

VILLAGE OF HILLSIDE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2012

Prepared By:

Administrative Department
John T. Flood Jr., Assistant Village Administrator
Village Treasurer
Russell F. Wajda, Village Administrator

VILLAGE OF HILLSIDE, ILLINOIS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 April 30, 2012

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INTRODUCTORY SECTION
(Unaudited)



President
Joseph T. Tamburino

Village Clerk
Linda L. Gould

Trustees
Lytton H. Andersen
Carol Bibly
David V. Delgado
John N. Kramer
Frank J. Lomeli, Sr.
Marvin A. Watson

November 30, 2012

Village Administrator
Russell F. Wajda

Honorable Joseph T. Tamburino, President
Members of the Village Board of Trustees
Village of Hillside, Illinois

**Assistant Village
Administrator**
Village Treasurer
John T. Flood, Jr.

The Comprehensive Annual Financial Report of the Village of Hillside, Illinois, for the fiscal year ending April 30, 2012, is submitted herewith. This report was prepared by the Village's Treasurer.

Village Attorney
Patrick E. Deady

The report was prepared to comply with State Statutes and Local Charter provisions. Responsibility for the accuracy of the report and the completeness and fairness of the presented data, along with all disclosures, rests with the Village. We believe the data presented is accurate in all material aspects; that it is presented to fairly set forth the financial position and results of the operation of the Village, as measured by the financial activity of the Village's various funds; and that all necessary disclosures have been included to enable readers to fairly understand the financial affairs of the Village. The organization and content of this report, including the basic financial report as well as all supplemental statements and statistical information, conform to the guidelines for comprehensive annual financial reporting of the Governmental Accounting Standards Board (GASB).

Village Engineer
Hanson Professional
Services

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village of Hillside's MD&A can be found immediately following the independent auditor's report.

REPORTING ENTITY

Hillside is located 15 miles west of Chicago's Loop. It occupies 3.15 square miles. The population stands at 8,157 according to the 2010 census. The Village government is comprised of a Mayor (President) and six at large trustees. All serve four-year terms. The Village has a fulltime Administrative Officer in charge of the day-to-day operations.

The Village is a full service community, providing the usual local governmental services, such as Police, Fire, Public Works, Street and Inspection Services. The Police and Fire Pension Funds of the Village have been included as blended component units.

The reporting entity includes the Hillside Public Library, which falls within the exact Village limits. The Hillside Public Library is reported discretely as a component unit.

This report includes those financial statements, schedules, and statistical tables that pertain to all functions and funds directly under the control of the Village President and Board of Trustees.

ECONOMIC CONDITION AND OUTLOOK

Hillside and Cook County have been impacted by the economic conditions that face the economy as a whole. Sales tax revenue for the Village increased as a result of the overall economic conditions. FY 11-12 totaled \$3,739,238 which is up from FY 10-11 totaled \$3,498,080 by 6.9 percent. State shared income tax receipts also increased from the prior year. Motor Fuel Tax receipts have decreased, mainly due to the slow release of funds by the State. The Village Board voted July 22, 2002 to implement a new 1% home rule sales tax. It became effective January 1, 2003, with our first receipt coming to the Village in March, 2003. This tax has gone a long way in providing and replacing lost revenue to the Village.

BUDGETARY SYSTEM

The Village's budget system is a twelve-month planning, reporting, and monitoring cycle. The planning for operating and capital budgets begins approximately six months prior to fiscal year-end. Department heads and the Village Treasurer meet to discuss and formulate each department's needs for the upcoming fiscal year. The Village Board approves the final budget document prior to the new fiscal year, which begins May 1st and the Village Board adopts the Appropriation Ordinance for the upcoming fiscal year. The Appropriation Ordinance establishes the legal authority to spend such sums of money as are deemed necessary to defray all necessary expenses and liabilities of the Village for that fiscal year. Monitoring continues throughout the fiscal year.

Prior to the third Tuesday in December of the fiscal year, the Annual Tax Levy Ordinance is filed with the County Clerk, allowing for such taxes as are necessary to be extended for that revenue year.

The Village has implemented long term financial planning into the annual appropriation process. Projections are being made for revenue and expenses for the following five years in a continued effort to improve the overall financial condition of the Village.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to assure reasonable results, but not absolute results, regarding:

- 1) safeguarding of Village assets from loss or unauthorized disposition;
- 2) reliability of financial records for preparing financial statements and maintaining accountability of Village assets.

The concept of reasonable assurance recognizes that:

- a) the cost of internal control should not exceed the benefit derived; and,
- b) the evaluation of costs and benefits are made by management.

All internal control evaluations occur within the above framework. We believe that the Village's internal accounting controls are an adequate safeguard of the Village assets and that they provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained by monthly reporting of the line item expenditures and revenues. Comparisons of actual expenditures and revenues to budgeted expenditures and revenues are routinely reviewed and presented. Period-to-date and fiscal year-to-date totals are reported in a timely manner to all responsible administration personnel and elected officials. If variances occur, administrative action is taken to maintain necessary controls and resolve any discrepancies.

FINANCIAL INFORMATION

The accounts of the Village of Hillside are organized on the basis of funds, each of which is considered a separate accounting entity. The operation of the funds is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and as applicable, expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities, in accordance with special regulations, restrictions, or limitations.

BRIEF OVERVIEW OF VILLAGE FUNDS

Funds are arranged as follows:

- I. MAJOR GOVERNMENTAL FUNDS
 - A. General Fund
 - B. Mannheim Road TIF Fund
 - C. Hillside 2012 Project Fund

- II. NON-MAJOR GOVERNMENTAL FUNDS
 - A. Special Revenue Funds
 - B. Debt Service Fund
 - C. Capital Projects Funds

- III. MAJOR PROPRIETARY FUNDS
 - A. Enterprise Funds

- IV. NON-MAJOR PROPRIETARY FUNDS

- V. FIDUCIARY FUNDS

- VI. COMPONENT UNIT
 - A. Library

Village-wide financial statements - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by most businesses.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the Village-wide financial statements. Proprietary and Fiduciary funds use the accrual basis of accounting.

Management is responsible for preparing a Management's Discussion and Analysis of the Village. This discussion follows the Independent Auditor's Report, providing an assessment of the Village finances for 2012 and a comparison, where available, to performance in 2011, a description of significant capital asset and long-term debt activity during the year and analysis of resources available for the future.

SIGNIFICANT FINANCIAL POLICIES

During fiscal year 2012, the Village implemented Governmental Accounting Standards Board Statement Number 54 which addressed the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions as well as establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

CASH MANAGEMENT

Cash temporarily idle during the year was invested in certificates of deposit, and U.S. Treasury Bills, and the Illinois Public Treasurer's interest bearing checking accounts. The Police and Fire Pension Funds also invest in permitted insurance annuities and mutual funds and equities. All investments are made within the guidelines established in the current investment policy approved by the Village Board.

RISK MANAGEMENT

The Village of Hillside has insured its exposures for accidental loss by becoming a member of a local government pool sponsored by the Intergovernmental Risk Management Association. The Intergovernmental Risk Management Association is an organization of 73 municipalities in northeastern Illinois, which has formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs.

The Association administers a mix of self-insurance and commercial insurance; property/casualty, unemployment compensation and workers' compensation claim/litigation management program; extensive safety/loss control consulting and training; and a risk information system and financial reporting service for its members.

INDEPENDENT AUDIT

The Village of Hillside ordinances and State of Illinois statutes and guidelines for compliance for Federal assistance programs require an annual audit to be made on the books of account, the financial records, and the transactions of all funds and activities of the Village. This audit is to be made by a certified public accountant who is able to render an independent auditor's opinion. This requirement has been complied with, and the auditors' opinion has been included in this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (G.F.O.A.) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hillside for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2011. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certification of Achievement program requirements, and we are submitting it to G.F.O.A. to determine its eligibility for another certificate.

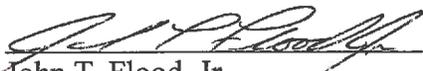
The Village of Hillside has received the Certificate of Achievement for Excellence in Financial Reporting twenty-seven of twenty-nine years since 1982.

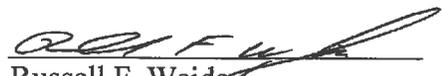
ACKNOWLEDGMENTS

The preparation of this report could not be accomplished without the services of the entire administrative staff and the Village Clerk. We would like to express our appreciation to all who assisted and contributed to its preparation. Thanks are also due to the Mayor and the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a conscientious, responsible and progressive manner.

Respectfully submitted,

VILLAGE OF HILLSIDE


John T. Flood, Jr.
Assistant Village Administrator
Village Treasurer


Russell F. Wajda
Village Administrator

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Hillside
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2011

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.



Linda C. Dandson

President

Jeffrey R. Enow

Executive Director

VILLAGE OF HILLSIDE, ILLINOIS

Village Officials

April 30, 2012

PRESIDENT

Joseph T. Tamburino

TRUSTEES

Lytton H. Andersen

Carol Bibly

John N. Kramer

Frank J. Lomeli, Sr.

Marvin A. Watson

David V. Delgado

CLERK

Linda L. Gould

ATTORNEY

Patrick E. Deady

TREASURER

John T. Flood, Jr.

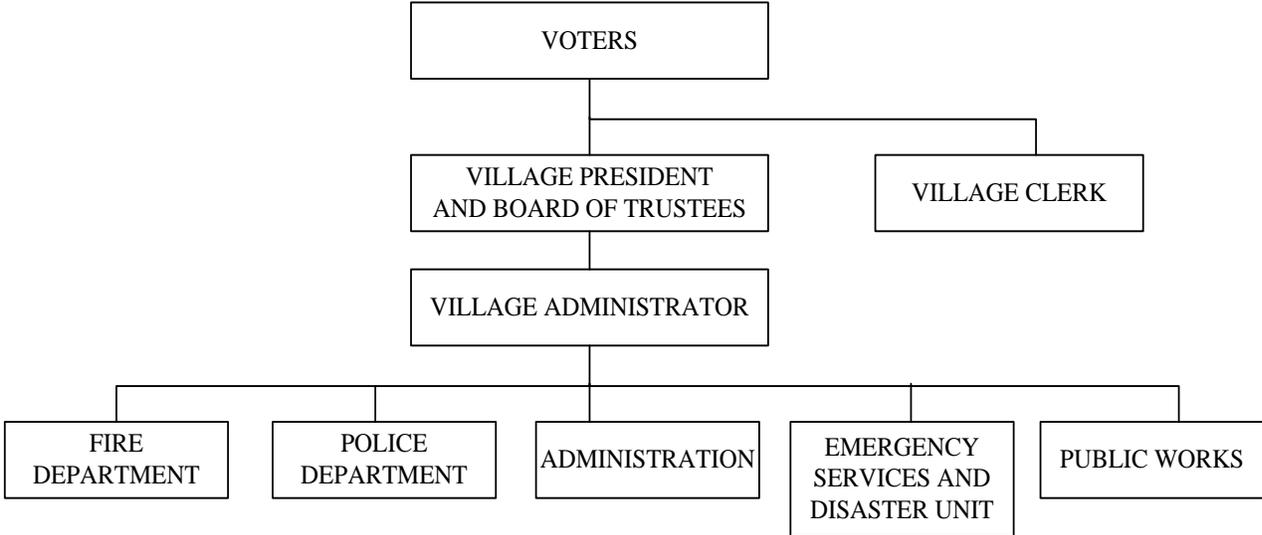
ENGINEER

Hanson Professional Services

VILLAGE ADMINISTRATOR

Russell F. Wajda

VILLAGE OF HILLSIDE, ILLINOIS
ORGANIZATION CHART



BOARDS AND COMMISSIONS

- PLANNING COMMISSION
- ZONING BOARD OF APPEAL
- POLICE AND FIRE COMMISSION
- YOUTH COMMISSION
- PUBLIC WORKS AND SAFETY COMMISSION
- ELECTRICAL COMMISSION
- EMERGENCY TELEPHONE SYSTEM BOARD
- HUMAN RELATIONS COMMISSION

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor
and Members of the Board of Trustees
Village of Hillside, 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 Hillside, Illinois, (the Village), as of and for the year ended April 30, 2012, which collectively along with the discretely presented component unit, comprise the Village's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Hillside Public Library, which is included as a discretely presented component unit. These financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such component unit, is based solely on the report of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In February 2009, the GASB released Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement is effective for fiscal periods beginning after June 15, 2010. As discussed in Note 1 in the Notes to the Financial Statements, the Village has implemented this statement retrospectively as of their fiscal year ended April 30, 2012. The statement addresses the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions as well as establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In accordance with Government Auditing Standards, we have also issued our report dated the same date as this report on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 and the schedule of funding progress, schedule of employer contributions, and schedule of revenues, expenditures and changes in fund balance – budget and actual – general fund on pages 54 through 57 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Hillside's financial statements. The accompanying introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


Crowe Horwath LLP

Oak Brook, Illinois
November 30, 2012

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

As management of the Village of Hillside ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2012 (FY12). Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements. An overview and analysis of the financial activities of the Village's component unit, the Hillside Public Library, can be found in the Library's separately issued financial statements.

Financial Highlights

The assets of the Village of Hillside exceeded its liabilities at the close of the fiscal year by \$31,786,388 (net assets).

The government's total net assets increased by \$4,351,816 (or 15.9%) during FY12. The governmental net assets increased by \$4,570,921 or 24.8% from the year ended April 30, 2011 (FY11) and the business-type activities net assets decreased by \$219,105 or 2.4% from FY11.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$12,458,350, an increase of \$5,967,901 in comparison with the prior year.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,669,397.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. 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. Over time increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event that gives rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The Governmental Activities reflect the Village's basic services, including administration, public safety, highways and streets, and culture and recreation. Property taxes, shared state taxes, and local utility taxes finance the majority of these services. The business-type activities reflect private sector type operations where the fee for service typically covers all or most of the cost of operations, including depreciation.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Fund Financial Statements

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains three individual major 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 fund, Mannheim Road TIF fund, and Hillside 2012 Project fund, all of which are considered to be major funds. Information from the Village's six other governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

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

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

Notes to the Financial Statements

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

Other Information

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

The following chart reflects the condensed Statement of Net Assets for fiscal years 2012 and 2011 (in millions):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Assets:						
Current & other assets	\$ 17.7	\$ 13.4	\$ 4.4	\$ 4.5	\$ 22.1	\$ 17.9
Capital assets	<u>23.7</u>	<u>22.5</u>	<u>4.8</u>	<u>5.0</u>	<u>28.5</u>	<u>27.5</u>
Total assets	41.4	35.9	9.2	9.5	50.6	45.4
Liabilities:						
Other liabilities	4.9	6.6	0.3	0.4	5.2	7.0
Long-term liabilities	<u>13.5</u>	<u>10.9</u>	<u>0.1</u>	<u>0.1</u>	<u>13.6</u>	<u>11.0</u>
Total liabilities	18.4	17.5	0.4	0.5	18.8	18.0
Net Assets:						
Invested in capital assets, net,	21.0	18.4	4.8	4.9	25.8	23.3
Restricted	4.8	4.2	0.0	0.0	4.8	4.2
Unrestricted	<u>(2.8)</u>	<u>(4.2)</u>	<u>4.0</u>	<u>4.1</u>	<u>1.2</u>	<u>(0.1)</u>
Total net assets	<u>\$ 23.0</u>	<u>\$ 18.4</u>	<u>\$ 8.8</u>	<u>\$ 9.0</u>	<u>\$ 31.8</u>	<u>\$ 27.4</u>

The largest portion of the Village of Hillside's net assets (81.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Village of Hillside uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Hillside'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 of Hillside's net assets (15.0%) represents resources that are subject to external restrictions on how they may be used

At the end of the current fiscal year, the Village of Hillside is able to report positive balances in all net assets categories.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

The following chart reflects the condensed Statement of Activities for fiscal years 2012 and 2011 (in millions):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Government</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
REVENUES						
Program Revenues:						
Charges for services	\$ 2.4	\$ 1.8	\$ 2.2	\$ 2.0	\$ 4.6	\$ 3.8
Oper. grants/contrib.	0.2	0.2	0.0	0.0	0.2	0.2
Cap. grants/contrib.	0.8	0.0	0.0	0.0	0.8	0.0
General Revenues:						
Property taxes	13.2	12.6	0.1	0.1	13.3	12.7
Other taxes	5.6	5.3	0.0	0.0	5.6	5.3
Other	<u>1.2</u>	<u>1.2</u>	<u>0.0</u>	<u>0.0</u>	<u>1.2</u>	<u>1.2</u>
Total Revenues	<u>23.4</u>	<u>21.1</u>	<u>2.3</u>	<u>2.1</u>	<u>25.7</u>	<u>23.2</u>
EXPENSES						
General government	6.3	5.8	0.0	0.0	6.3	5.8
Public safety	9.8	9.5	0.0	0.0	9.8	9.5
Highways and streets	1.9	1.9	0.0	0.0	1.9	1.9
Culture and recreation	0.1	0.1	0.0	0.0	0.1	0.1
Sanitation	0.5	0.5	0.0	0.0	0.5	0.5
Interest long-term debt	0.2	0.3	0.0	0.0	0.2	0.3
Water	0.0	0.0	2.4	2.4	2.4	2.4
Sewer	<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>
Total Expenses	<u>18.8</u>	<u>18.1</u>	<u>2.5</u>	<u>2.5</u>	<u>21.3</u>	<u>20.6</u>
Change in net assets	<u>4.6</u>	<u>3.0</u>	<u>(0.2)</u>	<u>(0.4)</u>	<u>4.4</u>	<u>(2.6)</u>
Ending net assets	<u>\$ 23.0</u>	<u>\$ 18.4</u>	<u>\$ 8.8</u>	<u>\$ 9.0</u>	<u>\$ 31.8</u>	<u>\$ 27.4</u>

Governmental Activities: Governmental activities increased the Village of Hillside's net assets in FY12 by \$4.6 million. This was due mainly in part to the increase in charges for services and property tax revenue earned in FY12 compared to FY11, while the general government expenses increased only slightly from FY11 to FY12.

