maturity	July 1, 2019
Authorized Issue	\$1,784,916
Interest Rates	2.625%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1 and July 1
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2009	\$ 88,076	\$ 29,462	\$ 117,538	2008	\$ 15,018	2009	\$ 14,444
2010	90,403	27,134	117,537	2009	13,862	2010	13,272
2011	92,791	24,745	117,536	2010	12,675	2011	12,070
2012	95,243	22,295	117,538	2011	11,458	2012	10,837
2013	97,760	19,777	117,537	2012	10,207	2013	9,570
2014	100,344	17,194	117,538	2013	8,924	2014	8,270
2015	102,995	14,543	117,538	2014	7,607	2015	6,936
2016	105,716	11,822	117,538	2015	6,256	2016	5,566
2017	108,509	9,029	117,538	2016	4,868	2017	4,161
2018	111,376	6,162	117,538	2017	3,444	2018	2,718
2019	114,319	3,219	117,538	2018	1,982	2019	1,237
2020	36,691	482	37,173	2019	482		-
	<u>\$ 1,144,223</u>	<u>\$ 185,864</u>	<u>\$ 1,330,087</u>		<u>\$ 96,783</u>		<u>\$ 89,081</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Bond Compliance

Schedule of Changes in Fund Balance - Reserved - Restricted Accounts  
 Tax Increment Financing #2 Fund  
 Year Ended April 30, 2008

	Bond Principal and Interest	Bond Principal and Interest Reserve	General	Total
<b>Revenues</b>				
Taxes				
Property	\$ 1,085,199	\$ -	\$ -	\$ 1,085,199
Interest	147,918	-	-	147,918
Total Revenues	1,233,117	-	-	1,233,117
<b>Expenditures</b>				
Debt Service				
Principal Retirement	1,550,000	-	-	1,550,000
Interest	247,695	-	-	247,695
Fiscal Charges	17,897	-	-	17,897
Transfer to SSA #2	179,000	-	-	179,000
Total Expenditures	1,994,592	-	-	1,994,592
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	(761,475)	-	-	(761,475)
<b>Intrafund Transfers</b>				
Transfers In	718,448	103,118	-	821,566
Transfers Out	-	-	(821,566)	(821,566)
	718,448	103,118	(821,566)	-
<b>Net Change in Fund Balances</b>				
	(43,027)	103,118	(821,566)	(761,475)
<b>Fund Balances Reserved - Beginning</b>				
	123,846	1,758,520	2,197,188	4,079,554
<b>Fund Balances Reserved - Ending</b>				
	\$ 80,819	\$ 1,861,638	\$ 1,375,622	\$ 3,318,079

## **STATISTICAL SECTION**

### **(Unaudited)**

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

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Net Assets by Component - Last Five Fiscal Years  
April 30, 2008**

	2004	2005	2006	2007	2008
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$ 43,373,185	\$ 42,683,565	\$ 43,981,453	\$ 43,282,520	\$ 44,085,337
Restricted	7,768,707	9,059,013	9,605,788	9,405,061	9,146,860
Unrestricted	(1,778,238)	187,403	2,669,003	8,575,116	12,336,999
<b>Total Governmental Activities Net Assets</b>	<b>\$ 49,363,654</b>	<b>\$ 51,929,981</b>	<b>\$ 56,256,244</b>	<b>\$ 61,262,697</b>	<b>\$ 65,569,196</b>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$ 22,334,652	\$ 22,194,042	\$ 22,195,261	\$ 21,978,529	\$ 22,593,334
Unrestricted	6,184,876	6,709,398	6,975,685	7,590,332	8,033,586
<b>Total Business-Type Activities Net Assets</b>	<b>\$ 28,519,528</b>	<b>\$ 28,903,440</b>	<b>\$ 29,170,946</b>	<b>\$ 29,568,861</b>	<b>\$ 30,626,920</b>
<b>Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	\$ 65,707,837	\$ 64,877,607	\$ 66,176,714	\$ 65,261,049	\$ 66,678,671
Restricted	7,768,707	9,059,013	9,605,788	9,405,061	9,146,860
Unrestricted	4,406,638	6,896,801	9,644,688	16,165,448	20,370,585
<b>Total Primary Government Net Assets</b>	<b>\$ 77,883,182</b>	<b>\$ 80,833,421</b>	<b>\$ 85,427,190</b>	<b>\$ 90,831,558</b>	<b>\$ 96,196,116</b>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2003.

VILLAGE OF HANOVER PARK, ILLINOIS

Changes in Net Assets - Last Five Fiscal Years  
April 30, 2008

	2004	2005	2006	2007	2008
<b>Expenses</b>					
<b>Governmental Activities</b>					
General Government	\$ 2,290,545	\$ 3,032,901	\$ 3,151,719	\$ 2,995,293	\$ 3,170,869
Public Works	2,584,077	2,691,590	2,967,923	3,123,131	4,053,485
Public Safety	10,414,601	11,803,812	12,732,089	12,112,702	13,823,930
Community Development	1,059,206	874,275	1,250,312	1,745,000	3,957,924
Highways and Streets	4,343,557	1,651,616	1,904,303	1,899,180	2,200,904
Interest	730,086	816,506	870,101	791,433	690,844
Total Governmental Activities Expenses	21,422,072	20,870,700	22,876,447	22,666,739	27,897,956
<b>Business-Type Activities</b>					
Water and Sewer	6,974,497	6,957,557	7,167,282	7,292,161	7,367,849
Commuter Parking	326,108	368,048	349,930	329,848	353,128
Total Business-Type Activities Net Assets	7,300,605	7,325,605	7,517,212	7,622,009	7,720,977
Total Primary Government Expenses	\$ 28,722,677	\$ 28,196,305	\$ 30,393,659	\$ 30,288,748	\$ 35,618,933
<b>Program Revenues</b>					
<b>Governmental Activities</b>					
<b>Charges for Services</b>					
General Government	\$ 920,597	\$ 806,186	\$ 796,144	\$ 855,148	\$ 836,179
Public Safety	801,110	1,216,106	1,720,844	1,732,822	1,386,053
Community Development	352,484	255,336	267,630	292,135	243,066
Highways and Streets	50,537	-	-	-	-
Operating Grants	1,151,423	1,795,459	1,174,947	1,228,520	1,230,772
Capital Grants	-	-	129,987	76,798	1,438,909
Total Governmental Activities Program Revenues	3,276,151	4,073,087	4,089,552	4,185,423	5,134,979
<b>Business-Type Activities</b>					
<b>Charges for Services</b>					
Water and Sewer	7,048,989	7,285,627	7,452,531	7,549,899	7,242,681
Commuter Parking	264,000	243,232	256,413	277,673	291,960
Operating Grants	-	110,000	-	-	-
Capital Grants	-	-	-	-	827,377
Total Business-Type Activities Program Revenues	7,312,989	7,638,859	7,708,944	7,827,572	8,362,018
Total Primary Government Program Revenues	\$ 10,589,140	\$ 11,711,946	\$ 11,798,496	\$ 12,012,995	\$ 13,496,997