Business-Type Activities: Business-Type activities decreased the Village of Hillside's net assets in FY12 by \$0.2 million. This was the result of the costs of operating the water and sewer operations of the Village exceeding the user fees generated by these services.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds: The focus of the Village of Hillside'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 of Hillside'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 discussed in Note 1 in the Notes to the Financial Statements, the Village has implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" as of their fiscal year ended April 30, 2012. The statement

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

addresses the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions as well as establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. As of the end of the current fiscal year, the Village of Hillside's governmental funds reported combined ending fund balances of \$12,458,350, an increase of \$5,967,901 in comparison with the prior year. Approximately 21.4% of this amount, \$2,669,397, constitutes unassigned fund balance, which is available for spending at the government's discretion. 1.4% of fund balance is considered nonspendable. The remaining 77.2% of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted to capital projects of \$3.9 million, economic development of \$4.1 million and other purposes of \$1.6 million.

The general fund is the chief operating fund of the Village of Hillside. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,669,397, while the total fund balance was \$2,983,824. The fund balance of the Village of Hillside's general fund decreased by \$1,381,579 during the current fiscal year.

The fund balance of the Village of Hillside's Mannheim Road TIF Fund increased by \$1,110,532 during the current fiscal year. This is a result of the property tax revenue earned exceeding the economic development expenditures incurred in the fund during fiscal year 2012.

The fund balance of the Village of Hillside's new Hillside 2012 Project Fund totaled \$3,923,208 as of April 30, 2012. This fund accounts for costs associated with the purchase of a building adjacent to and to be used as a future expansion of Village Hall, painting of a water tower and various sewer and water projects through proceeds of the 2012A General Obligation Bond Issue.

Proprietary Funds: The Village of Hillside's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Water Fund at the end of the year amounted to \$4,836,505, and those for the Sewer Fund amounted to \$3,977,777. The Water Fund had a decline in net assets of \$275,477. The Sewer Fund had growth in net assets of \$56,372.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

General Fund:	Adopted Budget	Actual
Revenues:		
Taxes	\$ 13.2	\$ 13.3
Intergovernmental	1.8	1.7
Other	2.2	2.7
Total	17.2	17.7
Expenditures:		
Current expenditures	16.3	16.4
Debt service	0.1	0.1
Total	16.4	16.5
Other Financing Sources	0.1	0.2
Net Change in Fund Balance	\$ 0.9	\$ 1.4

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

There was a General fund budget amendment in fiscal year 2012; however, the amendment primarily affected individual line items within the same departments. However, one amendment transferred \$2,500 of budgeted expenditures from the general administration function to the streets function. Therefore, this change impacts the budget amounts reported by function in the budgetary comparison schedule that is presented as RSI. Sales tax revenue was \$210,762 below the budgeted revenues. Public safety expenditures were over budget by \$807,207 due to the purchase of a new fire truck utilizing grant funding. General administration expenditures were under budget by \$464,262, as well as streets by \$267,840 and culture and recreation by \$49,116.

Sales tax revenue was less than budget to the economic difficulty facing our community. Street expenditures were less than budget due to lower than expected street repair costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
Governmental Activities
Change in Capital Assets
(in millions)

	<u>Balance</u> <u>May 1, 2011</u>	<u>Net Additions/ Deletions</u>	<u>Balance</u> <u>April 30, 2012</u>
Non-Depreciable Assets:			
Land/CIP	\$ 6.7	\$ 0.2	\$ 6.9
Other Capital Assets:			
Infrastructure	11.6	0.0	11.6
Buildings & Improvements	10.7	0.9	11.6
Vehicles/furniture/fixtures	5.4	0.6	6.0
Accum. depreciation on capital assets	<u>(12.0)</u>	<u>(0.4)</u>	<u>(12.4)</u>
Totals	<u>\$ 22.4</u>	<u>\$ (1.3)</u>	<u>\$ 23.7</u>

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

	<u>Balance</u> <u>May 1, 2011</u>	<u>Net Additions/ Deletions</u>	<u>Balance</u> <u>April 30, 2012</u>
Non-Depreciable Assets:			
Land	\$ 0.0	\$ 0.0	\$ 0.0
Other Capital Assets:			
Infrastructure	8.7	0.0	8.7
Buildings	0.0	0.0	0.0
Vehicles/Furniture/Fixtures	0.8	0.0	0.8
Accum. Depreciation on Capital Assets	<u>(4.5)</u>	<u>(0.2)</u>	<u>(4.7)</u>
Totals	<u>\$ 5.0</u>	<u>\$ (0.2)</u>	<u>\$ 4.8</u>

For more detailed information related to capital assets, see Note 4 to the financial statements.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Debt Administration: At April 30, 2012, the Village had outstanding debt as follows:

General Obligation Bonds Series 2005B	\$ 1,300,000
General Obligation Bonds Series 2012A	5,100,000
Add deferred amounts	<u>26,458</u>
Total General Obligation Bonds	<u>\$ 6,426,458</u>

During FY12, the Village retired the remaining general obligation bonds series 2002 and 2005A. The Village also issued general obligation bonds series 2012A to fund costs associated with the purchase of a building adjacent to and to be used as a future expansion of Village Hall, painting of a water tower and various sewer and water projects.

There were no changes in credit ratings and/or any debt limitations that may affect the financing of planned facilities or services.

For more detailed information related to long-term debt, see Note 6 to the financial statements.

ECONOMIC FACTORS

Sales tax revenues have increased seven percent as a result of overall economic conditions. The Village expects revenues to increase as economic conditions return to previous levels. The spring of 2009 started to bring additional sales tax revenue to the Village when the Hillside Town Center opened at the intersection of I-290 and Mannheim Road.

To further the expansion of the Butterfield Road Business District, the Village has acquired several properties and has constructed a municipal parking lot to add much needed parking.

To help us meet our goals of economic development, the Village maintains membership in the West Central Municipal Conference and its West Cook County Community Development Corporation. We are also active with the Hillside Chamber of Commerce, the West Suburban Chamber of Commerce, the Metropolitan Planning Council, and the National League of Cities. These associations help the Village open doors and contacts that would otherwise be unavailable to us.

In January of 1992, the Village of Hillside created a Tax Increment Financing (TIF) District in an effort to revitalize the former Hillside Mall. The mall had been in a continued state of decline. The buildings and parking lot were falling into a state of disrepair. There was little leasing activity going on and many of the units were vacant. The property was for sale and it was apparent that there would be no buyer without assistance from the Village.

After the TIF was created, Menards, a home improvement store, leased 80,000 square feet. The exterior facade of the mall was upgraded, the parking lot resurfaced, and new lighting installed. The property was renamed West Point Center. Menards leased over 100,000 square feet and had a full lumber yard through October of 2012. Since the development of the CarMax property and the recent loss of an access road to the I-290 project, the property no longer functioned as a mall, but rather as a two anchor stand-alone development (CarMax and Menards). Menards closed their operation at the end of October 2012. The property owner and the Village are working to find a tenant to replace the vacant space.

Approximately 20 acres of the TIF District is now occupied by CarMax Auto Superstore, which is a retail facility selling quality previously owned motor vehicles. Also, the development of a 168 bed nursing home with the daycare facilities and adult living units within the TIF district may help to spur further redevelopment. This facility opened in early 1997 and has recently built a small addition for eight additional beds.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Extended Stay America, a development of a three-story 122-unit suite hotel, opened in 2000. Extended Stay America caters to business travelers who are on the road for extended periods of time or who may be relocating to different areas of the country.

To help provide a further boost to the economics of Hillside, the Village has embarked on an extensive beautification plan. Martin and Associates developed a master plan for the Village. Improvements have been made over the last several years and will continue into this fiscal year. Construction was completed on 42 sections of Village streets. Sewers were repaired or replaced. Curbs and gutters were replaced and the streets were repaved. The Village is committed to infrastructure improvements, and plans to complete those streets not yet resurfaced within the next five years.

Since many problems of local government do not recognize political boundaries, the Village joined the West Cook County Solid Waste Agency with the hauling and dumping of garbage looming as a major problem. The Village is also involved in the solid waste study of the WCMC. In 1991, the Village launched a curbside recycling program and has recently expanded it to include additional items. We hope to soon expand it further to include multi-family dwellings and commercial users as well. Our residents currently recycle 35% of their solid waste.

We are always actively working to contain or reduce our operating costs and are also seeking other sources of revenue so that we may continue to provide excellent services to our residents.

Concentration has also been placed on efficiency and cost containment in our Village departments. The administrative and accounting functions have been streamlined by combining several of the smaller special revenue funds into the General Fund. The effect of these changes is to reduce the administrative and accounting overhead associated with these funds, which previously had been monitored individually.

In June of 2005, the Village of Hillside created a Tax Increment Financing (TIF) District in an effort to revitalize the areas along Mannheim Road on both the north and south sides of I-290. The Mannheim Road Redevelopment Project Plan is approximately 176 acres of land (including roadway infrastructure). Historically, this area has contained industrial uses – with a 74-acre former quarry, currently used as a municipal landfill, located to the north of the Eisenhower Expressway. Other land uses to the north of the expressway include a truck terminal, a small office user and a mini-storage business. Uses south of the expressway include an asphalt recycling facility, a warehouse complex, and a shuttered emissions testing facility.

The Village worked with Plote Properties to construct Hillside Town Center, a 32 acre, mixed-use development project located at the southwest quadrant at the intersection of Interstate 290 and Mannheim Road.

Target Corporation built a new approximately 185,000 square foot “Super Target” store on approximately 11.7 acres.

The Developer retained approximately 20.28 acres of the Development site for commercial development and has constructed approximately 170,392 square feet of commercial retail space to be leased to national big box, small shop, and single-use tenants. The development also includes a new 135-room Holiday Inn Express Hotel.

Site development for the Hillside Town Center began in December 2007. The Super Target opened in March 2009. Along with Super Target, Petco, Michaels, American Mattress, Panda Express, T Mobile, Qdoba Mexican Grill, Wing Stop, Vision Works, Game Stop, GNC, Priceless Clothing, Home Goods, Staples, Dots, Chase Bank, Home Run Inn Pizza, Jimmy Johns, and Sally Beauty have opened. The Developer commenced vertical construction of the development including the Hotel in June 2008. The development is currently 90% leased.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

The average height of the buildings is one and a half stories. The hotel is five stories high. The Developer-owned commercial buildings have concrete footings with steel joist beams and flat membrane roofs. The window systems for the buildings are an aluminum window wall system and the exterior is outfitted with a load bearing brick and block construction.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Village Treasurer, Village of Hillside, 425 N. Hillside Avenue, Hillside, Illinois 60162.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF NET ASSETS
April 30, 2012

STATEMENT 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash & Investments	\$ 12,973,909	\$ 3,386,005	\$ 16,359,914	\$ 1,416,100
Receivables				
Property Taxes	3,387,715	41,701	3,429,416	481,737
Intergovernmental	1,563,401	-	1,563,401	-
Interest	465	-	465	-
Accounts (Net of Allowance of \$32,324)	-	399,010	399,010	-
Internal Balances	(488,146)	488,146	-	-
Deferred Charges	90,557	-	90,557	-
Inventory	-	26,433	26,433	-
Other Assets	173,411	2,518	175,929	-
Capital Assets not Being Depreciated	6,875,017	14,914	6,889,931	624,680
Capital Assets Being Depreciated, Net	<u>16,825,210</u>	<u>4,815,418</u>	<u>21,640,628</u>	<u>358,715</u>
Total Assets	<u>\$ 41,401,539</u>	<u>\$ 9,174,145</u>	<u>\$ 50,575,684</u>	<u>\$ 2,881,232</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts Payable	\$ 920,627	\$ 172,475	\$ 1,093,102	\$ 31,088
Accrued Payroll	138,195	4,286	142,481	12,890
Interest Payable	55,357	-	55,357	-
Unearned Revenue	3,476,358	41,701	3,518,059	-
Deposits Payable	45,474	100,355	145,829	-
Due to Fiduciary Funds	241,174	-	241,174	-
Long-term Obligations, Due Within One Year				
Bonds Payable	645,000	-	645,000	-
Promissory Note Payable	88,528	-	88,528	-
Compensated Absences	499,174	14,642	513,816	27,906
Early Retirement Benefit Obligation	195,768	-	195,768	-
Long-term Obligations, Due in More Than One Year				
Bonds Payable	5,781,458	-	5,781,458	-
Promissory Note Payable	131,311	-	131,311	-
Compensated Absences	852,104	24,105	876,209	-
Net Pension Obligation	3,584,765	-	3,584,765	-
Early Retirement Benefit Obligation	1,447,389	-	1,447,389	-
Other Post Employment Benefits Obligation	<u>326,751</u>	<u>2,299</u>	<u>329,050</u>	<u>-</u>
Total Liabilities	<u>18,429,433</u>	<u>359,863</u>	<u>18,789,296</u>	<u>71,884</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	21,019,908	4,830,332	25,850,240	983,395
Restricted for Capital Projects	4,418,099	-	4,418,099	-
Restricted for Debt Service	348,359	-	348,359	-
Unrestricted Net Assets	<u>(2,814,260)</u>	<u>3,983,950</u>	<u>1,169,690</u>	<u>1,825,953</u>
Total Net Assets	<u>22,972,106</u>	<u>8,814,282</u>	<u>31,786,388</u>	<u>2,809,348</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,401,539</u>	<u>\$ 9,174,145</u>	<u>\$ 50,575,684</u>	<u>\$ 2,881,232</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended April 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
		Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General Government	\$ 6,294,698	\$ 999,518	\$ -	\$ -	\$ (5,295,180)		\$ (5,295,180)	
Public Safety	9,853,021	1,442,455	1,149	807,500	(7,601,917)		(7,601,917)	
Streets	1,893,563	-	202,498	-	(1,691,065)		(1,691,065)	
Culture and Recreation	33,411	-	-	-	(33,411)		(33,411)	
Sanitation	519,974	30	-	-	(519,944)		(519,944)	
Interest on Debt	173,941	-	-	-	(173,941)		(173,941)	
Total Governmental Activities	18,768,608	2,442,003	203,647	807,500	(15,315,458)		(15,315,458)	
Business-type Activities								
Water	2,421,090	2,062,859	-	-	-	\$ (358,231)	(358,231)	
Sewer	66,959	123,331	-	-	-	56,372	56,372	
Business-type Activities	2,488,049	2,186,190	-	-	-	(301,859)	(301,859)	
Total Primary Government	\$ 21,256,657	\$ 4,628,193	\$ 203,647	\$ 807,500	(15,315,458)	(301,859)	(15,617,317)	
Component Unit								
Library	\$ 865,775	\$ 23,889	\$ 8,365	\$ -				\$ (833,521)
		General revenues						
		Taxes						
		Property			13,144,456	82,754	13,227,210	884,501
		Sales			3,975,962	-	3,975,962	-
		Utility			1,035,973	-	1,035,973	-
		Other			567,389	-	567,389	-
		Unrestricted Intergovernmental Revenue			845,999	-	845,999	25,183
		Investment Earnings			11,250	-	11,250	787
		Gain on Sale of Assets			26,111	-	26,111	-
		Other General Revenues			279,239	-	279,239	145
		Total General Revenues			19,886,379	82,754	19,969,133	910,616
		Change in Net Assets			4,570,921	(219,105)	4,351,816	77,095
		Net Assets, May 1, 2011			18,401,185	9,033,387	27,434,572	2,732,253
		Net Assets, April 30, 2012			\$ 22,972,106	\$ 8,814,282	\$ 31,786,388	\$ 2,809,348