	2004	2005	2006	2007	2008
<b>Net (Expense) Revenue</b>					
Governmental Activities	\$ (18,145,921)	\$ (16,797,613)	\$ (18,786,895)	\$ (18,481,316)	\$ (22,762,977)
Business-Type Activities	12,384	313,254	191,732	205,563	641,041
<b>Total Primary Government</b>					
Net Revenue (Expense)	\$ (18,133,537)	\$ (16,484,359)	\$ (18,595,163)	\$ (18,275,753)	\$ (22,121,936)
<b>General Revenues and Other Changes in Net Assets</b>					
<b>Governmental Activities</b>					
Taxes					
Property	\$ 8,740,200	\$ 9,128,336	\$ 10,556,379	\$ 10,313,391	\$ 10,315,338
Sales, Local Use	3,657,567	3,405,265	3,764,767	3,867,302	4,025,910
Utility	1,206,679	1,224,144	1,735,559	1,872,699	2,015,759
Hotel/Motel	31,329	35,954	39,848	40,376	40,591
Food and Beverage	1,022,650	1,025,182	1,057,701	1,083,296	1,101,714
Other	533,110	840,757	861,355	596,318	399,850
Intergovernmental					
Personal Property Replacement Tax	56,091	64,313	82,734	89,869	102,976
Income	2,313,368	2,591,407	2,924,903	3,226,202	3,524,383
Investment Income	223,741	474,107	859,078	1,450,517	1,492,471
Miscellaneous	139,896	551,567	1,059,346	912,304	3,975,283
Transfers	(324,873)	22,908	71,488	35,495	75,201
<b>Total Governmental Activities</b>	<b>17,599,758</b>	<b>19,363,940</b>	<b>23,013,158</b>	<b>23,487,769</b>	<b>27,069,476</b>
<b>Business-Type Activities</b>					
Investment Income	37,469	85,966	143,937	275,851	329,724
Miscellaneous	45,504	7,600	3,325	(48,004)	162,495
Transfers	324,873	(22,908)	(71,488)	(35,495)	(75,201)
<b>Total Business-Type Activities</b>	<b>407,846</b>	<b>70,658</b>	<b>75,774</b>	<b>192,352</b>	<b>417,018</b>
<b>Total Primary Government</b>	<b>\$ 18,007,604</b>	<b>\$ 19,434,598</b>	<b>\$ 23,088,932</b>	<b>\$ 23,680,121</b>	<b>\$ 27,486,494</b>
<b>Changes in Net Assets</b>					
Governmental Activities	\$ (546,163)	\$ 2,566,327	\$ 4,226,263	\$ 5,006,453	\$ 4,306,499
Business-Type Activities	420,230	383,912	267,506	397,915	1,058,059
<b>Total Primary Government</b>	<b>\$ (125,933)</b>	<b>\$ 2,950,239</b>	<b>\$ 4,493,769</b>	<b>\$ 5,404,368</b>	<b>\$ 5,364,558</b>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2003.

VILLAGE OF HANOVER PARK, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years  
April 30, 2008

	1999	2000	2001	2002	2003	2004	2005 (1)	2006	2007	2008
General Fund										
Reserved	\$ 421,096	\$ 503,794	\$ 965,723	\$ 889,737	\$ 878,820	\$ 858,837	\$ 755,240	\$ 730,035	\$ 798,214	\$ 874,984
Unreserved	6,140,554	5,941,423	6,823,958	6,836,663	6,655,939	6,672,304	6,859,146	8,205,921	9,045,003	7,849,607
Total General Fund	\$ 6,561,650	\$ 6,445,217	\$ 7,789,681	\$ 7,726,400	\$ 7,534,759	\$ 7,531,141	\$ 7,614,386	\$ 8,935,956	\$ 9,843,217	\$ 8,724,591
All Other Governmental Funds										
Reserved	\$ 2,142,082	\$ 3,068,916	\$ 2,947,636	\$ 2,317,152	\$ 9,620,148	\$ 7,768,707	\$ 15,343,970	\$ 11,119,689	\$ 9,674,392	\$ 9,378,098
Unreserved, Reported in:										
Special Revenues Funds	2,625,956	2,653,266	3,025,270	3,278,877	-	-	-	-	-	-
Debt Service Funds	1,097,301	876,318	1,090,438	310,544	-	-	-	-	-	-
Capital Projects Funds	1,658,455	1,631,517	1,240,764	4,722,913	1,911,794	1,863,894	1,780,042	2,034,890	2,454,303	3,864,443
Total All Other Governmental Funds	\$ 7,523,794	\$ 8,230,017	\$ 8,304,108	\$ 10,629,486	\$ 11,531,942	\$ 9,632,601	\$ 17,124,012	\$ 13,154,579	\$ 12,128,695	\$ 13,242,541

Data Source: Village Records

- (1) The fund balance for all other governmental funds increased significantly in Fiscal Year 2005 due to the issuance of the 2004 General Obligation Bonds which are being used to finance the construction of a new Headquarters Fire Station.

VILLAGE OF HANOVER PARK, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years  
April 30, 2008

	1999	2000	2001	2002	2003	2004 (1)	2005 (2)	2006 (3)	2007 (3)	2008
<b>Revenues</b>										
Taxes	\$ 11,140,596	\$ 12,685,648	\$ 14,604,783	\$ 15,090,955	\$ 16,377,381	17,560,994	\$ 15,252,100	\$ 17,562,838	\$ 17,275,302	\$ 17,362,673
Licenses and Permits	1,117,626	1,144,212	1,155,919	1,118,318	818,627	809,478	820,362	840,525	871,302	839,389
Intergovernmental	862,560	1,005,586	1,073,056	1,093,218	1,824,194	1,132,424	4,858,717	4,765,342	5,119,469	5,394,620
Charges for Services and Fees	66,648	69,391	142,303	183,516	203,608	285,642	925,111	1,314,082	1,385,294	1,080,833
Fines and Forfeits	311,719	288,080	300,598	380,492	428,084	494,211	518,741	615,398	608,308	528,764
Investment Income	398,143	565,595	1,095,518	674,612	554,134	223,741	396,188	740,859	1,176,037	1,144,525
Miscellaneous	1,146,239	413,392	1,518,711	1,535,063	795,648	684,292	551,567	1,159,346	912,304	3,039,352
<b>Total Revenues</b>	<b>15,043,531</b>	<b>16,171,904</b>	<b>19,890,888</b>	<b>20,076,174</b>	<b>21,001,676</b>	<b>21,190,782</b>	<b>23,322,786</b>	<b>26,998,390</b>	<b>27,348,016</b>	<b>29,390,156</b>
<b>Expenditures</b>										
General Government	2,857,925	2,859,086	3,244,065	3,515,718	2,826,509	2,878,432	2,728,647	3,050,356	2,854,656	2,977,382
Public Works	-	-	-	-	2,600,939	2,796,481	2,471,206	2,571,833	2,769,315	3,331,597
Public Safety	5,323,418	5,882,380	7,976,949	9,264,687	9,934,715	10,192,937	11,345,508	12,289,563	13,202,008	13,589,622
Community Development	-	-	-	-	720,713	1,051,288	879,085	1,186,171	1,425,830	1,885,488
Highways and Streets	3,384,426	3,118,164	3,692,045	4,410,790	1,406,582	1,871,204	1,093,708	1,215,723	1,693,169	1,206,230
Intergovernmental	-	-	-	864,211	-	-	-	-	-	-
Capital Outlay	192,600	191,903	78,040	314,397	1,261,219	1,708,830	1,500,129	6,478,415	2,345,634	3,250,792
Debt Service										
Principal	1,180,000	1,275,000	1,293,700	1,345,000	1,634,000	1,760,200	2,053,638	2,012,617	2,394,137	2,504,993
Interest and Fiscal Charges	1,244,479	1,177,896	1,127,546	1,095,803	1,020,437	749,039	699,117	913,063	817,385	724,033
<b>Total Expenditures</b>	<b>14,182,848</b>	<b>14,504,429</b>	<b>17,412,345</b>	<b>20,810,606</b>	<b>21,405,114</b>	<b>23,008,411</b>	<b>22,771,038</b>	<b>29,717,741</b>	<b>27,502,134</b>	<b>29,470,137</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>860,683</b>	<b>1,667,475</b>	<b>2,478,543</b>	<b>(734,432)</b>	<b>(403,438)</b>	<b>(1,817,629)</b>	<b>551,748</b>	<b>(2,719,351)</b>	<b>(154,118)</b>	<b>(79,981)</b>
<b>Other Financing Sources (Uses)</b>										
Proceeds from Bonds	-	-	-	3,577,783	5,210,000	229,543	7,000,000	-	-	-
Payments to Escrow Agent	-	-	-	-	(5,130,568)	-	-	-	-	-
Transfers In	901,913	895,016	681,131	777,869	4,195,095	1,797,387	601,923	1,246,418	788,972	2,450,815
Transfers Out	(2,489,376)	(2,146,166)	(2,605,866)	(1,733,294)	(3,531,644)	(2,122,260)	(579,015)	(1,174,930)	(753,477)	(2,375,614)
Sale of Property	-	173,465	979,951	37,098	432,129	10,000	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,587,463)</b>	<b>(1,077,685)</b>	<b>(944,784)</b>	<b>2,659,456</b>	<b>1,175,012</b>	<b>(85,330)</b>	<b>7,022,908</b>	<b>71,488</b>	<b>35,495</b>	<b>75,201</b>
<b>Net Change in Fund Balances</b>	<b>\$ (726,780)</b>	<b>\$ 589,790</b>	<b>\$ 1,533,759</b>	<b>\$ 1,925,024</b>	<b>\$ 771,574</b>	<b>\$ (1,902,959)</b>	<b>\$ 7,574,656</b>	<b>\$ (2,647,863)</b>	<b>\$ (118,623)</b>	<b>\$ (4,780)</b>
<b>Debt Service as a Percentatge of Noncapital Expenditures</b>	<b>17.33%</b>	<b>17.14%</b>	<b>13.97%</b>	<b>11.91%</b>	<b>13.18%</b>	<b>11.78%</b>	<b>12.94%</b>	<b>12.59%</b>	<b>12.52%</b>	<b>11.64%</b>

Data Source: Village Records

- (1) The decrease in fund balance was the result of the spend down of the proceeds from the 2001 General Obligation Bonds.
- (2) The significant increase in the fund balance is due to the issuance of the 2004 General Obligation Bonds.
- (3) The decrease in fund balance is due to the expenditure of bonds proceeds from the 2004 General Obligation Bonds for the construction of a new Headquarters Fire Station.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Equalized Assessed Value and Total Direct Tax Rate - Last Ten Fiscal Years**

**Cook County**

**April 30, 2008**

Tax Levy Year	Residential Property	Farm	Commerical Property	Industrial Property	Total	Railroad	Equalized Assessed Value-Cook	Total Direct Tax Rate-Cook
1998	\$ 114,475,797	\$ 2,948	\$ 46,654,428	\$ 4,781,190	\$ 165,914,363	\$ -	\$ 165,914,363	0.834
1999	119,402,737	2,948	46,602,447	6,012,337	172,020,469	-	172,020,469	0.893
2000	117,266,254	2,948	45,103,927	5,169,210	167,542,339	-	167,542,339	1.694
2001	145,830,815	2,948	54,475,362	6,514,216	206,823,341	-	206,823,341	1.400
2002	159,254,457	2,948	52,923,571	7,103,454	219,284,430	-	219,284,430	1.370
2003	157,548,124	2,948	51,851,859	6,594,056	215,996,987	-	215,996,987	1.486
2004	185,522,484	-	54,752,068	5,736,273	246,010,825	-	246,010,825	1.437
2005	196,068,136	2,649	56,662,400	6,009,123	258,742,308	-	258,742,308	1.343
2006	201,194,694	2,649	52,230,877	6,577,841	260,006,061	-	260,006,061	1.402
2007	N/A	N/A	N/A	N/A	N/A	N/A	293,670,097	N/A

N/A - Currently Not Available

Data Source: Cook County Clerk's and Treasurer's Offices

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Equalized Assessed Value and Total Direct Tax Rate - Last Ten Fiscal Years**

**DuPage County**

**April 30, 2008**

Tax Levy Year	Residential Property	Farm	Commerical Property	Industrial Property	Total	Railroad	Equalized Assessed Value-DuPage	(1) Total Direct Tax Rate-DuPage
1998	\$ 192,640,070	\$ 45,884	\$ 12,735,780	\$ 37,618,940	\$ 243,040,674	10,759	\$ 243,051,433	0.7871
1999	195,837,610	51,937	13,420,550	43,601,150	252,911,247	11,870	252,923,117	0.7743
2000	203,491,420	42,740	14,172,900	46,434,240	264,141,300	12,177	264,153,477	1.3536
2001	216,511,645	31,375	15,109,530	53,919,040	285,571,590	9,809	285,581,399	1.3753
2002	235,046,990	29,262	16,655,810	68,088,290	319,820,352	9,989	319,830,341	1.3382
2003	262,039,982	26,326	16,662,830	66,715,460	345,444,598	7,791	345,452,389	1.2888
2004	280,454,471	23,693	19,245,640	71,438,140	371,161,944	7,429	371,169,540	1.3371
2005	303,027,925	21,322	20,574,170	74,112,050	397,735,467	7,429	397,742,896	1.2716
2006	327,307,467	20,208	20,972,440	79,629,190	427,929,305	11,078	427,940,383	1.2897
2007	351,550,142	17,962	21,677,650	79,256,420	452,502,174	15,750	452,517,924	1.2124

Data Source: DuPage County Clerk's and Treasurer's Offices

(1) The significant increase in the tax rate in Tax Levy Year 2000 was the result of the acquisition of the Fire District in July 2000.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates-Cook County  
April 30, 2008**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Village of Hanover Park</b>										
General Corporate rate	0.667	0.732	1.523	1.260	1.241	1.355	1.269	1.191	1.249	N/A
Police Pension	-	-	-	-	-	-	-	-	-	N/A
Debt Service Rate	0.167	0.161	0.171	0.140	0.129	0.131	0.168	0.152	0.153	N/A
<b>Total Direct Tax Rate</b>	<b>0.834</b>	<b>0.893</b>	<b>1.694</b>	<b>1.400</b>	<b>1.370</b>	<b>1.486</b>	<b>1.437</b>	<b>1.343</b>	<b>1.402</b>	<b>N/A</b>
<b>Overlapping Rates (1)</b>										
School District #46	6.131	6.002	6.243	5.350	5.080	5.606	4.945	4.746	4.746	N/A
School District #509	0.459	0.434	0.458	0.387	0.367	0.426	0.434	0.421	0.421	N/A
Hanover Park Park District	0.571	0.581	0.600	0.492	0.476	0.534	0.469	0.441	0.441	N/A
Hanover Park Fire Protection	0.612	0.650	-	-	-	-	-	-	-	N/A
<b>County including Forest Preserve</b>										
District and TB Sanitarium	0.991	0.932	0.901	0.820	0.757	0.693	0.654	0.598	0.598	N/A
Hanover Township	0.251	0.246	0.254	0.225	0.259	0.273	0.242	0.237	0.237	N/A
Metropolitan Water Reclamation District	0.444	0.419	0.415	0.401	0.371	0.361	0.347	0.315	0.315	N/A
Northwest Mosquito Abatement District	0.010	0.010	0.011	0.010	0.009	0.010	0.009	0.009	0.009	N/A
Poplar Creek Library	0.397	0.388	0.406	0.351	0.340	0.355	0.318	0.304	0.304	N/A
Community Mental Health	0.049	0.044	0.045	0.040	0.038	0.040	0.036	0.035	0.035	N/A
Consolidated Elections	-	0.023	-	0.032	-	0.029	-	0.014	0.014	N/A
<b>Total Direct and Overlapping Tax Rate</b>	<b>10.749</b>	<b>10.622</b>	<b>11.027</b>	<b>9.508</b>	<b>9.067</b>	<b>9.813</b>	<b>8.891</b>	<b>8.463</b>	<b>8.522</b>	<b>N/A</b>

N/A - Currently Not Available

Data Source: Cook County Clerk

Note: Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners.