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2012

STATEMENT 3

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Mannheim Road TIF Fund	Hillside 2012 Project Fund		
ASSETS					
Cash & Investments	\$ 3,346,511	\$ 3,196,128	\$ 3,965,978	\$ 2,465,292	\$ 12,973,909
Receivables					
Property Taxes	2,939,637	-	-	448,078	3,387,715
Intergovernmental	1,529,924	-	-	33,477	1,563,401
Interest	465	-	-	-	465
Due from Other Funds	-	10,080	-	-	10,080
Other Assets	173,411	-	-	-	173,411
Total Assets	<u>\$ 7,989,948</u>	<u>\$ 3,206,208</u>	<u>\$ 3,965,978</u>	<u>\$ 2,946,847</u>	<u>\$ 18,108,981</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 862,393	\$ 589	\$ 42,770	\$ 153,070	\$ 1,058,822
Deferred Revenue	3,358,857	-	-	448,078	3,806,935
Due to Other Funds	498,226	-	-	-	498,226
Due to Fiduciary Funds	241,174	-	-	-	241,174
Deposits Payable	45,474	-	-	-	45,474
Total Liabilities	<u>5,006,124</u>	<u>589</u>	<u>42,770</u>	<u>601,148</u>	<u>5,650,631</u>
Fund Balances					
Nonspendable					
Prepays	161,365	-	-	-	161,365
Inventory	12,046	-	-	-	12,046
Restricted					
Insurance	141,016	-	-	-	141,016
Capital Projects	-	-	3,923,208	-	3,923,208
Streets and Highways	-	-	-	349,812	349,812
Sanitation	-	-	-	312,545	312,545
Public Safety	-	-	-	374,188	374,188
Debt Service	-	-	-	403,716	403,716
Economic Development	-	3,205,619	-	905,438	4,111,057
Unassigned	2,669,397	-	-	-	2,669,397
Total Fund Balances	<u>2,983,824</u>	<u>3,205,619</u>	<u>3,923,208</u>	<u>2,345,699</u>	<u>12,458,350</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,989,948</u>	<u>\$ 3,206,208</u>	<u>\$ 3,965,978</u>	<u>\$ 2,946,847</u>	<u>\$ 18,108,981</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
 TO STATEMENT OF NET ASSETS
 April 30, 2012

Total fund balances - governmental funds	\$	12,458,350
<p>Amounts reported for governmental activities in the net assets are different because:</p>		
<p>Capital assets net of accumulated depreciation of \$12,961,252 used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		23,700,227
<p>Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:</p> <p style="padding-left: 20px;">Intergovernmental Receivables</p>		330,577
<p>Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets.</p>		90,557
<p>Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These activities consist of:</p>		
Interest Payable on Long-term Debt		(55,357)
Bonds Payable		(6,426,458)
Promissory Note Payable		(219,839)
Compensated Absences		(1,351,278)
Net Pension Obligation		(3,584,765)
Other Post Employment Benefits Obligation		(326,751)
Early Retirement Benefit Obligation		(1,643,157)
		(1,643,157)
Net assets of governmental activities	\$	22,972,106

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year Ended April 30, 2012

STATEMENT 5

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Mannheim Road TIF Fund	Hillside 2012 Project Fund		
Revenues					
Property Taxes	\$ 7,840,050	\$ 2,499,995	\$ -	\$ 2,804,411	\$ 13,144,456
Taxes	5,476,848	-	-	93,688	5,570,536
Intergovernmental Revenues	1,654,648	-	-	202,498	1,857,146
Licenses and Permits	165,455	-	-	-	165,455
Charges for Services	356,277	-	-	30	356,307
Fines and Forfeitures	1,591,789	-	-	-	1,591,789
Investment Income	3,927	-	2,612	4,711	11,250
Miscellaneous	607,691	-	-	-	607,691
Total Revenues	<u>17,696,685</u>	<u>2,499,995</u>	<u>2,612</u>	<u>3,105,338</u>	<u>23,304,630</u>
Expenditures					
Current					
General Administration	4,202,523	1,383,723	1,077,190	281,330	6,944,766
Public Safety	10,486,440	-	-	34,111	10,520,551
Highway and Streets	1,659,560	-	102,214	8,625	1,770,399
Sanitation	-	-	-	519,974	519,974
Culture and Recreation	20,884	-	-	-	20,884
Debt Service - Principal	83,702	-	-	2,455,000	2,538,702
Debt Service - Interest and Fees	14,858	-	-	158,550	173,408
Total Expenditures	<u>16,467,967</u>	<u>1,383,723</u>	<u>1,179,404</u>	<u>3,457,590</u>	<u>22,488,684</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,228,718</u>	<u>1,116,272</u>	<u>(1,176,792)</u>	<u>(352,252)</u>	<u>815,946</u>
Other Financing Sources (Uses)					
Proceeds from Issuance of Debt	-	-	5,100,000	-	5,100,000
Sale of Capital Assets	51,955	-	-	-	51,955
Transfers In	100,906	-	-	-	100,906
Transfers Out	-	(5,740)	-	(95,166)	(100,906)
Total Other Financing Sources (Uses)	<u>152,861</u>	<u>(5,740)</u>	<u>5,100,000</u>	<u>(95,166)</u>	<u>5,151,955</u>
Net Change in Fund Balances	1,381,579	1,110,532	3,923,208	(447,418)	5,967,901
Fund Balances at Beginning of Year	<u>1,602,245</u>	<u>2,095,087</u>	<u>-</u>	<u>2,793,117</u>	<u>6,490,449</u>
Fund Balances at End of Year	<u>\$ 2,983,824</u>	<u>\$ 3,205,619</u>	<u>\$ 3,923,208</u>	<u>\$ 2,345,699</u>	<u>\$ 12,458,350</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
 RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
 Year Ended April 30, 2012

Net change in total fund balances		\$ 5,967,901
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.		
The change from the prior year is:		
Intergovernmental Revenues		8,788
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds:		
Change in Compensated Absences	\$ (49,947)	
Change in Net Pension Obligation	367,967	
Change in Other Post Employment Benefits	(82,345)	
Change in Early Retirement Benefit Obligation	(323,166)	
Amortization of Deferred Amount on Refunding	(17,830)	
Amortization of Deferred Bond Issuance Costs	(21,010)	
Amortization of Premium	5,760	
Change in Accrued Interest on Debt	<u>11,537</u>	
Total Expenses of Non-current Resources		(109,034)
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlays in the current period:		
Capital Outlay Expenses	2,231,216	
Depreciation Expense	<u>(982,055)</u>	
Excess of Capital Outlay over Depreciation		1,249,161
The proceeds from the sale of land and equipment are reported as revenues in the governmental funds. However, when disposed, the cost of the land and equipment is removed from the capital assets account in the statements of net assets and offset against sale proceeds resulting in gain or (loss) in the statements of activities.		
Net effect of sales, trade-ins and disposals of assets		(25,844)
In governmental funds, long-term debt is considered an other financing source, but in the statement of net assets, debt is reported as a liability. In the current period, proceeds were received from:		
General Obligation Bonds		(5,100,000)
Bond issuance costs were reported in the governmental funds. However, these amounts have been deferred and amortized in the statement of net assets:		
		41,247
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
Bonds Payable	2,455,000	
Promissory Note Payable	<u>83,702</u>	
		<u>2,538,702</u>
Change in net assets of governmental activities		<u>\$ 4,570,921</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2012

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
ASSETS			
Current Assets			
Cash & Investments	\$ 308,176	\$ 3,077,829	\$ 3,386,005
Receivables			
Property Taxes	41,701	-	41,701
Accounts (Net of Allowance of \$32,324)	380,486	18,524	399,010
Due from Other Funds	-	488,146	488,146
Other Assets	2,518	-	2,518
Inventory	26,433	-	26,433
Total Current Assets	<u>759,314</u>	<u>3,584,499</u>	<u>4,343,813</u>
Noncurrent Assets			
Capital Assets Not Being Depreciated	14,914	-	14,914
Capital Assets Being Depreciated, Net	4,422,140	393,278	4,815,418
Total Noncurrent Assets	<u>4,437,054</u>	<u>393,278</u>	<u>4,830,332</u>
Total Assets	<u>\$ 5,196,368</u>	<u>\$ 3,977,777</u>	<u>\$ 9,174,145</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable	\$ 176,761	\$ -	\$ 176,761
Unearned Revenue	41,701	-	41,701
Deposits Payable	100,355	-	100,355
Compensated Absences Payable	14,642	-	14,642
Total Current Liabilities	<u>333,459</u>	<u>-</u>	<u>333,459</u>
Noncurrent Liabilities			
Compensated Absences Payable	24,105	-	24,105
Other Post Employment Benefits Obligation	2,299	-	2,299
Total Noncurrent Liabilities	<u>26,404</u>	<u>-</u>	<u>26,404</u>
Total Liabilities	<u>359,863</u>	<u>-</u>	<u>359,863</u>
Net Assets			
Invested in capital assets	4,437,054	393,278	4,830,332
Unrestricted	399,451	3,584,499	3,983,950
Total Net Assets	<u>4,836,505</u>	<u>3,977,777</u>	<u>8,814,282</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,196,368</u>	<u>\$ 3,977,777</u>	<u>\$ 9,174,145</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
Year Ended April 30, 2012

	Enterprise Funds		Total
	<u>Water Fund</u>	<u>Sewer Fund</u>	
Operating Revenues			
Charges for Services	\$ 1,984,148	\$ 123,331	\$ 2,107,479
Penalties	<u>78,711</u>	<u>-</u>	<u>78,711</u>
Total Operating Revenues	<u>2,062,859</u>	<u>123,331</u>	<u>2,186,190</u>
Operating Expenses			
Water Operations	593,886	-	593,886
Sewer Operations	-	49,144	49,144
Cost of Sales	1,711,006	-	1,711,006
Depreciation	<u>116,198</u>	<u>17,815</u>	<u>134,013</u>
Total Operating Expenses	<u>2,421,090</u>	<u>66,959</u>	<u>2,488,049</u>
Operating Income (Loss)	<u>(358,231)</u>	<u>56,372</u>	<u>(301,859)</u>
Nonoperating Revenues (Expenses)			
Property Taxes	<u>82,754</u>	<u>-</u>	<u>82,754</u>
Total Nonoperating Revenues (Expenses)	<u>82,754</u>	<u>-</u>	<u>82,754</u>
Change in Net Assets	(275,477)	56,372	(219,105)
Net Assets at Beginning of Year, Restated	<u>5,111,982</u>	<u>3,921,405</u>	<u>9,033,387</u>
Net Assets at End of Year	<u>\$ 4,836,505</u>	<u>\$ 3,977,777</u>	<u>\$ 8,814,282</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2012

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
Cash Flows From Operating Activities			
Cash received from customers	\$ 2,049,318	\$ 126,934	\$ 2,176,252
Cash payments for goods and services	(2,207,651)	(49,144)	(2,256,795)
Cash payments to employees	(245,152)	-	(245,152)
Net cash provided by/(used in) operating activities	<u>(403,485)</u>	<u>77,790</u>	<u>(325,695)</u>
Cash Flows From Noncapital Financing Activities			
Interfund Borrowing	-	500,000	500,000
Property Taxes	82,754	-	82,754
Net cash provided by/(used in) noncapital financing activities	<u>82,754</u>	<u>500,000</u>	<u>582,754</u>
Net increase/(decrease) in cash	(320,731)	577,790	257,059
Cash & Investments, Beginning of Year	<u>628,907</u>	<u>2,500,039</u>	<u>3,128,946</u>
Cash & Investments, End of Year	<u>\$ 308,176</u>	<u>\$ 3,077,829</u>	<u>\$ 3,386,005</u>
Reconciliation of operating income to net cash provided by/(used in) operating activities			
Operating income/(loss)	\$ (358,231)	\$ 56,372	\$ (301,859)
Adjustments to reconcile operating income/(loss) to net cash provided by/(used in) operating activities:			
Depreciation	116,198	17,815	134,013
Decrease (increase) in accounts receivable	(13,541)	3,603	(9,938)
Decrease (increase) in other assets	4,657	-	4,657
Decrease (increase) in inventory	(13,733)	-	(13,733)
Increase (decrease) in accounts payable	(124,207)	-	(124,207)
Increase (decrease) in compensated absences	(7,806)	-	(7,806)
Increase (decrease) in other post-employment benefits obligation	189	-	189
Increase (decrease) in deposits payable	(7,011)	-	(7,011)
Total Adjustments	<u>(45,254)</u>	<u>21,418</u>	<u>(23,836)</u>
Net cash provided by/(used in) operating activities	<u>\$ (403,485)</u>	<u>\$ 77,790</u>	<u>\$ (325,695)</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
April 30, 2012

	<u>Pension Trust Funds</u>
ASSETS	
Cash & Investments	
Money Markets	\$ 616,062
U.S. Government and Agency Obligations	14,832,292
Mutual Funds	6,689,114
Stocks	571,691
State and Local Obligations	<u>712,804</u>
Total Cash & Investments	<u>23,421,963</u>
Receivables	
Interest Receivable	76,352
Due from Primary Government	<u>241,174</u>
Total Receivables	<u>317,526</u>
Prepaid Expenses	<u>11,061</u>
Total Assets	<u><u>\$ 23,750,550</u></u>
LIABILITIES	
Accounts Payable	<u>\$ 9,734</u>
Total Liabilities	<u>9,734</u>
NET ASSETS	
Held for Employees' pension benefits	<u>23,740,816</u>
Total Net Assets	<u>23,740,816</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 23,750,550</u></u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Year ended April 30, 2012

STATEMENT 11

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions	
Employer	\$ 2,521,054
Plan Members	<u>388,054</u>
Total Contributions	<u>2,909,108</u>
Investment Income	
Net appreciation in fair value of investments	804,750
Less investment expense	<u>(88,610)</u>
Net Investment Income	<u>716,140</u>
Total Additions	<u>3,625,248</u>
DEDUCTIONS	
Benefits	2,298,859
Administrative Expenses	<u>43,751</u>
Total Deductions	<u>2,342,610</u>
Change in Net Assets	1,282,638
Net assets at Beginning of Year	<u>22,458,178</u>
Net assets at End of Year	<u>\$ 23,740,816</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Hillside (the Village) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant policies.

The Financial and Reporting Entity: The Village has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, under which the financial statements include all the organizations, activities, functions and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component units board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

The following activities/funds were included in these financial statements based on the above criteria:

Discretely Presented Component Unit

Hillside Public Library – The Hillside Public Library's board is elected by the voters of the government. The Public Library may not issue bonded debt without the government's approval, and its annual budget and property tax levy request are subject to the government's board approval. Because of its fiscal dependency on the Village, the Library meets the criteria for discrete presentation and is shown in the component unit column in the combined financial statements. The Hillside Public Library is reported in a separate column to emphasize that they are legally separate from the Village of Hillside. The Hillside Public Library issues separate financial statements and has an April 30 year end. The Library financial statements can be obtained by contacting the Library at 405 Hillside Avenue, Hillside, Illinois 60162.

Fiduciary Component Units

Police and Fire Pension Funds – The Village's police and fire employees participate in the Police Pension Employees Retirement System (PPERS) and the Fire Pension Employees Retirement System (FPERS). PPERS functions for the benefit of these employees and is governed by a five member pension board. Two members are appointed by the Mayor, two are elected from the active members and one from the retired members. FPERS is governed by a nine-member board. The following comprise the FPERS Board: the Mayor, Village Clerk, Village Attorney, Fire Chief, Village Treasurer, and four elected officers. The Village, PPERS, and FPERS are obligated to fund PPERS and FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefits levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels.

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

Government-Wide Financial Statements – The statement of net assets and the statement of activities display information about the Village as a whole. In the government-wide statement of net assets, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities, which

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting:

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

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

Eliminations have been made in the statement of net assets to remove the "grossing up" effect on assets and liabilities within the governmental and business-type activities columns for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities. However, interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the Village receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

For the year ended April 30, 2012, a portion of the Village's share of the State Income Tax was received past 60 days of year end due to the current fiscal issues facing the State of Illinois. As such, the Village elected to recognize the portion received after 60 days as revenue, or \$218,548 in order to properly present 12 months of revenue on the financial statements.

The Village reports deferred and unearned revenues on its financial statements. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred and unearned revenue is removed from the balance sheet or statement of net assets and revenue is recognized.

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

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

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

The Village reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all of the general revenues of the Village, which are not specifically levied or collected for other Village funds, and for expenditures related to public works, public safety, and other general governmental activities of the Village.