(1) The significant increase in the tax rate in Tax Levy Year 2000 was the result of the acquisition of the Fire District in July 2000.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates-DuPage County  
April 30, 2008**

	1998	1999	2000 (1)	2001	2002	2003	2004	2005	2006	2007
<b>Village of Hanover Park:</b>										
General Corporate rate	0.6314	0.6366	1.2314	1.2505	1.2248	1.1861	1.1960	1.1419	1.1635	1.0978
Police Pension	-	-	-	-	-	-	-	-	-	-
Debt Service Rate	0.1557	0.1377	0.1222	0.1248	0.1134	0.1027	0.1411	0.1297	0.1262	0.1146
<b>Total Direct Tax Rate</b>	<b>0.7871</b>	<b>0.7743</b>	<b>1.3536</b>	<b>1.3753</b>	<b>1.3382</b>	<b>1.2888</b>	<b>1.3371</b>	<b>1.2716</b>	<b>1.2897</b>	<b>1.2124</b>
<b>Overlapping Rates</b>										
School District #93	3.9251	3.6960	3.6455	3.5791	3.2923	3.0360	3.3667	3.5070	3.6473	3.6473
School District #87	1.9732	1.9402	1.9477	1.8586	1.9144	1.8530	1.7716	1.7200	1.7210	1.6612
Community College #502	0.2027	0.2006	0.1966	0.1930	0.2179	0.2100	0.1968	0.1874	0.1929	0.1888
Hanover Park Park District	0.5198	0.5812	0.4761	0.4700	0.4483	0.4340	0.4267	0.4055	0.4059	0.3801
Hanover Park Fire Protection	0.6007	0.5995	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
County including Forest Preserve District and Airport	0.5002	0.4786	0.4569	0.4278	0.3936	0.3650	0.3421	0.3266	0.3199	0.3008
Wayne Township	0.2067	0.1983	0.1938	0.1876	0.1722	0.1570	0.1450	0.1400	0.1370	0.1289
Poplar Creek Library	0.3880	0.3085	0.3614	0.3571	0.3573	0.3040	0.3022	0.3004	0.3131	0.3696
<b>Total Direct and Overlapping   Tax Rate</b>	<b>9.1035</b>	<b>8.7772</b>	<b>8.6316</b>	<b>8.4485</b>	<b>8.1342</b>	<b>7.6478</b>	<b>7.8882</b>	<b>7.8585</b>	<b>8.0268</b>	<b>7.8891</b>

Data Source: DuPage County Clerk

Note: Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners.

(1) The significant increase in the tax rate in Tax Levy Year 2000 was the result of the acquisition of the Fire District in July 2000.

VILLAGE OF HANOVER PARK, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago  
April 30, 2008

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
AMB-Turnberry Lakes	\$ 11,682,940	1	1.70%	\$		
Westview Center-Bradley	8,744,818	2	1.27%	6,172,389	1	1.57%
IDI Services-Turnberry Lakes	7,113,480	3	1.04%	5,718,930	2	1.45%
Menards	6,796,845	4	0.99%			
Fisher Scientific Company	5,694,910	5	0.83%			
IDI Services-Hanover Corp Center	4,611,700	6	0.67%			
Wheaton Bank Trust 1238	4,560,015	7	0.66%			
Northern Builders, Inc.	4,287,570	8	0.62%	2,609,770	9	0.66%
Pebblewood Court	3,844,008	9	0.56%			
Kmart Corporation	3,673,215	10	0.53%	2,934,658	6	0.75%
The Krupp Company				5,122,006	3	1.30%
Fellowes Manufacturing				3,589,090	4	0.91%
Pacini Real Estate				3,368,349	5	0.86%
Circuit City Stores				2,825,810	7	0.72%
GE Capital Realty				2,616,183	8	0.67%
Buckhead Industrial Properties				2,294,620	10	0.58%
	<u>\$ 61,009,501</u>		<u>8.88%</u>	<u>\$ 37,251,805</u>		<u>9.47%</u>

Data Source: Office of the Cook and DuPage County Clerk's

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Property Tax Levies and Collections  
April 30, 2008**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1999	1998	\$ 3,324,889	\$ 640,545	19.27%	\$ 2,652,855	\$ 3,293,400	99.05%
2000	1999	3,407,387	659,680	19.36%	2,769,515	3,429,195	100.64%
2001	2000	6,248,890	1,225,076	19.60%	4,887,204	6,112,280	97.81%
2002	2001	6,519,430	1,316,255	20.19%	5,195,153	6,511,408	99.88%
2003	2002	6,698,440	1,462,391	21.83%	5,404,731	6,872,352	102.60%
2004	2003	7,326,595	2,213,005	30.21%	5,022,848	7,285,952	99.45%
2005	2004	7,937,587	1,293,435	16.30%	6,478,712	7,772,147	97.92%
2006	2005	8,113,730	1,597,398	19.69%	6,371,011	7,968,408	98.21%
2007	2006	8,349,476	1,581,476	18.94%	6,894,114	8,475,590	101.51%
2008	2007	8,647,050	1,643,467	19.01%	N/A	1,643,467	19.01%

N/A - Currently Not Available

Data Source: Village Records

Note: Levies for all Special Service Areas have been excluded from this table.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years  
April 30, 2008**

Fiscal Year Ended April 30	Governmental Activities			Business-Type Activities IEPA Loan	Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	Notes Payable	Tax Increment Revenue Bonds				
1999	\$ 7,920,000	\$ -	\$ 11,475,000	\$ 4,304,117	\$ 23,699,117	4.60%	\$ 666.10
2000	7,070,000	-	11,050,000	5,096,974	23,216,974	4.51%	652.55
2001	6,280,000	481,300	10,575,000	4,858,161	22,194,461	2.90%	579.82
2002	9,060,000	418,600	10,050,000	4,626,072	24,154,672	3.16%	631.03
2003	8,560,000	197,700	9,250,000	4,387,545	22,395,245	2.93%	585.07
2004	7,710,000	355,269	8,375,000	4,142,401	20,582,670	2.69%	537.72
2005	13,850,000	502,846	7,400,000	3,890,457	25,643,303	3.36%	669.92
2006	12,970,000	369,264	6,325,000	3,631,523	23,295,787	3.05%	608.59
2007	12,060,000	232,021	4,900,000	3,365,405	20,557,426	2.69%	537.06
2008	11,120,000	131,834	3,350,000	3,091,905	17,693,739	2.32%	462.24

N/A - Currently Not Available

Data Source: Village's Records

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
April 30, 2008**

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
1999	\$ 7,920,000	\$ 979,399	\$ 6,940,601	1.70%	\$ 195.08
2000	7,070,000	813,882	6,256,118	1.47%	175.84
2001	6,280,000	750,665	5,529,335	1.28%	144.45
2002	9,060,000	704,171	8,355,829	1.70%	218.29
2003	8,560,000	601,513	7,958,487	1.48%	207.91
2004	7,710,000	522,898	7,187,102	1.28%	187.76
2005	13,850,000	742,290	13,107,710	2.12%	342.43
2006	12,970,000	949,405	12,020,595	1.83%	314.03
2007	12,060,000	881,208	11,178,792	1.62%	292.04
2008	11,120,000	790,270	10,329,730	1.38%	269.86