Mannheim Road TIF Fund – This fund accounts for redevelopment costs within the Mannheim Road tax increment district.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Hillside 2012 Project Fund – This fund accounts for costs associated with the purchase of a building adjacent to and to be used as a future expansion of Village Hall, painting of a water tower and various sewer and water projects through proceeds of the 2012A General Obligation Bond Issue.

Proprietary Funds

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

The Village reports the following major proprietary funds:

Water Fund – This fund accounts for the provision of water to the residents of the Village and operation of the storm sewer systems. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, operations, maintenance, billing and collection.

Sewer Fund – This fund accounts for the accumulated resources raised from a separate sewer charge to pay for improvements to the sewer system.

In addition to the major funds mentioned above, the Village uses the following fund types:

Governmental Fund Types

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

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

Capital Projects Funds – The Capital Projects Funds are used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds.

Fiduciary Fund Types

Fiduciary Funds – Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the Pension Trust Funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of the following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected to follow the subsequent GASB standards.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments: For purposes of reporting cash flows, cash and investments include cash on hand, demand deposits, and time deposits with original maturities of less than three months. Investments are stated at fair value. Fair value for the investment in Illinois Funds is the same as the value of the pool shares. State statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act.

Accounting Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

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

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

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Category of Assets</u>	<u>Estimated Useful Life</u>
Land improvements	20 years
Leasehold improvement	Shorter of 20 years or remaining life of the lease
Office buildings	50 years
Dwellings and garages	40 years
Building improvements	20 years
Office furniture and equipment	10 years
Computer hardware and software	5 years
Recreation and amusement facilities	10 years
Power and water distribution facilities	30 years
Other machinery and equipment	10 years
Automotive equipment -	
Autos	4 years
Light trucks (less than 13,000 pounds)	4 years
Heavy trucks	6 years

Capital assets consisting of infrastructure, including roads and streets, have also been capitalized. Such assets are normally immovable and of value only to the Village.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Tax Revenue Recognition: Property taxes attach as an enforceable lien on January 1. They are levied in September by passage of a Tax Levy Ordinance; a separate levy is made for the Public Library. Tax bills are prepared by the County and issued on or about March 1 and August 1 the following year. They are payable in two installments on or about April 1 and on or about September 1 the following year. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available. The Village deferred recognition of the second installment of the 2011 property tax levy due to the second installment being intended to fund the next fiscal year's operations.

Compensated Absences: Village employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates. The Village reimburses employees for accumulated vacation days upon their termination or retirement. Employees must take vacation accrued during the calendar year subsequent to the accrual. Management and general service employees, fire, and police may accumulate up to 60 days of sick leave, respectively, to be paid upon death or retirement. The Village pays no accumulated sick leave upon termination.

The liability for compensated absences (unused vacation time) of the Village relating to employees of the governmental activities at April 30, 2012, of \$1,351,278 is recorded in the government-wide financial statements. The General Fund has typically been used in prior years to liquidate the liability for compensated absences.

The accumulated vacation time liability of employees charged to business-type activities of \$38,747 is reported as an expense and as a liability of those funds as the benefits accrue to the employees.

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

Claims and Judgments: Liability resulting from claims and judgments, if any, has been reflected in the financial statements in accordance with GASB Statement No. 10, as amended by GASB Interpretation No. 6.

Fund Equity/Net Assets: Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction of improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. All funds had positive fund equity as of April 30, 2012.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance - In order to comply with the Governmental Accounting Standard Board's (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, the fund balance section of the balance sheet of the governmental funds has been modified from prior years. Previously, the fund balance section focused on whether these resources were available for spending. It also distinguished the unreserved fund balance from the reserved fund balance. In order to show compliance with GASB Statement No. 54, however, the components of the new fund balance include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the Village's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. Fund Balance of the Village may be committed for a specific source by passing of a Board Resolution by the Village's Board of Trustees. Amendments or modifications of the committed fund balance must be also by approved by passing of a Board Resolution by the Board of Trustees.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Village has not designated anyone for this purpose. However, GASB 54 has outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

The implementation of these new components is intended to decrease confusion and help serve the needs of the financial statement users.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Proprietary fund equity is classified the same as in the government-wide statements.

Fiduciary fund equity is classified as held in trust for pension benefits on the statement of fiduciary net assets. Various donor restrictions apply, including authorizing and spending trust income, and the Village believes it is in compliance with all significant restrictions.

Long-Term Debt: In the government-wide financial statements and in the proprietary fund financial statements, long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective-interest method.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures.

Encumbrances: The Government maintains effective control of budget through its budget so encumbrances are not used.

NOTE 2 – CASH AND INVESTMENTS

Cash: The carrying amount of cash, excluding the Pension Trust Funds, was \$13,223,296 at April 30, 2012, while the bank balances were \$13,312,685. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

Certificates of Deposit: Certificates of Deposit amounted to \$86,835 at April 30, 2012. Certificates of deposit were collateralized with securities of the U.S. Government in an amount equal to 100% of the funds on deposit. All investment collateral is held in safekeeping in the Village's name by financial institutions acting as the Village's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

Investments (excluding Pension Trust Fund): The investments that the Village may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations that are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2012.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less than One Year</u>
State Treasurer Illinois Funds	<u>\$ 3,049,783</u>	<u>\$ 3,049,783</u>
Total	<u>\$ 3,049,783</u>	<u>\$ 3,049,783</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 2 – CASH AND INVESTMENTS (Continued)

Interest Rate Risk – The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The Village’s general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Illinois Funds are rated AAAM by Standard & Poor’s.

Trust Fund’s Investments: The Pension Trust Funds are authorized to invest in bonds, notes, and other obligations of the U.S. Government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; and other investment vehicles as set forth in the Illinois Compiled Statutes.

The Fire Pension Trust Fund policy is to maintain safety of principle. The Board seeks to obtain market rates of return on its investments, consistent with constraints imposed by its safety considerations, cash flow requirements and the Illinois State laws that restrict the placement of public funds.

The Police Pension Trust Fund policy is to discharge their duties with respect to the pension fund solely in the interest of participants and beneficiaries as set forth in the Illinois Pension Code.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Pension Funds’ investments at April 30, 2012.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>			
		<u>Less than One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>	<u>Greater than Ten Years</u>
U.S. Government					
Securities	\$ 14,832,292	\$ 301,374	\$ 5,243,661	\$ 5,897,786	\$ 3,389,471
Stocks	571,691	571,691	-	-	-
Money Market					
Mutual Funds	616,062	616,062	-	-	-
Mutual Funds	6,689,114	6,689,114	-	-	-
Municipal Bonds	<u>712,804</u>	<u>-</u>	<u>419,565</u>	<u>104,017</u>	<u>189,222</u>
Total	<u>\$ 23,421,963</u>	<u>\$ 8,178,241</u>	<u>\$ 5,663,226</u>	<u>\$ 6,001,803</u>	<u>\$ 3,578,693</u>

Interest Rate Risk – The Pension Funds do not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The Pension Trust Funds’ policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. Government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of “investment grade” quality; that is, at the time of purchases, rated no lower than “Baa” by Moody’s and no lower than “BBB” by Standard & Poor’s. The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 2 – CASH AND INVESTMENTS (Continued)

One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end the Village's intent is to hold the bonds until they recover.

Credit ratings for the Pension Funds' investments in debt securities at April 30, 2012 (excluding investments in U.S. Treasuries and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government, which are not considered to have credit risk) are as follows:

<u>Investment Type</u>	<u>Moody's Investors Service</u>				
	<u>Total</u>	<u>Aaa</u>	<u>Aa2</u>	<u>Aa3</u>	<u>N/R</u>
U.S. Govt. and Agency Obligations	\$ 11,077,557	\$ 9,485,899	\$ -	\$ -	\$ 1,591,658
Municipal Bonds	712,804	200,938	167,087	104,017	240,762

<u>Investment Type</u>	<u>Standard and Poor's</u>				
	<u>Total</u>	<u>AAA</u>	<u>AA+/AA</u>	<u>A</u>	<u>N/R</u>
U.S. Govt. and Agency Obligations	\$ 11,077,557	\$ 2,475,652	\$ 7,010,247	\$ -	\$ 1,591,658
Municipal Bonds	712,804	-	160,251	80,512	472,041

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Funds' investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Pension Fund investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Pension Funds are fully collateralized as of April 30, 2012.

Concentration of Credit Risk – The Pension Funds place no limit on the amount the Pension Funds may invest in any one issuer.

More than 5% of the Police Pension Fund's investments are invested in the following:

<u>Investment</u>	<u>Percentage</u>
Federal Home Loan Banks	23.1%
Federal Farm Credit Banks	5.3%

More than 5% of the Fire Pension Fund's investments are invested in the following:

<u>Investment</u>	<u>Percentage</u>
Federal National Mortgage Association	25.6%
Federal Home Loan Banks	21.6%
Federal Farm Credit Banks	11.9%
Federal Home Loan Mortgage Corporation	15.9%

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 2 - CASH AND INVESTMENTS (Continued)

A reconciliation of the deposits and investments in Note 2 to the financial statements is as follows:

Note 2	
Carrying Amount of Deposits	\$ 13,223,296
Certificates of Deposits	86,835
Village Investments at Fair Value	3,049,783
Pension Investments at Fair Value	<u>23,421,963</u>
Total Deposits and Investments per Note 2	<u>\$ 39,781,877</u>
Financial Statements	
Statement of Net Assets – Statement 1	
Cash and Investments	\$ 16,359,914
Statement of Fiduciary Net Assets – Statement 10	
Cash and Investments	<u>23,421,963</u>
Total per Financial Statements	<u>\$ 39,781,877</u>

See Note 11 for information regarding the Public Library's deposits and investments.

NOTE 3 - INTERFUND ACTIVITY

Interfund receivables and payables as of April 30, 2012 are summarized as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major governmental funds:		
General	\$ -	\$ 498,226
Mannheim Road TIF	10,080	-
Major proprietary funds:		
Sewer	488,146	-
Total interfunds	<u>\$ 498,226</u>	<u>\$ 498,226</u>

Interfund receivables and payables represent loans of cash from funds with surplus in order to meet operating needs. The loans will be repaid among the various funds when there is sufficient cash available for payment.

Interfund transfers in and transfers out for the year ending April 30, 2012 are summarized as follows:

<u>Fund</u>	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>
Major governmental funds:		
General	\$ -	\$ 100,906
Mannheim Road TIF	5,740	-
Nonmajor governmental funds	95,166	-
Total interfunds	<u>\$ 100,906</u>	<u>\$ 100,906</u>

Transfers were made from nonmajor governmental funds to reimburse expenditures recorded in the General Fund. Transfers were made from the General Fund to reimburse debt service expenditures recorded in the Motor Fuel Tax Fund.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2012 was as follows:

Primary Government

	<u>Balance at May 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2012</u>
Governmental activities:				
Capital assets not being depreciated:				
Land*	\$ 6,719,641	\$ 155,376	\$ -	\$ 6,875,017
Capital assets being depreciated:				
Infrastructure	11,580,910	-	-	11,580,910
Buildings and improvements	10,714,461	880,464	-	11,594,925
Vehicles	3,118,423	1,094,371	(525,515)	3,687,279
Site improvements*	27,222	-	-	27,222
Equipment	<u>2,304,066</u>	<u>101,005</u>	<u>(16,700)</u>	<u>2,388,371</u>
Subtotal	<u>27,745,082</u>	<u>2,075,840</u>	<u>(542,215)</u>	<u>29,278,707</u>
Less accumulated depreciation for:				
Infrastructure	(4,751,318)	(225,414)	-	(4,976,732)
Buildings and improvements	(3,057,134)	(400,658)	-	(3,457,792)
Vehicles	(2,415,792)	(197,376)	499,671	(2,113,497)
Site improvements	(25,650)	(525)	-	(26,175)
Equipment	<u>(1,737,919)</u>	<u>(158,082)</u>	<u>16,700</u>	<u>(1,879,301)</u>
Total accumulated depreciation	<u>(11,987,813)</u>	<u>(982,055)</u>	<u>516,371</u>	<u>(12,453,497)</u>
Total capital assets being depreciated, net	<u>15,757,269</u>	<u>1,093,785</u>	<u>(25,844)</u>	<u>16,825,210</u>
Governmental activities capital assets, net	<u>\$22,476,910</u>	<u>\$ 1,249,161</u>	<u>\$ (25,844)</u>	<u>\$23,700,227</u>

*\$1,196,630 was reclassified from *site improvements* to *land*. This reclass is reflected in the beginning balance column.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 4 - CAPITAL ASSETS (Continued)

	<u>Balance at May 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2012</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 14,914	\$ -	\$ -	\$ 14,914
Capital assets being depreciated:				
Infrastructure	8,681,128	-	-	8,681,128
Buildings and improvements	14,603	-	-	14,603
Water network	796,950	-	-	796,950
Subtotal	<u>9,492,681</u>	<u>-</u>	<u>-</u>	<u>9,492,681</u>
Less accumulated depreciation for:				
Infrastructure	(3,923,232)	(123,350)	-	(4,035,582)
Buildings and improvements	(13,634)	(365)	-	(13,999)
Water network	(606,384)	(21,298)	-	(627,682)
Total accumulated depreciation	<u>(4,543,250)</u>	<u>(134,013)</u>	<u>-</u>	<u>(4,677,263)</u>
Total capital assets being depreciated, net	<u>4,949,431</u>	<u>(134,013)</u>	<u>-</u>	<u>4,815,418</u>
Business-type activities capital assets, net	<u>\$ 4,964,345</u>	<u>\$ (134,013)</u>	<u>\$ -</u>	<u>\$ 4,830,332</u>

Depreciation expense of \$982,055 and \$134,013 was charged to the governmental and business-type activities functional expense categories, respectively as follows:

<u>Governmental Activities</u>	<u>Depreciation</u>	<u>Business-Type Activities</u>	<u>Depreciation</u>
General government	\$ 383,963	Water	\$ 116,198
Public safety	329,719	Sewer	17,815
Public works	255,846	Total	<u>\$ 134,013</u>
Culture and recreation	12,527		
Total	<u>\$ 982,055</u>		

See Note 11 for information regarding the Public Library's capital assets.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 – RECEIVABLES

The following is a summary of the various components of significant receivables at April 30, 2012.

	<u>Governmental Funds</u>		<u>Proprietary</u>		Total Statement of Net Assets
	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Water</u>	<u>Sewer</u>	
Intergovernmental					
Local use tax	\$ 28,990	\$ -	\$ -	\$ -	\$ 28,990
Sales tax	892,020	-	-	-	892,020
Court fines	28,326	-	-	-	28,326
Utility tax	195,696	-	-	-	195,696
State income tax	345,797	-	-	-	345,797
Motor fuel tax	-	33,477	-	-	33,477
Franchise fees	18,796	-	-	-	18,796
State replacement tax	20,299	-	-	-	20,299
Total intergovernmental	<u>\$1,529,924</u>	<u>\$ 33,477</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,563,401</u>
Accounts receivable					
Water billings	\$ -	\$ -	\$ 411,194	\$ -	\$ 411,194
Sewer billings	-	-	-	20,140	20,140
Total accounts receivable	<u>-</u>	<u>-</u>	<u>411,194</u>	<u>20,140</u>	<u>431,334</u>
Allowance for uncollectible amounts	<u>-</u>	<u>-</u>	<u>(30,708)</u>	<u>(1,616)</u>	<u>(32,324)</u>
Net Accounts receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,486</u>	<u>\$ 18,524</u>	<u>\$ 399,010</u>

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes to the Village's long-term debt for the fiscal year:

	<u>Balances May 1, 2011</u>	<u>Debt Additions</u>	<u>Debt Retirement</u>	<u>Balances April 30, 2012</u>	<u>Due within one year</u>
Governmental activities:					
General Obligation Bonds:					
Series of 2002	\$ 925,000	\$ -	\$ 925,000	\$ -	\$ -
Series of 2005A	985,000	-	985,000	-	-
Series of 2005B	1,845,000	-	545,000	1,300,000	165,000
Series of 2012A	-	5,100,000	-	5,100,000	480,000
Less deferred amounts:					
For issuance premiums	32,218	-	5,760	26,458	-
On refunding	<u>(17,830)</u>	<u>-</u>	<u>(17,830)</u>	<u>-</u>	<u>-</u>
Total General Obligation Bonds	<u>3,769,388</u>	<u>5,100,000</u>	<u>2,442,930</u>	<u>6,426,458</u>	<u>645,000</u>
Promissory note - 1999	303,541	-	83,702	219,839	88,528
Compensated absences	1,301,331	543,243	493,296	1,351,278	499,174
Early retirement benefit obligation	1,319,991	323,166	-	1,643,157	195,768
Other post-employment benefits obligation	244,406	82,345	-	326,751	-
Net pension obligation	<u>3,952,732</u>	<u>-</u>	<u>367,967</u>	<u>3,584,765</u>	<u>-</u>
Total governmental activities	<u>\$10,891,389</u>	<u>\$ 6,048,754</u>	<u>\$ 3,387,895</u>	<u>\$13,552,248</u>	<u>\$ 1,428,470</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 6 - LONG-TERM DEBT (Continued)

	<u>Balances</u> <u>May 1, 2011</u>	<u>Debt</u> <u>Additions</u>	<u>Debt</u> <u>Retirement</u>	<u>Balances</u> <u>April 30, 2012</u>	<u>Due within</u> <u>one year</u>
Business-type activities:					
Compensated absences	\$ 46,553	\$ 12,570	\$ 20,376	\$ 38,747	\$ 14,642
Other post employment benefits obligation	<u>2,110</u>	<u>189</u>	<u>-</u>	<u>2,299</u>	<u>-</u>
Total Business-type activities	<u>\$ 48,663</u>	<u>\$ 12,759</u>	<u>\$ 20,376</u>	<u>\$ 41,046</u>	<u>\$ 14,642</u>

Reconciliation to Statement of Net Assets:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Long-term obligations, due within one year:			
Bonds payable	\$ 645,000	\$ -	\$ 645,000
Promissory note payable	88,528	-	88,528
Compensated absences	499,174	14,642	513,816
Early retirement benefit obligation	195,768	-	195,768
Long-term obligations, due in more than one year:			
Bonds payable	5,781,458	-	5,781,458
Promissory note payable	131,311	-	131,311
Compensated absences	852,104	24,105	876,209
Net pension obligation	3,584,765	-	3,584,765
Early retirement benefit obligation	1,447,389	-	1,447,389
Other post-employment benefits obligation	<u>326,751</u>	<u>2,299</u>	<u>329,050</u>
Total debt	<u>\$ 13,552,248</u>	<u>\$ 41,046</u>	<u>\$ 13,593,294</u>

Long Term obligations outstanding at April 30, 2012 are comprised of the following:

General Obligation Bonds, Series 2005B: \$4,135,000 2005B General Obligation Bonds dated October 2005, due December 1, 2018; interest at 3.50% to 4.00% (principal and interest to be serviced by general and motor fuel tax revenues of the Village).

Remaining principal and interest payments to maturity are as follows:

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt Service</u>
2013	\$ 165,000	\$ 56,358	\$ 221,358
2014	170,000	48,933	218,933
2015	180,000	41,708	221,708
2016	185,000	34,058	219,058
2017	195,000	26,103	221,103
2018-2019	<u>405,000</u>	<u>26,518</u>	<u>431,518</u>
	<u>\$ 1,300,000</u>	<u>\$ 233,678</u>	<u>\$ 1,533,678</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 6 - LONG-TERM DEBT (Continued)

The Village has pledged future motor fuel tax revenues to repay \$2,025,000 of the General Obligation Bonds, Series 2005B. A portion of the proceeds from the bonds provided financing for highway and street projects. The total principal and interest remaining to be paid on the highway and street portion of the bonds is \$1,752,008, payable through December 2018. Principal and interest paid for the current year for the street and highway portion of the bonds and total motor fuel tax revenue were \$308,459 and \$205,704, respectively.

General Obligation Bonds, Series 2012A: \$5,100,000 2012A General Obligation Bonds dated February 1, 2012, due December 1, 2021; interest at 2.00% to 3.00% (principal and interest to be serviced by the general revenues of the Village).

Remaining principal and interest payments to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 480,000	\$ 103,000	\$ 583,000
2014	475,000	114,000	589,000
2015	485,000	104,500	589,500
2016	490,000	94,800	584,800
2017	500,000	85,000	585,000
2018-2022	<u>2,670,000</u>	<u>238,500</u>	<u>2,908,500</u>
	<u>\$ 5,100,000</u>	<u>\$ 739,800</u>	<u>\$ 5,839,800</u>

Corporate Purpose Promissory Note, Series 1999: \$1,000,000 Contract due July 30, 2014; interest of 5.50%.

Remaining principal and interest payments to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 88,528	\$ 10,032	\$ 98,560
2014	93,593	4,967	98,560
2015	<u>37,718</u>	<u>506</u>	<u>38,224</u>
	<u>\$ 219,839</u>	<u>\$ 15,505</u>	<u>\$ 235,344</u>

Compensated Absences: It is the Village's policy to permit employees to accumulate a limited amount of earned compensated absences for unused vacation time, which will be paid to employees upon separation from Village service, and sick leave, which will be paid upon death or retirement. Compensated absences are accrued as they are earned in the government-wide and proprietary fund financial statements. Expenditures and liabilities for compensated absences are recorded in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

(Continued)

NOTE 6 - LONG-TERM DEBT (Continued)

Early Retirement Benefit Obligation:

Plan Description. In addition to the retirement benefits provided by the Village described in Notes 7 and 9, during fiscal year 2006, the Village offered voluntary retirement benefits, considered early retirement incentives to certain classes of employees. These included employer paid voluntary retirement incentives as well as a health care stipend. Full-time employees that are at least 50 years of age, and have at least 20 years of creditable service, are eligible for early retirement remuneration. Compensation will be made in accordance with employment agreements.

The retirement incentive program consisted of a 125% longevity increase included in the employee's last 3 month's salary and the Village will pay 100% of the employee's hospitalization insurance premium at the level provided at separation of service until the employee reaches age 65.

As of April 30, 2012, the Village was obligated to pay 9 employees as part of the plan with payments due through fiscal year 2030. The net present value of the Village's liability at April 30, 2012 was \$1,643,157. The Village considers \$195,768 of this liability current as of April 30, 2012.

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS

Employee Retirement System – Defined Benefit Pension Plans, Plan Descriptions: The Village contributes to three defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. The Police and Firefighters' Pension Plans do not issue separate reports. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

IMRF Funding Policies:

Plan Description: The Village's defined benefit pension plan for employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy: As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar years 2011 and 2012 were 14.26% and 14.45%, respectively. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: For fiscal year 2011, the Village's annual pension cost of \$289,158 for the Regular plan was equal to the Village's required and actual contributions.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2012	\$ 289,158	100%	\$ -
4/30/2011	266,797	100%	-
4/30/2010	280,709	100%	-

The required contribution for calendar year 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.50% investment rate of return (net of administrative and direct investment expenses); (b) projected salary increases of 4.00% a year, attributable to inflation; (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit; and (d) post-retirement benefit increases of 3.00% annually. The actuarial value of Village plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20.00% corridor between the actuarial and market value of assets. The Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress: As of December 31, 2011, the most recent actuarial valuation date, the plan was 71.12% funded. The actuarial accrued liability for benefits was \$7,211,191 and the actuarial value of assets was \$5,128,847 resulting in an underfunded actuarial accrued liability (UAAL) of \$2,082,344. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$2,189,153 and the ratio of the UAAL to the covered payroll was 95 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Police Pension Plan - The Police Pension Plan is a single-employer defined benefit pension 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 Police Pension Plan finances the administrative costs with current investment income. The Village accounts for the plan as a pension trust fund.

At May 1, 2011 (the most recent actuarial valuation date), the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	34
Current employees	
Vested and nonvested	25
	59

(Continued)

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)

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

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to 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 annual benefit 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly 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 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan.

Firefighters' Pension Plan - The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn fire 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 Firefighters' Pension Plan finances the administrative costs with current investment income. The Village accounts for the plan as a pension trust fund.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)

At April 30, 2012, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	17
Current employees	
Vested and nonvested	<u>21</u>
	<u>38</u>

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

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit 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 ten 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 covered employee 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 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting – The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as additions in the period in which employee services are performed. Benefits and refunds are recorded as deductions in the period they incurred.

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 – As of April 30, 2012, the Police and Firefighters’ Pension Plans held investments (other than U.S. government and U.S. government guaranteed obligations) in any one organization that represented 5% or more of net assets available for benefits in the Police and Firefighters’ Pension Plans. Information for IMRF is not available.

<u>Firefighters’ Pension Fund</u>	<u>Police Pension Fund</u>
Federal Home Loan Banks	Federal Home Loan Banks
Federal National Mortgage Association	Federal Farm Credit Banks
Federal Farm Credit Banks	
Federal Home Loan Mortgage Corporation	

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: The Pension liability was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. There was no net pension obligation for the IMRF plan at year end. The amount of the pension liability for the Police and Firefighters’ Pension Plans is as follows:

	<u>Police Pension</u>	<u>Firefighters’ Pension</u>
Annual required contribution	\$ 1,272,127	\$ 859,827
Interest on net pension obligation	252,457	24,234
Adjustment to annual required contribution	<u>(241,302)</u>	<u>(14,256)</u>
Annual pension cost	1,283,282	869,805
Annual contributions made	<u>1,514,719</u>	<u>1,006,335</u>
Increase (decrease) in net pension obligation	231,437	(136,530)
Net pension obligation beginning of year	<u>3,606,526</u>	<u>346,206</u>
 Net pension obligation end of year	 <u>\$ 3,375,089</u>	 <u>\$ 209,676</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT 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 April 30,	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2010	\$ 280,709	\$ 1,659,988	\$ 732,612
	2011	266,797	1,331,683	732,349
	2012	289,158	1,283,282	869,805
Actual contributions	2010	\$ 280,709	\$ 1,283,080	\$ 728,817
	2011	266,797	1,034,533	574,828
	2012	289,158	1,514,719	1,006,335
Percentage of APC contributed	2010	100.0%	77.3%	99.5%
	2011	100.0	77.7	78.5
	2012	100.0	118.0	115.7
Net pension obligation	2010	\$ -	\$ 3,309,376	\$ 188,685
	2011	-	3,606,526	346,206
	2012	-	3,375,089	209,676

Financial statements for the Police and Firefighters' Pension plans are as follows:

	Police Pension	Firefighters' Pension
ASSETS		
Cash and investments	\$ 14,148,393	\$ 9,273,570
Interest receivable	72,294	4,058
Due from primary government	121,343	119,831
Other assets	4,837	6,224
Total assets	<u>\$ 14,346,867</u>	<u>\$ 9,403,683</u>
LIABILITIES		
Accounts payable	<u>\$ 4,984</u>	<u>\$ 4,750</u>
NET ASSETS		
Held for employee pension benefits	14,341,883	9,398,933
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 14,346,867</u>	<u>\$ 9,403,683</u>
ADDITIONS		
Contributions	\$ 1,725,850	\$ 1,183,258
Net investment income	520,438	195,702
Total additions	<u>2,246,288</u>	<u>1,378,960</u>
DEDUCTIONS		
Benefits	1,474,222	824,637
Administration expenses	26,908	16,843
Total deductions	<u>1,501,130</u>	<u>841,480</u>
Change in net assets	745,158	537,480
Net assets held for employee pension benefits		
Beginning of year	<u>13,596,725</u>	<u>8,861,453</u>
End of year	<u>\$ 14,341,883</u>	<u>\$ 9,398,933</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)

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

	Police Pension	Firefighters' Pension
Contributed rates - Employee	9.91%	9.455%
Annual pension cost	\$ 1,283,282	\$ 869,805
Contributions made	1,514,719	1,006,335
Actuarial valuation date	5/1/2011	4/30/12
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level % of Payroll Closed Basis	Level % of Payroll Closed Basis
Remaining amortization period	21 Years 2 months	29 Years
Asset valuation method	Market	Market
Actuarial assumptions:		
Investment rate of return	7.00 % Compounded Annually	7.00% Compounded Annually
Projected salary increases	3.50%	5.50%
Inflation rate included	2.00%	3.00%
Cost-of-living adjustments	3.00%	3.00%

Funded Status and Funding Progress: As of May 1, 2011 and April 30, 2012, the most recent actuarial valuation dates for the Police Pension and Firefighters' Pension Plans respectively, the plans were 46.7% and 51.3% funded. The actuarial accrued liability for Police Pension Plan benefits was \$28,834,983 and the actuarial value of assets was \$13,475,382 resulting in an underfunded actuarial accrued liability (UAAL) of \$15,359,601. The covered payroll (annual payroll of active employees covered by the plan) was \$2,014,085 and the ratio of the UAAL to the covered payroll was 762.6 percent. The actuarial accrued liability for Firefighters' Pension Plan benefits was \$18,336,655 and the actuarial value of assets was \$9,398,934 resulting in an underfunded actuarial accrued liability (UAAL) of \$8,937,721. The covered payroll (annual payroll of active employees covered by the plan) was \$1,774,223 and the ratio of the UAAL to the covered payroll was 503.8 percent.

The schedules of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (Continued)

The governments' 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 for years prior to 2004 and \$2,500 for each occurrence in 2004 and subsequent years. Beginning in 2005, members were given the option to assume higher deductibles. 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 government 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.

The following is a financial summary of IRMA for the year ended December 31, 2011, the most recent financial information available:

BALANCE SHEET
(Unaudited)

Assets:	
Cash and investments	\$ 134,917,957
Receivables	9,822,919
Equipment net of accumulated depreciation	31,519
Prepaid expenses	<u>1,536,789</u>
Total Assets	<u>\$ 146,309,184</u>
Liabilities and member balances:	
Deferred contributions	\$ 2,077,084
Unpaid losses	78,877,346
Members' reserve	30,558,058
Amounts due to members	19,881,689
Excess surplus fund	14,553,232
Accounts payable	266,522
Other	<u>95,253</u>
Total Liabilities and Member Balances	<u>\$ 146,309,184</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (Continued)

STATEMENT OF REVENUES AND EXPENSES
(Unaudited)

Revenues:	
Member contributions	\$ 32,981,090
Interest income and other	2,965,848
Net increase(decrease) in the fair value of investments	<u>(459,000)</u>
Total revenues	<u>\$ 35,487,938</u>
Expenses:	
Losses and loss adjustments	\$ 25,584,668
Unallocated loss adjustments	113,783
Excess insurance premiums	2,452,227
General and Administrative	2,860,349
Depreciation	23,820
Members' balances	<u>4,453,091</u>
Total expenses	<u>\$ 35,487,938</u>

The Village of Hillside represents 1.44% of the total revenue base used to compute member contributions.

Should a claim be paid by IRMA for which these reserves proved inadequate, the Village would be responsible for paying a portion of such deficiency. However, at April 30, 2012 management knows of no claim, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial statements of the various funds of the Village at April 30, 2012.

NOTE 9 - POST-EMPLOYMENT BENEFITS

Plan Description. An employee retiring after attaining a specific age and completing a minimum number of years of service with the Village, currently has the option to maintain health insurance after they retire (including subsidized beneficiary coverage). The Village provides certain Village retirees 50% of the single coverage if the employee was a member of management. Insurance does not continue post-65 years of age.

Funding Policy. Funding is provided by the Village on a pay-as-you-go basis with no contribution from the retiree. The Village's contribution on behalf of the employees to the insurance provider was \$0 for 2012.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for 2012, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation	April 30, 2012	April 30, 2011
Annual required contribution	\$ 80,890	\$ 80,890
Interest on Net OPEB Obligation	9,861	8,146
Adjustment to annual required contribution	<u>(8,217)</u>	<u>(5,430)</u>
Annual OPEB cost	82,534	83,606
Contributions made	<u>-</u>	<u>-</u>
Increase in Net OPEB Obligation	82,534	83,606
Net OPEB Obligation, beginning of year	<u>246,516</u>	<u>162,910</u>
Net OPEB Obligation, end of year	<u>\$ 329,050</u>	<u>\$ 246,516</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Three Year Trend Information			
Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
04/30/12	\$ 82,534	0.0%	\$ 329,050
04/30/11	83,606	0.0%	246,516
04/30/10	82,235	0.0%	162,910

Funded Status and Funding Progress. As of April 30, 2012, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$2,009,683 and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,009,683. The covered payroll (annual payroll of active employees covered by the plan) was \$5,673,616, and the ratio of the UAAL to the covered payroll was 35.42 percent.

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

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)

In the April 30, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 6 percent. Both rates included a 3.0 percent inflation assumption. The actuarial value of the liability was marked to the market value of the retiree healthcare account as of April 30, 2012. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012, was thirty years.

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done once every three years; above is the information from the most recent valuation as of April 30, 2012. There is no separate, audited GAAP-basis postemployment benefit plan report available.

NOTE 10 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and employee health and accident insurance coverage. These risks are covered by commercial insurance purchased from independent third parties and by the Village's participation in IRMA (See Note 8). Settled claims from these risks are covered by commercial insurance and have not exceeded coverage for the past three years, and there have been no reductions in insurance coverage as compared to the previous year.

NOTE 11 - PUBLIC LIBRARY

Cash and Investments: The Library is allowed to invest in securities as authorized by state statute.

At April 30, 2012 the carrying amount of the Library's deposits was \$1,415,890 not including a petty cash fund of \$210 and the bank balance was \$1,416,367.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the Library's name.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government .