N/A - Currently Not Available

Data Source: Village Records

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

- (1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).
- (2) See the Demographic and Economic Statistics Schedule for the population data.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Schedule of Direct and Overlapping Bonded Debt  
April 30, 2008**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Hanover Park	\$ 11,120,000	100.00%	\$ 11,120,000
School District # 20	8,390,000	37.43%	3,140,377
School District # 54	10,055,000	2.88%	289,584
School District #93	14,695,000	9.48%	1,393,086
High School District #87	51,640,000	2.18%	1,125,752
High School District #108	54,810,000	7.50%	4,110,750
High School District #211	49,690,000	1.79%	889,451
Unit School District #46	315,258,828	7.69%	24,243,404
Community College District #502	170,920,000	0.69%	1,179,348
Community College District #509	58,207,604	5.34%	3,108,286
Community College District #512	56,385,000	0.72%	405,972
<b>Total School Districts</b>	<b>790,051,432</b>		<b>39,886,010</b>
Cook County	2,960,875,000	0.18%	5,329,575
DuPage County	228,405,000	1.12%	2,558,136
Cook County Forest Preserve District	121,270,000	0.18%	218,286
DuPage County Forest Preserve District	222,447,898	1.12%	2,491,416
Metropolitan Water Reclamation District	1,441,076,915	0.18%	2,593,938
Schaumburg Township	0	2.91%	0
Bartlett Park District	16,225,000	3.68%	597,080
Hanover Park Park District	813,200	95.17%	773,922
Schaumburg Park District	29,530,000	1.37%	404,561
Bartlett Public Library District	720,000	0.06%	432
Schaumburg Township Library District	7,620,000	2.96%	225,552
Bloomington Fire Protection District	3,295,000	5.28%	173,976
Village of Hanover Park SSA #2	800,000	100.00%	800,000
Village of Hanover Park TIF #2	3,350,000	100.00%	3,350,000
<b>Total Others</b>	<b>5,036,428,013</b>		<b>19,516,875</b>
<b>Total Overlapping Debt</b>	<b>5,826,479,445</b>		<b>59,402,885</b>
<b>Total Direct and Overlapping Debt</b>	<b>5,837,599,445</b>		<b>70,522,885</b>

Data Source: Cook and DuPage County Clerk's

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village. Every resident is not responsible for paying the debt of each overlapping government.

(1) Determined by the ratio of assessed value of property in the Village subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit using the 2006 tax levy year equalized assessed values for Cook County and the 2007 tax levy year equalized assessed values for DuPage County.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Schedule of Legal Debt Margin**

**April 30, 2008**

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The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pledged-Revenue Coverage - Last Ten Fiscal Years  
April 30, 2008**

Fiscal Year Ended April 30	Tax Increment Financing District #2 1987 and 1989 Bonds			Coverage
	Property and Sales Tax Revenues	Debt Service		
		Principal	Interest	
1999	\$ 851,243	\$ 375,000	\$ 777,334	0.74
2000	1,110,221	425,000	752,707	0.94
2001	1,036,868	475,000	742,767	0.85
2002	904,765	525,000	693,511	0.74
2003	1,289,861	800,000	488,142	1.00
2004	1,439,820	875,000	449,122	1.09
2005	1,467,329	975,000	428,583	1.05
2006	1,799,175	1,075,000	382,395	1.23
2007	1,533,542	1,425,000	329,851	0.87
2008	906,199	1,550,000	265,592	0.50

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

Data Source: Village Records

## VILLAGE OF HANOVER PARK, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2008

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Fiscal Year Ended April 30	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1999	35,579	\$ 514,828	\$ 14,470	28.0	4,896	4.10%
2000	35,579	514,828	14,470	28.0	5,000	4.00%
2001	38,278	764,029	19,960	29.7	5,158	4.60%
2002	38,278	764,029	19,960	29.7	5,158	6.40%
2003	38,278	764,029	19,960	29.7	5,158	7.10%
2004	38,278	764,029	19,960	29.7	5,158	7.30%
2005	38,278	764,029	19,960	29.7	5,158	6.60%
2006	38,278	764,029	19,960	29.7	6,432	5.80%
2007	38,278	764,029	19,960	29.7	6,432	4.60%
2008	38,278	764,029	19,960	29.7	6,432	5.30%

#### Data Sources

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Illinois Department of Employment Security (using annual averages)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago  
April 30, 2008**

Employer	2008			1999		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Fischer Scientific	307	1	6.21%			
Insight	285	2	5.76%			
Maines	250	3	5.06%			
Fuji Film	250	4	5.06%			
Camcraft	210	5	4.25%	175	1	4.34%
Village of Hanover Park	193	6	3.90%	150	3	3.72%
Ultra Foods	130	7	2.63%			
Wilson Pet Supply	115	8	2.33%			
School Health Corp	110	9	2.22%	74	8	1.83%
GE Transportation	110	10	2.22%			
Fellowes Manufacturing				100	6	2.48%
Jefferson Smurfit				65	9	1.61%
MS Distributers				143	2	3.54%
Circuit City				124	4	3.07%
Marriot				110	5	2.73%
Canon USA				75	7	1.86%
GBC				51	10	1.26%
	<u>1,960</u>		<u>39.64%</u>	<u>1,067</u>		<u>26.45%</u>

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Full-Time Equivalent Village Government Employees by Function  
April 30, 2008**

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>General Government</b>										
Administration	12	12	12	13	13	12	12	12	12	13
Finance	7	7	7	7	7	6	6	6	6	6
<b>Public Works</b>	40	40	40	41	41	41	40	40	40	40
<b>Police</b>	66	68	68	68	69	69	69	71	73	74
<b>Fire (1)</b>	-	-	27	27	27	27	30	30	33	36
<b>Community Development</b>	11	10	10	10	10	10	9	9	9	9
<b>Water and Sewer</b>	11	11	12	12	12	12	11	11	11	12
<b>Commuter Parking Lot</b>	3	3	3	3	3	3	3	3	3	3
<b>Total</b>	<b>150</b>	<b>151</b>	<b>179</b>	<b>181</b>	<b>182</b>	<b>180</b>	<b>180</b>	<b>182</b>	<b>187</b>	<b>193</b>

Data Source: Village Records

(1) The Village acquired the fire district in July of 2000.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
April 30, 2008**

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Public Works</b>										
<b>Forestry</b>										
Number of Parkway Trees Planted	64	71	52	46	42	39	49	33	36	12
Number of Parkway Trees Trimmed	2,798	1,700	2,071	2,149	2,606	1,679	1,880	2,176	2,457	2,443
Brush Pickup Program (Cubic Yds Collected)	1,957	1,571	2,210	1,649	1,619	2,132	1,983	2,051	2,205	2,314
<b>Fleet Services</b>										
Number of Vehicles Maintained	123	129	146	146	147	147	149	149	150	151
Preventative Maintenance Services	372	386	408	415	422	405	392	418	403	412
<b>Public Safety</b>										
<b>Fire (1)</b>										
Number of Fire Calls	-	-	1,180	1,243	978	697	665	775	787	907
Number of EMS Calls	-	-	1,559	1,508	1,686	1,798	1,745	1,831	1,885	2,022
Number of Training Hours	-	-	18,524	17,470	15,133	8,171	7,151	7,109	6,555	11,484
ISO Rating	-	-	4	4	4	4	4	4	4	4
<b>Police</b>										
Part I Crime	1,179	863	857	749	768	892	742	793	668	704
Part II Crime	2,982	2,779	2,595	3,008	3,156	3,051	3,104	3,758	4,394	4,469
Calls for Service	N/A	N/A	N/A	N/A	40,026	44,272	40,669	42,127	43,358	42,583
State Tickets Issued	4,889	5,740	5,333	5,855	6,383	5,967	7,453	8,812	9,564	8,808
Compliance Tickets Issued	1,619	454	397	187	279	109	24	95	118	43
Parking Tickets Issued	17,070	17,955	18,084	18,094	18,812	17,740	16,000	18,827	17,752	13,710
<b>Community Development</b>										
Number of Building Permits Issued	1,432	1,457	1,537	1,725	1,636	2,421	2,028	1,633	1,442	916
Number of Building Inspections	5,833	4,980	5,655	5,128	4,635	6,000	7,052	5,957	5,694	4,203
Number of Food Service Inspections	259	244	261	243	258	237	253	252	270	336
<b>Highways and Streets</b>										
Sidewalk Replaced (Sq. Ft.)	26,000	25,040	29,600	27,781	-	35,438	23,400	24,667	21,148	17,629
Annual Resurfacing Program (\$)	265,768	638,176	705,779	672,965	650,206	660,323	586,848	672,363	557,810	559,959
Crack Sealing (lbs. Installed)	23,680	28,700	24,529	24,460	25,800	24,533	26,120	27,420	24,910	24,826