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 11 - PUBLIC LIBRARY (Continued)

Risk Management: The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Library has purchased commercial insurance from private insurance companies to cover these risks. Risks covered include general liability, workers' compensation, medical and other. Premiums have been recorded as expenditures in the Library Insurance Fund. The amount of coverage has neither decreased nor have the amount of settlements exceeded coverage in at least the past three fiscal years.

Capital Assets: Depreciation expense for the year ended April 30, 2012 was \$95,554. The following is a summary of the changes in the capital assets for the year ended April 30, 2012:

	<u>Balance at</u> <u>May 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>April 30, 2012</u>
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 624,680	\$ -	\$ -	\$ 624,680
Capital assets being depreciated				
Building	584,000	-	-	584,000
Building and improvements	144,837	-	-	144,837
Machinery and equipment	257,825	14,766	(27,073)	245,518
Library materials	<u>307,729</u>	<u>60,971</u>	<u>(60,011)</u>	<u>308,689</u>
Subtotal	1,294,391	75,737	(87,084)	1,283,044
Less accumulated depreciation	(915,859)	(95,554)	87,084	(924,329)
Total capital assets being depreciated, net	<u>378,532</u>	<u>(19,817)</u>	<u>-</u>	<u>358,715</u>
Net capital assets	<u>\$1,003,212</u>	<u>\$ (19,817)</u>	<u>\$ -</u>	<u>\$ 983,395</u>

NOTE 12 – EXPENDITURES IN EXCESS OF BUDGET

The following funds had an excess of budgetary expenditures over budget (or appropriations):

General	\$ 25,649
Debt Service	45,317
TIF Shopping Center	56,185
Mannheim Road TIF	353,723

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The Statement improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This Statement is effective for the Village's financial year ending April 30, 2013. The Village has not engaged in transferor-operator service concession arrangements, therefore implementation of this statement will have no impact.

(Continued)

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This Statement is effective for the Village's financial year ending April 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for the Village's financial year ending April 30, 2013. The Village plans to implement this codification for the year ending April 30, 2013.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This Statement is effective for the Village's financial year ending April 30, 2013. The Village plans to implement the new reporting requirements for the year ending April 30, 2013.

In June 2011, the GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53). This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. When all of the conditions specified by the Statement exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied. This Statement is effective for the Village's financial year ending April 30, 2013. The Village has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The provisions of this Statement are effective for the Village's financial year ending April 30, 2014. The Village plans to implement the new reporting requirements for the year ending April 30, 2013.

(Continued)

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for the Village's financial year ending April 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the Village's fiscal year ending April 30, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 14 – IMPLEMENTATION OF NEW GOVERNMENT ACCOUNTING STANDARD

As a result of the implementation of GASB Statement 54, the equipment replacement fund was combined into the general fund. The effect of this restatement on fund balance is presented below:

	General Fund		
	Equipment Replacement Account	General Fund	Equipment Replacement Fund
Fund Balance, April 30, 2011	\$ -	\$ 512,443	\$ 1,089,802
Restatements:			
Equipment Replacement	1,089,802	1,089,802	(1,089,802)
Fund Balance, May 1, 2011	\$ 1,089,802	\$ 1,602,245	\$ -

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS
 April 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
IMRF						
12/31/2006	\$ 4,168,489	\$ 5,047,891	\$ 879,402	82.58%	\$ 2,430,123	36.19%
12/31/2007	4,412,089	5,315,643	903,554	83.00%	2,365,908	38.19%
12/31/2008	3,653,653	5,780,183	2,126,530	63.21%	2,507,411	84.81%
12/31/2009	4,159,730	6,303,330	2,143,600	65.99%	2,496,347	85.87%
12/31/2010	4,534,582	6,521,773	1,987,191	69.53%	2,124,153	93.55%
12/31/2011	5,128,847	7,211,191	2,082,344	71.12%	2,189,153	95.12%
Police Pension						
4/30/2007	11,439,921	24,393,557	12,953,636	46.90%	1,872,503	691.78%
5/1/2007	11,141,223	24,393,557	13,252,334	45.67%	1,911,658	693.24%
5/1/2008	11,515,581	24,287,630	12,772,049	47.41%	1,980,993	644.73%
5/1/2009	11,246,362	26,493,271	15,246,909	42.45%	2,052,843	742.72%
5/1/2010	12,165,319	27,787,260	15,621,941	43.78%	2,000,913	780.74%
5/1/2011	13,475,382	28,834,983	15,359,601	46.73%	2,014,085	762.61%
Fire Pension						
5/1/2006	6,454,095	12,564,930	6,110,835	51.37%	1,662,378	367.60%
4/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2010	8,341,584	17,179,067	8,837,483	48.56%	1,872,576	471.94%
4/30/2011	8,741,623	18,353,395	9,611,772	47.63%	1,827,200	526.04%
4/30/2012	9,398,934	18,336,655	8,937,721	51.26%	1,774,223	503.75%

N/A - Comparative information not available.

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF EMPLOYER CONTRIBUTIONS
 April 30, 2012

Year Ended <u>April 30</u>	Employer Contributions			
	Police Pension		Fire Pension	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2007	\$ 1,008,687	83.5 %	\$ 443,795	101.3 %
2008	1,047,727	85.8	593,829	81.9
2009	1,395,084	74.2	593,829	96.8
2010	1,629,815	78.7	728,817	100.0
2011	1,304,156	79.3	728,817	78.9
2012	1,272,127	119.1	859,827	117.0

Year Ended <u>April 30</u>	Employer Contributions	
	IMRF	
	Annual Required Contribution	Percentage Contributed
2007	\$ 214,369	100 %
2008	239,207	100
2009	254,379	100
2010	280,709	100
2011	266,797	100
2012	289,158	100

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES
 SCHEDULE OF FUNDING PROGRESS
 April 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2009*	\$ -	\$ 1,036,125	\$ 1,036,125	0%	\$ 2,796,164	37.06%
4/30/2012	-	2,009,683	2,009,683	0%	5,673,616	35.42%

* April 30, 2009 was the first year an actuarial valuation was performed.

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 Year Ended April 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 7,412,123	\$ 7,412,123	\$ 7,840,050	\$ 427,927
Taxes	5,815,000	5,815,000	5,476,848	(338,152)
Intergovernmental Revenues	1,775,500	1,775,500	1,654,648	(120,852)
Licenses and Permits	282,000	282,000	165,455	(116,545)
Charges for Services	464,300	464,300	356,277	(108,023)
Fines and Forfeitures	1,072,000	1,072,000	1,591,789	519,789
Investment Income	5,000	5,000	3,927	(1,073)
Miscellaneous	369,100	369,100	607,691	238,591
Total Revenues	<u>17,195,023</u>	<u>17,195,023</u>	<u>17,696,685</u>	<u>501,662</u>
Expenditures				
Current				
General Administration	4,669,285	4,666,785	4,202,523	464,262
Public Safety	9,679,133	9,679,133	10,486,440	(807,307)
Streets	1,924,900	1,927,400	1,659,560	267,840
Culture and Recreation	70,000	70,000	20,884	49,116
Debt Service - Principal	83,702	83,702	83,702	-
Debt Service - Interest and Fees	15,298	15,298	14,858	440
Total Expenditures	<u>16,442,318</u>	<u>16,442,318</u>	<u>16,467,967</u>	<u>(25,649)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>752,705</u>	<u>752,705</u>	<u>1,228,718</u>	<u>476,013</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	51,955	51,955
Transfers In	100,000	100,000	100,906	906
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>152,861</u>	<u>52,861</u>
Net Change in Fund Balance	<u>\$ 852,705</u>	<u>\$ 852,705</u>	1,381,579	<u>\$ 528,874</u>
Fund Balance at Beginning of Year			<u>1,602,245</u>	
Fund Balance at End of Year			<u>\$ 2,983,824</u>	

See accompanying notes to required supplementary information.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2012

NOTE 1 – BUDGETARY INFORMATION

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

- A. The Finance Committee submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- B. Budget hearings are conducted.
- C. The budget is legally enacted through passage of an ordinance.
- D. The budget may be amended by the Board of Trustees.
- E. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- F. The budget was amended during the year, but no supplemental appropriations were made. The statements represent the final approved budget.
- G. The operating budget is the appropriated budget. All annual appropriations lapse at fiscal year end.

Management is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level.

The following funds have legally adopted budgets:

General Fund	T.I.F. Shopping Center Fund	Business Park TIF Fund
Debt Service Fund	Motor Fuel Tax Fund	Mannheim Road TIF Fund
Disposal Service Fund	E911 Fund	

VILLAGE OF HILLSIDE, ILLINOIS
GENERAL FUND
BALANCE SHEET
April 30, 2012

	<u>Corporate Account</u>	<u>Liability Insurance Account</u>	<u>Workmen's Compensation Account</u>	<u>Unemployment Compensation Account</u>
ASSETS				
Cash & Investments	\$ 2,051,071	\$ 99,006	\$ 9,100	\$ 32,910
Receivables				
Property Taxes	2,743,896	95,743	99,998	-
Intergovernmental	1,529,924	-	-	-
Interest	465	-	-	-
Other Assets	<u>173,411</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 6,498,767</u>	<u>\$ 194,749</u>	<u>\$ 109,098</u>	<u>\$ 32,910</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 844,885	\$ -	\$ -	\$ -
Deferred Revenue	3,163,116	95,743	99,998	-
Due to Other Funds	498,226	-	-	-
Due to Fiduciary Funds	241,174	-	-	-
Deposits Payable	<u>45,474</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>4,792,875</u>	<u>95,743</u>	<u>99,998</u>	<u>-</u>
Fund Balances				
Nonspendable				
Prepays	161,365	-	-	-
Inventory	12,046	-	-	-
Restricted				
Insurance	-	99,006	9,100	32,910
Unassigned	<u>1,532,481</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>1,705,892</u>	<u>99,006</u>	<u>9,100</u>	<u>32,910</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,498,767</u>	<u>\$ 194,749</u>	<u>\$ 109,098</u>	<u>\$ 32,910</u>

Equipment Replacement Account	Total Current Year
\$ 1,154,424	\$ 3,346,511
-	2,939,637
-	1,529,924
-	465
-	173,411
<u>\$ 1,154,424</u>	<u>\$ 7,989,948</u>
\$ 17,508	\$ 862,393
-	3,358,857
-	498,226
-	241,174
-	45,474
<u>17,508</u>	<u>5,006,124</u>
-	161,365
-	12,046
-	141,016
<u>1,136,916</u>	<u>2,669,397</u>
<u>1,136,916</u>	<u>2,983,824</u>
<u>\$ 1,154,424</u>	<u>\$ 7,989,948</u>

VILLAGE OF HILLSIDE, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2012

	Corporate Account	Liability Insurance Account	Workmen's Compensation Account	Unemployment Compensation Account
Revenues				
Property Taxes	\$ 7,332,410	\$ 248,302	\$ 259,338	\$ -
Taxes	5,476,848	-	-	-
Intergovernmental Revenues	847,148	-	-	-
Licenses and Permits	165,455	-	-	-
Charges for Services	39,047	-	-	-
Fines and Forfeitures	1,520,282	-	-	-
Investment Income	3,927	-	-	-
Miscellaneous	545,766	-	56,969	4,956
Total Revenues	<u>15,930,883</u>	<u>248,302</u>	<u>316,307</u>	<u>4,956</u>
Expenditures				
Current				
General Administration	3,687,756	177,534	191,375	-
Public Safety	9,622,851	-	-	-
Streets	1,519,884	-	-	-
Culture and Recreation	20,884	-	-	-
Debt Service - Principal	83,702	-	-	-
Debt Service - Interest and Fees	14,858	-	-	-
Total Expenditures	<u>14,949,935</u>	<u>177,534</u>	<u>191,375</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>980,948</u>	<u>70,768</u>	<u>124,932</u>	<u>4,956</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	51,955	-	-	-
Transfers In	100,906	-	-	-
Total Other Financing Sources (Uses)	<u>152,861</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,133,809	70,768	124,932	4,956
Fund Balances at Beginning of Year	<u>572,083</u>	<u>28,238</u>	<u>(115,832)</u>	<u>27,954</u>
Fund Balances at End of Year	<u>\$ 1,705,892</u>	<u>\$ 99,006</u>	<u>\$ 9,100</u>	<u>\$ 32,910</u>

Equipment Replacement <u>Account</u>	Total Current <u>Year</u>
\$ -	\$ 7,840,050
-	5,476,848
807,500	1,654,648
-	165,455
317,230	356,277
71,507	1,591,789
-	3,927
-	607,691
<u>1,196,237</u>	<u>17,696,685</u>
145,858	4,202,523
863,589	10,486,440
139,676	1,659,560
-	20,884
-	83,702
-	14,858
<u>1,149,123</u>	<u>16,467,967</u>
<u>47,114</u>	<u>1,228,718</u>
-	51,955
-	100,906
-	152,861
47,114	1,381,579
<u>1,089,802</u>	<u>1,602,245</u>
<u>\$ 1,136,916</u>	<u>\$ 2,983,824</u>

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 6,857,123	\$ 7,332,410	\$ 475,287
Taxes	5,815,000	5,476,848	(338,152)
Intergovernmental Revenues	968,000	847,148	(120,852)
Licenses and Permits	282,000	165,455	(116,545)
Charges for Services	164,300	39,047	(125,253)
Fines and Forfeitures	872,000	1,520,282	648,282
Investment Income	5,000	3,927	(1,073)
Miscellaneous	369,100	545,766	176,666
Total Revenues	<u>15,332,523</u>	<u>15,930,883</u>	<u>598,360</u>
Expenditures			
Current			
General Administration	3,866,785	3,687,756	179,029
Public Safety	9,599,133	9,622,851	(23,718)
Streets	1,797,400	1,519,884	277,516
Culture and Recreation	70,000	20,884	49,116
Debt Service - Principal	83,702	83,702	-
Debt Service - Interest and Fees	15,298	14,858	440
Total Expenditures	<u>15,432,318</u>	<u>14,949,935</u>	<u>482,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(99,795)</u>	<u>980,948</u>	<u>1,080,743</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	-	51,955	51,955
Transfers In	100,000	100,906	906
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>152,861</u>	<u>52,861</u>
Net Change in Fund Balance	<u>\$ 205</u>	1,133,809	<u>\$ 1,133,604</u>
Fund Balance at Beginning of Year		<u>572,083</u>	
Fund Balance at End of Year		<u>\$ 1,705,892</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 6,857,123	\$ 7,332,410	\$ 475,287
Taxes			
Sales Tax	2,950,000	2,734,744	(215,256)
Municipal Utility Tax	1,200,000	1,035,973	(164,027)
Local Use Tax	120,000	119,052	(948)
Hotel/Motel Tax	270,000	334,674	64,674
Storage Facility Tax	50,000	52,360	2,360
Franchise Fees	75,000	77,056	2,056
Amusement Tax	-	823	823
Real Estate Transfer Tax	150,000	117,672	(32,328)
Sales Tax - Hillside Town Center	1,000,000	1,004,494	4,494
Total Taxes	<u>5,815,000</u>	<u>5,476,848</u>	<u>(338,152)</u>
Intergovernmental Revenues			
Income Tax	738,000	691,110	(46,890)
Replacement Tax	180,000	154,889	(25,111)
Police Dept Grant	50,000	1,149	(48,851)
Total Intergovernmental Revenues	<u>968,000</u>	<u>847,148</u>	<u>(120,852)</u>
Licenses and Permits			
Business Licenses	120,000	35,201	(84,799)
Liquor Licenses	30,000	18,075	(11,925)
Contractors Licenses	15,000	16,155	1,155
Other Licenses	2,000	-	(2,000)
Alarm Permits	30,000	28,890	(1,110)
Building Permits	50,000	45,375	(4,625)
Sewer Permits	3,000	315	(2,685)
Sign Permits	6,000	1,544	(4,456)
Apartment License / Inspection	25,000	19,000	(6,000)
Fence Permits	1,000	900	(100)
Total Licenses and Permits	<u>282,000</u>	<u>165,455</u>	<u>(116,545)</u>
Charges for Services			
Home Inspections	7,000	7,205	205
Sewer Connections	2,000	50	(1,950)
Postage	200	73	(127)
Plumbing Inspections	15,000	8,724	(6,276)
Electrical Inspections	15,000	12,260	(2,740)
Heating & A/C Inspections	1,100	-	(1,100)
Elevator Inspections	1,500	4,600	3,100
Miscellaneous Fees	1,500	3,000	1,500
Sidewalk Replacement	2,500	1,600	(900)