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
April 30, 2008**

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Water and Sewer										
Water Main Breaks	46	59	46	23	51	85	59	96	37	44
Hydrants Flushed				-	929	1,395	1,428	1,438	1,443	1,455
Water	68,012	50,924	61,855	63,720	58,643	66,368	65,978	66,472	66,547	102,392
Water Meter Service Requests	4,241	6,715	8,361	6,272	8,332	8,596	9,080	6,879	6,566	5,781
Water Meters Replaced	17	929	1,211	218	2,390	2,452	2,440	240	31	28
Total Distribution Pumpage (1,000 Gallons)	1,092,834	1,122,511	1,089,325	1,087,266	1,056,041	1,011,422	973,198	1,095,611	1,084,912	1,029,079
Average Daily Pumpage (1,000 Gallons)	2,994	3,067	2,984	2,979	2,893	2,771	2,666	3,002	2,972	2,819
Sanitary Sewer Televising (Feet)	-	90,825	78,637	60,212	30,917	1,320	505	20,551	25,547	18,172
Sanitary Sewer Repairs	N/A	N/A	N/A	12	4	3	2	2	7	1

N/A: Currently Not Available

Data Source: Village Records

Note: Indicators are not available for the general government function.

(1) The Village acquired the Fire Protection District in July 2000.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Capital Asset Statistics by Function/Program  
April 30, 2008**

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	19	20	20	20	20	20	20	20
Fire Stations (1)			2	2	2	2	2	2	2	2
<b>Public Works</b>										
Streets (Miles)	98.58	98.58	98.58	98.48	98.88	98.88	99.36	99.36	99.36	99.36
Sidewalks (Miles)	149.60	150.15	150.27	150.33	152.38	154.04	154.04	154.04	154.66	154.66
Streetlights	912	913	918	925	930	935	1,041	1,041	1,076	1,076
<b>Water and Sewer</b>										
Water Mains (Miles)	108.39	108.86	109.01	109.07	110.49	110.49	111.51	111.51	111.75	111.75
Fire Hydrants	1367	1381	1395	1396	1427	1428	1449	1449	1452	1452
Sanitary Sewers (Miles)	91.88	91.79	91.85	91.87	93.10	93.10	93.94	93.94	93.86	93.86
Manholes	2,287	2,286	2,287	2,290	2,322	2,322	2,347	2,347	2,347	2,347

Data Source: Village Records

(1) The Village acquired the Fire Protection District in July 2000

**VILLAGE OF HANOVER PARK  
DUPAGE AND COOK COUNTIES, ILLINOIS**

**ANNUAL FINANCIAL INFORMATION**

**DEBT INFORMATION**

**General Obligation Bonded Debt (1)  
(Principal Only)**

Calendar Year	Series 2001	Series 2002	Series 2004	Total Outstanding Debt	Cumulative Principal Retired Amount	Percent
2008 .....	385,000	585,000	0	970,000	970,000	8.72%
2009 .....	400,000	610,000	0	1,010,000	1,980,000	17.81%
2010 .....	415,000	630,000	0	1,045,000	3,025,000	27.20%
2011 .....	435,000	660,000	0	1,095,000	4,120,000	37.05%
2012 .....	0	0	420,000	420,000	4,540,000	40.83%
2013 .....	0	0	435,000	435,000	4,975,000	44.74%
2014 .....	0	0	450,000	450,000	5,425,000	48.79%
2015 .....	0	0	470,000	470,000	5,895,000	53.01%
2016 .....	0	0	485,000	485,000	6,380,000	57.37%
2017 .....	0	0	505,000	505,000	6,885,000	61.92%
2018 .....	0	0	530,000	530,000	7,415,000	66.68%
2019 .....	0	0	550,000	550,000	7,965,000	71.63%
2020 .....	0	0	575,000	575,000	8,540,000	76.80%
2021 .....	0	0	600,000	600,000	9,140,000	82.19%
2022 .....	0	0	630,000	630,000	9,770,000	87.86%
2023 .....	0	0	660,000	660,000	10,430,000	93.79%
2024 .....	0	0	690,000	690,000	11,120,000	100.00%
Total .....	\$1,635,000	\$2,485,000	\$7,000,000	\$11,120,000		

Note: (1) Source: the Village

**Statement of Bonded Indebtedness (1)**

	Amount Applicable	Ratio To		Per Capita (2000 Pop. 38,278)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2007 .....	\$ 746,188,021	100.00%	33.33%	\$ 19,493.91
Estimated Actual Value, 2007 .....	\$ 2,238,564,063	300.00%	100.00%	\$ 58,481.74
Total Direct Bonded Debt .....	\$ 11,120,000			\$ 290.51
Overlapping Bonded Debt (1):				
Schools .....	\$ 32,274,277			\$ 843.15
Others .....	\$ 22,555,429			\$ 589.25
Total Overlapping Bonded Debt .....	\$ 54,829,706			\$ 1,432.41
Total Direct and Overlapping Bonded Debt .....	\$ 65,949,706			\$ 1,722.91

Note: (1) Overlapping bonded debt as of April 30, 2008.

### Overlapping Bonded Debt (1)

	Outstanding Debt	Applicable to Village	
		Percent (2)	Amount
<b>Schools:</b>			
Grade School District Number 20 .....	\$ 8,390,000	37.43%	\$ 3,140,377
Grade School District Number 54 .....	10,055,000	2.88%	289,584
Grade School District Number 93 .....	14,695,000	9.48%	1,393,086
High School District Number 87 .....	51,640,000	2.18%	1,125,752
High School District Number 108 .....	54,810,000	7.50%	4,110,750
High School District Number 211 .....	49,690,000	1.79%	889,451
Unit School District Number 46 .....	315,258,828	7.69%	24,243,404
Community College District Number 502 .....	170,920,000	0.69%	1,179,348
Community College District Number 509 .....	58,207,604	5.34%	3,108,286
Community College District Number 512 .....	56,385,000	0.72%	405,972
<b>Total Schools</b> .....			<b>\$ 39,886,010</b>
<b>Others:</b>			
Cook County .....	\$ 2,960,875,000	0.18%	\$ 5,329,575
DuPage County .....	228,405,000	1.12%	2,558,136
Cook County Forest Preserve District .....	121,270,000	0.18%	218,286
DuPage County Forest Preserve District .....	222,447,898	1.12%	2,491,416
Metropolitan Water Reclamation District of Greater Chicago .....	1,441,076,915	0.18%	2,593,938
Schaumburg Township .....	0	2.91%	0
Bartlett Park District .....	16,225,000	3.68%	597,080
Hanover Park Park District .....	813,200	95.17%	773,922
Schaumburg Park District .....	29,530,000	1.37%	404,561
Bartlett Public Library District .....	720,000	0.06%	432
Schaumburg Township Library District .....	7,620,000	2.96%	225,552
Bloomington Fire Protection District .....	3,295,000	5.28%	173,976
Village of Hanover Park Special Service Area Number 2 .....	800,000	100.00%	800,000
Village of Hanover Park TIF Number 2 .....	3,350,000	100.00%	3,350,000
<b>Total Others</b> .....			<b>\$ 19,516,875</b>
<b>Total Schools and Others Overlapping Bonded Debt</b> .....			<b>\$ 59,402,885</b>

- Notes: (1) Source: Cook and DuPage County Clerks.  
 (2) Overlapping debt percentages based on 2005 EAV for Cook County and 2006 EAV for DuPage County, the most current available.

### PROPERTY ASSESSMENT AND TAX INFORMATION

#### Equalized Assessed Valuation (1)

Property Class	Levy Years				
	2003	2004	2005	2006 (2)	2007 (2)
Residential .....	\$ 419,588,106	\$ 465,976,955	\$ 499,096,061	\$ 327,307,467	\$ 351,550,142
Farm .....	29,274	23,693	23,971	20,208	17,962
Commercial .....	68,514,689	73,997,708	77,236,570	20,972,440	21,677,650
Industrial .....	73,309,516	77,174,413	80,121,173	79,629,190	79,256,420
Railroad .....	7,791	7,429	7,429	11,078	15,750
<b>Total</b> .....	<b>\$ 561,449,376</b>	<b>\$ 617,180,198</b>	<b>\$ 656,485,204</b>	<b>\$ 427,940,383</b>	<b>\$ 452,517,924</b>
<b>By County</b>					
Cook .....	\$ 215,996,987	\$ 246,010,825	\$ 258,742,308	\$ 260,006,061	\$ 293,670,097
DuPage .....	345,452,389	371,169,373	397,742,896	427,940,383	452,517,924
<b>Total</b> .....	<b>\$ 561,449,376</b>	<b>\$ 617,180,198</b>	<b>\$ 656,485,204</b>	<b>\$ 687,946,444</b>	<b>\$ 746,188,021</b>
Percent Change .....	4.14%	9.93%	6.37%	4.79%	8.47%

- Notes: (1) Source: Cook and DuPage County Clerks  
 (2) DuPage County only. Levy years 2006 and 2007 EAV by property class for Cook County is not available.  
 (3) The 2003 percentage change based on 2001 EAV of \$539,114,771.

**Representative Tax Rates (1)**  
(Per \$100 EAV)  
Cook County

	Levy Years				
	2003	2004	2005	2006	2007
<b>Village Rates:</b>					
Corporate .....	\$ 1.355	\$ 1.269	\$ 1.191	\$ 1.249	N/A
Bond & Interest .....	0.131	0.168	0.152	0.153	N/A
<b>Total Village Rates .....</b>	<b>\$ 1.486</b>	<b>\$ 1.437</b>	<b>\$ 1.343</b>	<b>\$ 1.402</b>	<b>\$ -</b>
Cook County .....	0.630	0.593	0.533	0.500	N/A
Forest Preserve District of Cook County .....	0.059	0.060	0.060	0.057	N/A
Suburban TB Sanitarium .....	0.004	0.001	0.005	0.005	N/A
Hanover Township (2) .....	0.302	0.242	0.251	0.250	N/A
Metropolitan Water Reclamation District of Greater Chicago .....	0.361	0.347	0.315	0.284	N/A
Northwest Mosquito Abatement District .....	0.010	0.009	0.009	0.009	N/A
Hanover Park Park District .....	0.534	0.469	0.441	0.471	N/A
Poplar Creek Library District .....	0.355	0.318	0.304	0.310	N/A
Community Mental Health Facility and Service District .....	0.040	0.036	0.035	0.037	N/A
Unit School District Number 46 .....	5.606	4.945	4.746	4.874	N/A
Community College District Number 509 .....	0.426	0.434	0.421	0.347	N/A
<b>Total Rates (3) .....</b>	<b>\$ 9.813</b>	<b>\$ 8.891</b>	<b>\$ 8.463</b>	<b>\$ 8.546</b>	<b>\$ -</b>

- Notes:
- (1) Source: Cook County Clerk.
  - (2) Includes Hanover Township, Road and Bridge, Consolidated Elections and General Assistance.
  - (3) Representative tax rates for other government units are from Hanover Township tax code 18027, which represents 13.3% of the Village's 2007 EAV.

**Representative Tax Rates (1)**  
(Per \$100 EAV)  
DuPage County

	Levy Years				
	2003	2004	2005	2006	2007
<b>Village Rates:</b>					
Corporate .....	\$ 0.6119	\$ 0.5867	\$ 0.5533	\$ 0.5332	\$ 0.4935
Bond & Interest .....	0.1027	0.1411	0.1297	0.1262	0.1146
<b>Total Village Rates .....</b>	<b>\$ 0.7146</b>	<b>\$ 0.7278</b>	<b>\$ 0.6830</b>	<b>\$ 0.6594</b>	<b>\$ 0.6081</b>
DuPage County .....	0.1999	0.1850	0.1797	0.1713	0.1651
DuPage County Forest Preserve District .....	0.1419	0.1358	0.1271	0.1303	0.1187
DuPage County Airport Authority .....	0.0232	0.0213	0.0198	0.0183	0.0170
Wayne Township (2) .....	0.1570	0.1450	0.1400	0.1370	0.1289
Village of Hanover Park Fire .....	0.5742	0.6093	0.5886	0.6303	0.6043
Hanover Park Park District .....	0.4340	0.4256	0.4055	0.4059	0.3801
Poplar Creek Library District .....	0.3040	0.2969	0.3004	0.3131	0.3696
Grade School District Number 93 .....	3.0360	3.3667	3.5070	3.6473	3.6473
High School District Number 87 .....	1.8530	1.7716	1.7200	1.7210	1.6612
Community College District Number 502 .....	0.2100	0.1972	0.1874	0.1929	0.1888
<b>Total Rates (3) .....</b>	<b>\$ 7.6478</b>	<b>\$ 7.8822</b>	<b>\$ 7.8585</b>	<b>\$ 8.0268</b>	<b>\$ 7.8891</b>

- Notes:
- (1) Source: DuPage County Clerk.
  - (2) Includes Wayne Township and Wayne Township Road District.
  - (3) Representative tax rates for other government units are from Wayne Township tax code 1004, which represents 14.3% of the Village's 2007 EAV.

### Tax Extensions and Collections (1)

Levy Year	Coll. Year	Taxes Extended	Total Collections	
			Amount	Percent
1998 .....	1999	\$ 3,324,889	\$ 3,293,400	99.05%
1999 .....	2000	3,407,387	3,429,195	100.64%
2000 .....	2001	6,248,890	6,112,280	97.81%
2001 .....	2002	6,519,430	6,511,408	99.88%
2002 .....	2003	6,698,440	6,872,352	102.60%
2003 .....	2004	7,326,595	7,285,952	99.45%
2004 .....	2005	7,937,587	7,772,147	97.92%
2005 .....	2006	8,113,730	7,968,408	98.21%
2006 .....	2007	8,349,476	8,475,590	101.51%
2007 .....	2008 (2)	8,647,050	1,643,467	19.01%

Notes: (1) Source: the Village.  
(2) In collection, as of April 30, 2008.

### Principal Taxpayers (1)

<u>Taxpayer Name</u>	<u>Business/Service</u>	2007 EAV (2)
AMB .....	Industrial Property-Turnberry Lakes .....	\$ 11,682,940
Bradley Real Estate Co. ....	Westview Center .....	8,744,818
IDI Services Group .....	Industrial Property-Turnberry Lakes .....	7,113,480
Menards .....	Retail Store .....	6,796,845
Fisher Scientific Company .....	Scientific Equipment .....	5,694,910
IDI Services Group .....	Hanover Corporate Center .....	4,611,700
Wheaton Bank Trust 1238 .....	Shopping Center .....	4,560,015
Northern Builders, Inc. ....	Industrial Property-Turnberry Lakes .....	4,287,570
Individual .....	Pebblewood Court Apartments .....	3,844,008
Kmart Corporation .....	Retail Store .....	3,673,215
Total .....		\$ 61,009,501
Ten Largest Taxpayers as a Percent of Village's 2007 EAV (\$746,188,021) .....		8.18%

Notes: (1) Source: Cook and DuPage County Clerks  
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

**Retailer's Occupation, Service Occupation and Use Tax (1)**

State Fiscal Year Ending June 30	State Sales Tax Distributions (2)	Home Rule Sales Tax Distributions	Total Sales Tax Distribution	Annual Percent Change + (-)
1998 .....	1,949,664	683,497	2,633,161	8.32%
1999 .....	2,191,450	754,053	2,945,503	11.86%
2000 .....	2,435,105	872,632	3,307,737	12.30%
2001 .....	2,472,701	876,401	3,349,102	1.25%
2002 .....	2,358,653	814,148	3,172,801	(5.26%)
2003 .....	2,435,246	845,686	3,280,932	3.41%
2004 .....	2,469,069	823,610	3,292,679	0.36%
2005 .....	2,212,338	784,561	2,996,899	(8.98%)
2006 .....	2,520,919	900,354	3,421,273	14.16%
2007 .....	2,496,146	909,901	3,406,047	-0.45%
Growth from 1998 to 2007 .....				29.35%

- Notes:
- (1) Source: Illinois Department of Revenue
  - (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation. Service Occupation and Use Tax collected on behalf of the Village less a State administration fee. The municipa
  - (3) The 1998 percentage is based on a 1997 sales tax of \$2,430,854.