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Senior Taxi Cab	\$ 3,000	\$ 985	\$ (2,015)
Tipping Fees	115,000	-	(115,000)
Rental Inspection Fees	-	550	550
CPR Classes	500	-	(500)
Total Charges for Services	<u>164,300</u>	<u>39,047</u>	<u>(125,253)</u>
Fines and Forfeitures			
Zoning Hearing Fees	2,000	2,350	350
Village Fines	115,000	147,254	32,254
Circuit Court Fines	100,000	70,779	(29,221)
Adjudication Court Fines	15,000	17,403	2,403
Police Towing Violation Fee	125,000	80,250	(44,750)
Police Department Processing Fee	30,000	23,075	(6,925)
Police Finger Printing Fee	1,000	200	(800)
Red Light Camera Violations	480,000	1,174,213	694,213
DUI Fines	4,000	4,758	758
Total Fines and Forfeitures	<u>872,000</u>	<u>1,520,282</u>	<u>648,282</u>
Investment Income	<u>5,000</u>	<u>3,927</u>	<u>(1,073)</u>
Miscellaneous			
Police & Fire Reports	3,000	2,765	(235)
Other Insurance Claims	2,000	54,803	52,803
Antenna Rental	40,000	36,202	(3,798)
Zoning Certificates	2,000	850	(1,150)
Employee Health Contributions	150,000	131,216	(18,784)
Reimbursements-Other Agencies	50,000	28,926	(21,074)
Other Revenues	59,100	222,234	163,134
Proviso High Reimbursement	60,000	65,542	5,542
MLK Breakfast	3,000	3,228	228
Total Miscellaneous	<u>369,100</u>	<u>545,766</u>	<u>176,666</u>
Total Revenues	<u>\$ 15,332,523</u>	<u>\$ 15,930,883</u>	<u>\$ 598,360</u>

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

Expenditures	Final Budget	Actual	Variance Positive (Negative)
General Administration			
Mayor & Village Board			
Salaries Full-Time	\$ 69,000	\$ 68,875	\$ 125
Salaries Part-Time	29,600	26,800	2,800
Sick Pay	3,500	3,093	407
Medicare	2,000	1,458	542
Social Security	5,000	4,126	874
IMRF	12,000	11,443	557
Health Insurance Costs	38,000	27,706	10,294
Dental Insurance Costs	3,000	2,155	845
Vision Insurance Costs	500	258	242
Life Insurance Costs	500	257	243
Employee Assistance Program	60	32	28
Travel & Conference Expense	5,000	4,787	213
Office Supplies	2,000	899	1,101
Membership Fees	11,000	5,383	5,617
Publications	2,500	2,132	368
Awards & Recognitions	7,000	5,941	1,059
Postage	1,500	300	1,200
Telephone	950	641	309
Cellular Telephones	8,000	6,001	1,999
Printing	2,000	1,069	931
	<u>203,110</u>	<u>173,356</u>	<u>29,754</u>
Total Mayor & Village Board			
Administration			
Salaries Full-Time	430,000	425,461	4,539
Salaries Part-Time	70,000	69,289	711
Overtime	2,500	2,314	186
Holiday and Vacation	18,000	15,521	2,479
Medicare	8,000	7,202	798
Social Security	22,000	20,375	1,625
IMRF	73,000	79,393	(6,393)
Health Insurance Costs	120,000	118,423	1,577
Dental Insurance Costs	7,000	6,931	69
Vision Insurance Costs	1,500	1,121	379
Life Insurance Costs	2,500	1,917	583
Employee Assistance Program	150	79	71
Village Attorney	217,200	170,198	47,002
Village Prosecutor	11,000	10,374	626
Contractual Legal Services	430,000	400,937	29,063
Payroll Service	9,500	9,126	374
Exterminating Services	6,000	4,920	1,080
Maintenance Contracts	50,000	42,993	7,007
Maintenance of Computer Equipment	10,000	3,377	6,623
Maintenance of Automotive Equipment	2,500	2,012	488
Reception & Entertainment	750	239	511
Travel & Conference Expense	2,500	1,487	1,013
Office Supplies	7,000	2,775	4,225
Stationery & Forms	3,000	167	2,833

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Office Furniture/Equipment	\$ 4,000	\$ -	\$ 4,000
Minor Equipment & Hardware	500	-	500
Food & Beverage Supplies	2,250	1,799	451
Gasoline & Diesel Fuel	3,500	3,370	130
Licensing Supplies	2,000	778	1,222
Membership Fees	6,000	4,554	1,446
Publications	4,000	3,874	126
Postage	15,000	2,290	12,710
Telephone	10,000	8,722	1,278
Cellular Telephones	3,500	2,611	889
Printing	2,000	743	1,257
Advertising	400	292	108
Total Administration	1,557,250	1,425,664	131,586
Village Hall & Grounds			
Maintenance Contracts	13,000	12,657	343
Maintenance of Building	28,600	13,563	15,037
Maintenance of Cells	3,500	-	3,500
Cleaning Contract	45,000	42,891	2,109
Minor Equipment & Hardware	700	626	74
Janitorial Supplies	3,200	2,683	517
Total Village Hall & Grounds	94,000	72,420	21,580
Planning Commission			
Salaries Part-Time	400	-	400
Advertising	500	-	500
Total Planning Commission	900	-	900
Zoning Board of Appeals			
Salaries Part-Time	800	465	335
Medicare	25	7	18
Social Security	50	19	31
Advertising	2,000	1,314	686
Total Zoning Board of Appeals	2,875	1,805	1,070
Inspection Services			
Salaries Full-Time	53,500	118,974	(65,474)
Salaries Part-Time	104,000	38,216	65,784
Medicare	3,000	2,173	827
Social Security	7,000	6,149	851
IMRF	22,000	17,785	4,215
Health Insurance Costs	9,500	9,197	303
Dental Insurance Costs	1,000	510	490
Vision Insurance Costs	100	81	19
Life Insurance Costs	600	393	207

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Employee Assistance Program	\$ 50	\$ 47	\$ 3
Maintenance of Automotive Equipment	500	271	229
Adjudication Hearing Officer	9,000	7,364	1,636
Elevator Inspection Services	6,500	6,118	382
Animal Control - Skunk Trap	6,000	5,720	280
Travel & Conference Expense	500	305	195
Office Supplies	250	66	184
Stationery & Forms	1,850	1,090	760
Office Furniture/Equipment	300	262	38
Membership Fees	250	200	50
Publications	750	542	208
Postage	1,400	400	1,000
Cellular Telephones	2,500	1,942	558
Gasoline & Diesel Fuel	1,500	1,300	200
Advertising	100	-	100
Adjudication Court Software	3,000	1,503	1,497
Total Inspection Services	<u>235,150</u>	<u>220,608</u>	<u>14,542</u>
General Expenses			
Awards & Recognitions	7,000	6,383	617
Youth Athletic Parade	1,000	175	825
Tuition Reimbursement	44,000	41,591	2,409
Banking Charges	28,000	27,093	907
Hotel Tax Expense	61,000	60,157	843
Sales Tax Rebate	40,000	39,289	711
Auditing Fees	55,000	52,475	2,525
Veteran's Day Parade	20,500	20,347	153
Maintenance and Repairs	8,000	4,335	3,665
CarMax Sales Tax	289,000	243,085	45,915
Disability Personnel Insurance	87,000	53,937	33,063
Retired Personnel Health Insurance	272,000	206,090	65,910
Retired Personnel Dental Insurance	21,000	14,871	6,129
Retired Personnel Vision Insurance	3,000	1,973	1,027
Sales Tax Pledge Hillside Town Center	750,000	857,128	(107,128)
MLK Breakfast	4,000	4,547	(547)
Advertising Annual Report	1,000	800	200
Christmas Walk	500	170	330
Cemetery Tour	1,500	2,369	(869)
Historical Society Grant	5,000	5,000	-
Total General Expenses	<u>1,698,500</u>	<u>1,641,815</u>	<u>56,685</u>
Economic Development			
Economic Development	75,000	152,088	(77,088)
Total Economic Development Expenses	<u>75,000</u>	<u>152,088</u>	<u>(77,088)</u>
Total General Administration	<u>3,866,785</u>	<u>3,687,756</u>	<u>179,029</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Public Safety			
Police Department			
Salaries Full-Time	\$ 2,464,100	\$ 2,433,982	\$ 30,118
Salaries Part-Time	60,000	22,809	37,191
Salaries Crossing Guards	19,000	13,698	5,302
Overtime	243,000	240,278	2,722
Holiday & Sickpay	110,000	109,796	204
Medicare	41,000	40,800	200
Social Security	23,000	12,090	10,910
IMRF	73,000	58,285	14,715
Health Insurance Costs	711,000	708,184	2,816
Dental Insurance Costs	44,000	42,163	1,837
Vision Insurance Costs	7,000	6,717	283
Life Insurance Costs	12,000	10,828	1,172
Employee Assistance Program	750	457	293
Maintenance Contracts	23,000	20,765	2,235
Maintenance of Computer Equipment	200	95	105
Maintenance of Automotive Equipment	50,000	53,990	(3,990)
Maintenance of Communication Equipment	100	193	(93)
Animal Shelter Services	3,000	2,115	885
Towing Services	5,000	3,725	1,275
Travel & Conference Expense	1,500	1,362	138
Training School Expense	15,000	14,494	506
Office Supplies	3,500	2,394	1,106
Stationery & Forms	5,400	4,238	1,162
Office Furniture/Equipment	6,000	-	6,000
Minor Equipment & Hardware	3,750	3,437	313
Food & Beverage Supplies	4,700	3,640	1,060
Gasoline & Diesel Fuel	90,000	76,254	13,746
Licensing Supplies	2,200	1,882	318
Clothing	25,000	24,563	437
Chemicals & Ammunition	7,500	6,104	1,396
Medical & Lab Supplies	6,000	1,395	4,605
Photographic Supplies	3,200	1,578	1,622
Copy Machine Supplies	10,000	8,985	1,015
Computer Equipment	2,500	919	1,581
Safety Equipment	2,000	1,371	629
Membership Fees	3,300	3,265	35
Publications	900	168	732
Postage	4,100	4,055	45
Telephone	18,500	14,897	3,603
Cellular Telephones	15,000	14,755	245
Accreditation Services	-	2,450	(2,450)
Meals & Prov. for Prison	4,000	1,646	2,354
NIPAS Contribution	1,000	-	1,000
Community Policing	12,000	9,415	2,585
DUI Expenses	2,500	2,335	165
Bullying Grant	-	12,186	(12,186)
Tobacco Grant	4,300	2,268	2,032

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Red Light Camera Expenses	\$ 13,000	\$ 11,406	\$ 1,594
Actuarial Requirement	<u>1,342,796</u>	<u>1,514,719</u>	<u>(171,923)</u>
Total Police Department	<u>5,498,796</u>	<u>5,527,151</u>	<u>(28,355)</u>
Fire Department			
Salaries Full-Time	1,989,000	1,866,931	122,069
Salaries Full-Part Time Fire Prevention	24,000	23,100	900
Overtime	178,000	176,249	1,751
Holiday & Sickpay	91,000	90,828	172
Medicare	31,000	30,894	106
Social Security	3,000	2,133	867
IMRF	9,000	8,996	4
Health Insurance Costs	561,000	559,997	1,003
Dental Insurance Costs	33,000	32,281	719
Vision Insurance Costs	5,000	4,797	203
Life Insurance Costs	10,000	9,214	786
Employee Assistance Program	700	410	290
Maintenance Contracts	10,245	8,935	1,310
Maintenance of Computer Equipment	3,900	4,421	(521)
Maintenance of Office Equipment	1,500	119	1,381
Maintenance of Automotive Equipment	42,000	37,077	4,923
Maintenance of Communication Equipment	18,000	20,339	(2,339)
Maintenance of Other Equipment	6,000	5,736	264
Maintenance of Building	18,000	13,179	4,821
Travel & Conference Expense	2,200	908	1,292
Training School Expense	7,000	3,118	3,882
Office Supplies	2,500	1,186	1,314
Stationery & Forms	1,500	640	860
Minor Equipment & Hardware	500	20	480
Gasoline & Diesel Fuel	35,000	32,922	2,078
Clothing	8,500	7,943	557
Janitorial Supplies	3,000	2,021	979
Photographic Supplies	500	33	467
Training Supplies	13,000	10,937	2,063
Rental/Equipment-Oxygen	3,500	507	2,993
Medical & Lab Supplies	23,000	22,388	612
Safety Equipment	15,500	19,520	(4,020)
Membership Fees	1,500	1,429	71
Publications	2,565	2,175	390
Awards & Recognitions	1,350	930	420
Postage	800	190	610
Telephone	20,000	15,698	4,302
Cellular Telephones	3,600	1,847	1,753
Fireman's Fund Grant	-	16,091	(16,091)
Medical & Hospital Services	6,500	6,115	385
Actuarial Requirement	<u>859,827</u>	<u>1,006,335</u>	<u>(146,508)</u>
Total Fire Department	<u>4,046,187</u>	<u>4,048,589</u>	<u>(2,402)</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
ESDA			
Maintenance of Office Equipment	\$ 400	\$ 400	\$ -
Maintenance of Automotive Equipment	1,400	997	403
Maintenance of Other Equipment	450	431	19
Office Supplies	50	-	50
Minor Equipment & Hardware	500	192	308
Food & Beverage Supplies	400	328	72
Gasoline & Diesel Fuel	1,800	1,682	118
Clothing	350	577	(227)
Safety Equipment	-	506	(506)
Medical & Lab Supplies	-	205	(205)
Awards & Recognitions	150	140	10
Telephone	1,800	1,950	(150)
Cellular Telephones	400	467	(67)
Total ESDA	<u>7,700</u>	<u>7,875</u>	<u>(175)</u>
Fire & Police Commission			
Salaries- Part Time	2,200	2,085	115
Medicare	50	30	20
Social Security	100	61	39
Testing & Interviewing Expense	18,000	13,221	4,779
Travel & Conference Expense	2,500	2,178	322
Membership Fees	1,000	375	625
Postage	300	-	300
Printing	1,000	395	605
Legal Fees	7,500	6,976	524
Advertising	11,800	13,915	(2,115)
Physicals	2,000	-	2,000
Total Fire & Police Commission	<u>46,450</u>	<u>39,236</u>	<u>7,214</u>
Total Public Safety	<u>9,599,133</u>	<u>9,622,851</u>	<u>(23,718)</u>
Streets			
Public Works			
Salaries Full-Time	268,000	268,727	(727)
Overtime	16,000	15,782	218
Medicare	5,000	4,250	750
Social Security	13,000	12,025	975
IMRF	42,000	41,767	233
Health Insurance Costs	74,000	71,976	2,024
Sick and Vacation Pay	10,000	9,099	901
Dental Insurance Costs	5,000	4,382	618
Vision Insurance Costs	1,000	695	305
Life Insurance Costs	2,000	1,171	829
Employee Assistance Program	100	26	74
Archtrl/Engineering Services	97,000	169,999	(72,999)
Maintenance Contracts	8,500	8,156	344

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Maintenance of Automotive Equipment	\$ 3,000	\$ 8,213	\$ (5,213)
Maintenance of Communication Equipment	4,000	204	3,796
Maintenance of Other Equipment	1,000	369	631
Maintenance of Building	8,000	2,724	5,276
Maintenance of Storm Water Facility	25,000	24,765	235
Maintenance of Commons	15,000	9,305	5,695
Maintenance of Sidewalks	6,000	5,160	840
Maintenance of Landscape Areas	120,000	114,869	5,131
Tree Removal / Trimming	45,000	42,398	2,602
Maintenance of Park-N-Ride	2,000	-	2,000
Travel & Conference Expense	500	122	378
Training School Expense	1,000	25	975
Office Supplies	2,000	1,241	759
Stationery & Forms	1,000	-	1,000
Office Furniture/Equipment	1,500	-	1,500
Minor Equipment & Hardware	3,500	2,367	1,133
Food & Beverage Supplies	2,500	2,442	58
Gasoline & Diesel Fuel	40,000	38,478	1,522
Licensing Supplies	500	99	401
Clothing	10,500	7,156	3,344
Janitorial Supplies	2,000	1,735	265
Chemicals	1,000	836	164
Electricity	15,000	10,225	4,775
Other Machinery & Equipment	1,000	-	1,000
Safety Equipment	3,000	1,793	1,207
Horticultural Supplies	500	-	500
Membership Fees	500	182	318
Postage	2,000	85	1,915
Telephone	25,000	16,964	8,036
Cellular Telephones	4,500	2,754	1,746
Advertising	500	-	500
Alarm Service	750	444	306
Total Public Works	889,350	903,010	(13,660)
Streets & Bridges			
Salaries Full-Time	210,000	186,053	23,947
Overtime	18,000	17,827	173
Sick Pay	3,000	2,868	132
Medicare	4,000	2,987	1,013
Social Security	9,000	8,450	550
IMRF	31,000	32,350	(1,350)
Health Insurance Costs	72,000	71,707	293
Dental Insurance Costs	5,000	4,382	618
Vision Insurance Costs	1,000	547	453
Life Insurance Costs	1,000	951	49
Employee Assistance Program	150	53	97
Maintenance of Automotive Equipment	25,000	22,718	2,282
Maintenance of Other Equipment	1,000	369	631