**FINANCIAL INFORMATION**

General Fund  
Balance Sheet

	Audited as of April 30				
	2004	2005	2006	2007	2008
<b>ASSETS:</b>					
Cash and Investments .....	\$ 6,194,794	\$ 6,753,448	\$ 7,323,912	\$ 8,222,791	\$ 6,985,099
Receivables, Net:					
Property Taxes .....	5,286,820	5,733,742	6,532,492	6,040,610	6,277,191
Accounts .....	29,990	503,255	701,400	619,455	646,954
Accrued Interest .....	56,822	61,327	85,668	102,211	79,576
Other .....	310,916	0	0	0	0
Prepaid Items/Expenses/Inventories .....	452,285	517,129	544,498	668,772	805,394
Due From Other Funds .....	0	0	36,079	43,000	157,447
Due From Other Governments .....	1,431,713	875,794	1,196,565	1,350,123	1,573,642
Notes Receivables .....	119,167	0	0	0	0
Advances to Other Funds .....	287,385	238,111	185,537	129,442	69,590
Total Assets .....	<u>\$ 14,169,892</u>	<u>\$ 14,682,806</u>	<u>\$ 16,606,151</u>	<u>\$ 17,176,404</u>	<u>\$ 16,594,893</u>
<b>LIABILITIES AND FUND EQUITY:</b>					
<b>Liabilities:</b>					
Accounts Payable .....	\$ 432,258	\$ 440,106	\$ 468,768	\$ 530,358	\$ 671,268
Accrued Payroll .....	416,535	417,446	526,006	569,348	672,587
Contractors' Payable .....	168,569	129,695	128,316	0	0
Deferred Revenues .....	557,307	574,715	6,547,105	6,055,811	6,293,503
Due to Other Governments .....	38,526	0	0	0	0
Due to Developers .....	8,800	0	0	0	0
Due to Other Funds .....	986	33,401	0	0	0
Other Payables .....	0	0	0	177,670	232,944
Total Liabilities .....	<u>\$ 6,638,751</u>	<u>\$ 7,068,420</u>	<u>\$ 7,670,195</u>	<u>\$ 7,333,187</u>	<u>\$ 7,870,302</u>
<b>Fund Equity:</b>					
Reserved for Prepaid Items/Inventory .....	\$ 452,285	\$ 517,129	\$ 544,498	\$ 668,772	\$ 805,394
Reserved for Advancements to Other Funds .....	287,385	238,111	185,537	129,442	69,590
Reserved for Noncurrent Notes Receivable .....	119,167	0	0	0	0
Unreserved .....	6,672,304	6,859,146	8,205,921	9,045,003	7,849,607
Total Fund Equity .....	<u>\$ 7,531,141</u>	<u>\$ 7,614,386</u>	<u>\$ 8,935,956</u>	<u>\$ 9,843,217</u>	<u>\$ 8,724,591</u>
Total Liabilities and Fund Equity .....	<u>\$ 14,169,892</u>	<u>\$ 14,682,806</u>	<u>\$ 16,606,151</u>	<u>\$ 17,176,404</u>	<u>\$ 16,594,893</u>

**General Fund  
Revenues and Expenditures**

	Audited Fiscal Year Ending April 30				
	2004	2005 (1)	2006	2007	2008
<b>REVENUES:</b>					
Taxes .....	\$ 14,652,917	\$ 15,090,543	\$ 16,943,179	\$ 17,478,069	\$ 18,531,102
Licenses and Permits .....	809,478	820,362	840,525	871,302	839,389
Charges for Services .....	285,642	925,111	1,314,082	1,385,294	1,080,833
Fines and Forfeits .....	494,211	518,741	615,398	608,308	528,764
Investment Income .....	129,200	193,458	193,425	505,926	485,263
Miscellaneous .....	633,755	517,006	664,949	556,938	607,806
Total Revenues .....	<u>\$ 17,005,203</u>	<u>\$ 18,065,221</u>	<u>\$ 20,571,558</u>	<u>\$ 21,405,837</u>	<u>\$ 22,073,157</u>
<b>EXPENDITURES:</b>					
General Government .....	\$ 2,878,432	\$ 2,728,647	\$ 3,050,356	\$ 2,854,656	\$ 2,972,390
Community Development .....	751,211	797,443	861,554	879,782	915,879
Public Safety .....	10,192,937	11,345,508	12,289,563	13,202,008	13,589,622
Public Works .....	2,796,481	2,471,206	2,571,833	2,769,315	3,331,597
Debt Service .....	45,952	231,955	59,776	60,156	19,985
Total Expenditures .....	<u>\$ 16,665,013</u>	<u>\$ 17,574,759</u>	<u>\$ 18,833,082</u>	<u>\$ 19,765,917</u>	<u>\$ 20,829,473</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 340,190	\$ 490,462	\$ 1,738,476	\$ 1,639,920	\$ 1,243,684
<b>OTHER FINANCING SOURCES (USES):</b>					
Sale of Capital Assets .....	\$ 10,000	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In .....	18,781	17,229	379,012	10,409	6,652
Transfers (Out) .....	(372,589)	(424,446)	(795,918)	(743,068)	(2,368,962)
Total Other Financing Sources (Uses).....	<u>\$ (343,808)</u>	<u>\$ (407,217)</u>	<u>(416,906)</u>	<u>(732,659)</u>	<u>(2,362,310)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (3,618)	\$ 83,245	\$ 1,321,570	\$ 907,261	\$ (1,118,626)
Fund Balance, Beginning .....	\$ 7,534,759	\$ 7,531,141	\$ 7,614,386	\$ 8,935,956	\$ 9,843,217
Prior Period Adjustment .....	0	0	0	0	0
Fund Balance, Ending .....	<u>\$ 7,531,141</u>	<u>\$ 7,614,386</u>	<u>\$ 8,935,956</u>	<u>\$ 9,843,217</u>	<u>\$ 8,724,591</u>

Note: (1) State Income Tax, Local Use Tax and Personal Property Replacement Tax has been classified as Intergovernmental Revenues in the Village's financial statements.

### General Fund Budget Financial Information

	Budget Twelve Months Ending 4/30/09
REVENUES:	
Taxes .....	\$ 18,626,983
Licenses and Permits .....	540,550
Charges for Services .....	1,348,774
Fines and Forfeits .....	627,917
Investment Income .....	306,750
Miscellaneous .....	<u>687,037</u>
Total Revenues .....	\$ 22,138,011
EXPENDITURES:	
General Government .....	\$ 5,575,631
Community Development .....	957,852
Public Safety .....	14,542,485
Public Works .....	<u>3,260,673</u>
Total Expenditures .....	\$ 24,336,641
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ (2,198,630)