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Maintenance of Traffic Signals	\$ 12,000	\$ 11,571	\$ 429
Maintenance of Streets	103,100	29,352	73,748
Street Sweeping	25,000	18,180	6,820
Maintenance of Street Lights	12,000	4,310	7,690
Street Patching	77,000	78,231	(1,231)
Snow Removal	65,000	13,430	51,570
Minor Equipment & Hardware	1,000	799	201
Electricity	160,000	92,963	67,037
Printing	500	-	500
Street Signs	60,000	16,776	43,224
Purchase Narrow Band Radios	9,800	-	9,800
Maintenance & Repairs of Butterfield Rd	2,500	-	2,500
	<u>908,050</u>	<u>616,874</u>	<u>291,176</u>
Total Streets & Bridges			
Total Streets	<u>1,797,400</u>	<u>1,519,884</u>	<u>277,516</u>
Culture and Recreation			
Youth Commission			
Clothing	1,400	1,395	5
Bowling	130	128	2
Youth Athletic Parade	10	85	(75)
Easter Expenses	1,750	1,266	484
Halloween Expenses	1,600	1,583	17
Christmas Walk	410	410	-
	<u>5,300</u>	<u>4,867</u>	<u>433</u>
Total Youth Commission			
Community Center			
Maintenance Contracts	2,500	2,328	172
Maintenance of Building	15,000	211	14,789
Cleaning Contract	6,000	4,345	1,655
Minor Equipment & Hardware	250	-	250
Roof Repairs	25,000	-	25,000
Telephone	750	442	308
	<u>49,500</u>	<u>7,326</u>	<u>42,174</u>
Total Community Center			
Senior Citizen Program			
Reception & Entertainment	5,000	1,749	3,251
Minor Equipment & Hardware	1,200	1,200	-
Bus Rental	9,000	5,742	3,258
	<u>15,200</u>	<u>8,691</u>	<u>6,509</u>
Total Senior Citizen Program			
Total Culture and Recreation	<u>70,000</u>	<u>20,884</u>	<u>49,116</u>
Debt Service - Principal	83,702	83,702	-
Debt Service - Interest and Fees	15,298	14,858	440
Total Expenditures	<u>\$ 15,432,318</u>	<u>\$ 14,949,935</u>	<u>\$ 482,383</u>

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - LIABILITY INSURANCE ACCOUNT
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 250,000	\$ 248,302	\$ (1,698)
Total Revenues	<u>250,000</u>	<u>248,302</u>	<u>(1,698)</u>
Expenditures			
Current			
General Administration			
Liability Insurance	<u>250,000</u>	<u>177,534</u>	<u>72,466</u>
Total Expenditures	<u>250,000</u>	<u>177,534</u>	<u>72,466</u>
Net Change in Fund Balance	<u>\$ -</u>	70,768	<u>\$ 70,768</u>
Fund Balance at Beginning of Year		<u>28,238</u>	
Fund Balance at End of Year		<u>\$ 99,006</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - WORKMENS' COMPENSATION ACCOUNT
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 285,000	\$ 259,338	\$ (25,662)
Miscellaneous	<u>-</u>	<u>56,969</u>	<u>56,969</u>
Total Revenues	<u>285,000</u>	<u>316,307</u>	<u>31,307</u>
Expenditures			
Current			
General Administration			
Workers Compensation	<u>285,000</u>	<u>191,375</u>	<u>93,625</u>
Total Expenditures	<u>285,000</u>	<u>191,375</u>	<u>93,625</u>
Net Change in Fund Balance	<u>\$ -</u>	124,932	<u>\$ 124,932</u>
Fund Balance at Beginning of Year		<u>(115,832)</u>	
Fund Balance at End of Year		<u>\$ 9,100</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - UNEMPLOYMENT COMPENSATION ACCOUNT
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 20,000	\$ -	\$ (20,000)
Miscellaneous	<u>-</u>	<u>4,956</u>	<u>4,956</u>
Total Revenues	<u>20,000</u>	<u>4,956</u>	<u>(15,044)</u>
Expenditures			
Current			
General Administration			
Unemployment Claims	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net Change in Fund Balance	<u>\$ -</u>	4,956	<u>\$ 4,956</u>
Fund Balance at Beginning of Year		<u>27,954</u>	
Fund Balance at End of Year		<u>\$ 32,910</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - EQUIPMENT REPLACEMENT ACCOUNT
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 807,500	\$ 807,500	\$ -
Charges for Services	300,000	317,230	17,230
Fines and Fees	<u>200,000</u>	<u>71,507</u>	<u>(128,493)</u>
Total Revenues	<u>1,307,500</u>	<u>1,196,237</u>	<u>(111,263)</u>
Expenditures			
Current			
General Administration	245,000	145,858	99,142
Public Safety	80,000	863,589	(783,589)
Highway and Streets	<u>130,000</u>	<u>139,676</u>	<u>(9,676)</u>
Total Expenditures	<u>455,000</u>	<u>1,149,123</u>	<u>(694,123)</u>
Net Change in Fund Balance	<u>\$ 852,500</u>	47,114	<u>\$ (805,386)</u>
Fund Balance at Beginning of Year		<u>1,089,802</u>	
Fund Balance at End of Year		<u>\$ 1,136,916</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 MANNHEIM ROAD TIF FUND
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 2,000,000	\$ 2,499,995	\$ 499,995
Investment Income	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Revenues	<u>2,001,000</u>	<u>2,499,995</u>	<u>498,995</u>
Expenditures			
Current			
General Administration	<u>1,030,000</u>	<u>1,383,723</u>	<u>(353,723)</u>
Total Expenditures	<u>1,030,000</u>	<u>1,383,723</u>	<u>(353,723)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>971,000</u>	<u>1,116,272</u>	<u>145,272</u>
Other Financing Sources (Uses)			
Transfers Out	<u>-</u>	<u>(5,740)</u>	<u>(5,740)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(5,740)</u>	<u>(5,740)</u>
Net Change in Fund Balance	<u>\$ 971,000</u>	1,110,532	<u>\$ 139,532</u>
Fund Balance at Beginning of Year		<u>2,095,087</u>	
Fund Balance at End of Year		<u>\$ 3,205,619</u>	

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purpose. The Village maintains the following Special Revenue Funds:

The Motor Fuel Tax Fund accounts for maintenance of Village-owned streets, including winter salting, repaving, and electricity for street lights. Financing is provided by the Village's share of state motor fuel tax allotments. State law requires these allotments to be used to maintain streets.

The Disposal Service Fund accounts for revenues and expenditures for garbage disposal. Financing is provided by a specific annual property tax levy.

The E911 Fund accounts for revenues and expenditures to maintain the emergency 911 phone system.

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

The Debt Service Fund accounts for the accumulation of resources for and all payment of general long-term debt principal, interest and related costs.

Capital Projects Funds are used to account for the purchase or construction of major capital facilities that are not financed by Proprietary Funds, Special Assessment Funds, or Trust Funds. Capital Projects Funds must be used when they are legally mandated or when projects are financed wholly or in part by bond issues, intergovernmental revenues, or major private donations.

The Business Park TIF Fund accounts for redevelopment costs within the Business Park tax increment district.

The TIF Shopping Center Fund accounts for redevelopment costs within the Hillside Mall, a tax increment district, incidental costs associated with the bond sale and for capitalized interest through proceeds of the 1992 General Obligation Tax Increment Bond Issue.

VILLAGE OF HILLSIDE, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 April 30, 2012

	Special Revenue Funds			Total Nonmajor Special Revenue Funds
	Motor Fuel Tax Fund	Disposal Service Fund	E 911 Fund	
ASSETS				
Cash & Investments	\$ 316,335	\$ 359,866	\$ 377,078	\$ 1,053,279
Receivables				
Property Taxes	-	199,997	-	199,997
Intergovernmental	<u>33,477</u>	<u>-</u>	<u>-</u>	<u>33,477</u>
Total Assets	<u>\$ 349,812</u>	<u>\$ 559,863</u>	<u>\$ 377,078</u>	<u>\$ 1,286,753</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ -	\$ 47,321	\$ 2,890	\$ 50,211
Deferred Revenue	<u>-</u>	<u>199,997</u>	<u>-</u>	<u>199,997</u>
Total Liabilities	<u>-</u>	<u>247,318</u>	<u>2,890</u>	<u>250,208</u>
Fund Balances				
Restricted				
Streets and Highways	349,812	-	-	349,812
Sanitation	-	312,545	-	312,545
Public Safety	-	-	374,188	374,188
Debt Service	-	-	-	-
Economic Development	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>349,812</u>	<u>312,545</u>	<u>374,188</u>	<u>1,036,545</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 349,812</u>	<u>\$ 559,863</u>	<u>\$ 377,078</u>	<u>\$ 1,286,753</u>

Debt Service Fund	Capital Project Funds			Total Nonmajor Governmental Funds
Debt Service Fund	Business Park TIF Fund	TIF Shopping Center Fund	Total Capital Project Funds	
\$ 403,716	\$ 104,519	\$ 903,778	\$ 1,008,297	\$ 2,465,292
248,081	-	-	-	448,078
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,477</u>
<u>\$ 651,797</u>	<u>\$ 104,519</u>	<u>\$ 903,778</u>	<u>\$ 1,008,297</u>	<u>\$ 2,946,847</u>
\$ -	\$ 101,389	\$ 1,470	\$ 102,859	\$ 153,070
248,081	-	-	-	448,078
<u>248,081</u>	<u>101,389</u>	<u>1,470</u>	<u>102,859</u>	<u>601,148</u>
-	-	-	-	349,812
-	-	-	-	312,545
-	-	-	-	374,188
403,716	-	-	-	403,716
<u>-</u>	<u>3,130</u>	<u>902,308</u>	<u>905,438</u>	<u>905,438</u>
<u>403,716</u>	<u>3,130</u>	<u>902,308</u>	<u>905,438</u>	<u>2,345,699</u>
<u>\$ 651,797</u>	<u>\$ 104,519</u>	<u>\$ 903,778</u>	<u>\$ 1,008,297</u>	<u>\$ 2,946,847</u>

VILLAGE OF HILLSIDE, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2012

	Special Revenue Funds			Total Nonmajor Special Revenue Funds
	Motor Fuel Tax Fund	Disposal Service Fund	E 911 Fund	
Revenues				
Property Taxes	\$ -	\$ 518,676	\$ -	\$ 518,676
Taxes	-	-	93,688	93,688
Intergovernmental Revenues	202,498	-	-	202,498
Charges for Services	-	30	-	30
Investment Income	131	-	-	131
Total Revenues	<u>202,629</u>	<u>518,706</u>	<u>93,688</u>	<u>815,023</u>
Expenditures				
Current				
General Administration	-	-	-	-
Public Safety	-	-	34,111	34,111
Highway and Streets	2,810	-	-	2,810
Sanitation	-	519,974	-	519,974
Debt Service - Principal	155,000	-	-	155,000
Debt Service - Interest and Fees	63,333	-	-	63,333
Total Expenditures	<u>221,143</u>	<u>519,974</u>	<u>34,111</u>	<u>775,228</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,514)</u>	<u>(1,268)</u>	<u>59,577</u>	<u>39,795</u>
Other Financing Sources (Uses)				
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(18,514)	(1,268)	59,577	39,795
Fund Balance at Beginning of Year	<u>368,326</u>	<u>313,813</u>	<u>314,611</u>	<u>996,750</u>
Fund Balance at End of Year	<u>\$ 349,812</u>	<u>\$ 312,545</u>	<u>\$ 374,188</u>	<u>\$ 1,036,545</u>

Debt Service Fund	Capital Project Funds			Total Nonmajor Governmental Funds
Debt Service Fund	Business Park TIF Fund	TIF Shopping Center Fund	Total Capital Project Funds	
\$ 1,059,535	\$ 292,899	\$ 933,301	\$ 1,226,200	\$ 2,804,411
-	-	-	-	93,688
-	-	-	-	202,498
-	-	-	-	30
-	317	4,263	4,580	4,711
<u>1,059,535</u>	<u>293,216</u>	<u>937,564</u>	<u>1,230,780</u>	<u>3,105,338</u>
-	219,860	61,470	281,330	281,330
-	-	-	-	34,111
-	-	5,815	5,815	8,625
-	-	-	-	519,974
1,315,000	-	985,000	985,000	2,455,000
55,817	-	39,400	39,400	158,550
<u>1,370,817</u>	<u>219,860</u>	<u>1,091,685</u>	<u>1,311,545</u>	<u>3,457,590</u>
<u>(311,282)</u>	<u>73,356</u>	<u>(154,121)</u>	<u>(80,765)</u>	<u>(352,252)</u>
-	(95,166)	-	(95,166)	(95,166)
-	(95,166)	-	(95,166)	(95,166)
(311,282)	(21,810)	(154,121)	(175,931)	(447,418)
<u>714,998</u>	<u>24,940</u>	<u>1,056,429</u>	<u>1,081,369</u>	<u>2,793,117</u>
<u>\$ 403,716</u>	<u>\$ 3,130</u>	<u>\$ 902,308</u>	<u>\$ 905,438</u>	<u>\$ 2,345,699</u>

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 MOTOR FUEL TAX FUND
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental Revenues	\$ 215,000	\$ 202,498	\$ (12,502)
Investment Income	<u>1,000</u>	<u>131</u>	<u>(869)</u>
Total Revenues	<u>216,000</u>	<u>202,629</u>	<u>(13,371)</u>
Expenditures			
Current			
Highways and Streets			
Street Resurfacing Project	-	2,810	(2,810)
Debt Service - Principal	250,000	155,000	95,000
Debt Service - Interest and Fees	<u>75,500</u>	<u>63,333</u>	<u>12,167</u>
Total Expenditures	<u>325,500</u>	<u>221,143</u>	<u>104,357</u>
Net Change in Fund Balance	<u>\$ (109,500)</u>	(18,514)	<u>\$ 90,986</u>
Fund Balance at Beginning of Year		<u>368,326</u>	
Fund Balance at End of Year		<u>\$ 349,812</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 DISPOSAL SERVICE FUND
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Property Taxes	\$ 615,000	\$ 518,676	\$ (96,324)
Charges for Services	<u>-</u>	<u>30</u>	<u>30</u>
Total Revenues	<u>615,000</u>	<u>518,706</u>	<u>(96,294)</u>
Expenditures			
Current			
Sanitation	<u>615,000</u>	<u>519,974</u>	<u>95,026</u>
Total Expenditures	<u>615,000</u>	<u>519,974</u>	<u>95,026</u>
Net Change in Fund Balance	<u>\$ -</u>	(1,268)	<u>\$ (1,268)</u>
Fund Balance at Beginning of Year		<u>313,813</u>	
Fund Balance at End of Year		<u>\$ 312,545</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 E 911 FUND
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes	\$ 150,000	\$ 93,688	\$ (56,312)
Investment Income	<u>100</u>	<u>-</u>	<u>(100)</u>
Total Revenues	<u>150,100</u>	<u>93,688</u>	<u>(56,412)</u>
Expenditures			
Current			
Public Safety	<u>170,100</u>	<u>34,111</u>	<u>135,989</u>
Total Expenditures	<u>170,100</u>	<u>34,111</u>	<u>135,989</u>
Net Change in Fund Balance	<u>\$ (20,000)</u>	59,577	<u>\$ 79,577</u>
Fund Balance at Beginning of Year		<u>314,611</u>	
Fund Balance at End of Year		<u>\$ 374,188</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 DEBT SERVICE FUND
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 1,100,000	\$ 1,059,535	\$ (40,465)
Total Revenues	<u>1,100,000</u>	<u>1,059,535</u>	<u>(40,465)</u>
Expenditures			
Debt Service - Principal	1,200,000	1,315,000	(115,000)
Debt Service - Interest and Fees	<u>125,500</u>	<u>55,817</u>	<u>69,683</u>
Total Expenditures	<u>1,325,500</u>	<u>1,370,817</u>	<u>(45,317)</u>
Net Change in Fund Balance	<u>\$ (225,500)</u>	(311,282)	<u>\$ (85,782)</u>
Fund Balance at Beginning of Year		<u>714,998</u>	
Fund Balance at End of Year		<u>\$ 403,716</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 BUSINESS PARK TIF FUND
 Year Ended April 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 200,000	\$ 292,899	\$ 92,899
Investment Income	<u>1,000</u>	<u>317</u>	<u>(683)</u>
Total Revenues	<u>201,000</u>	<u>293,216</u>	<u>92,216</u>
Expenditures			
Current			
General Administration	<u>425,000</u>	<u>219,860</u>	<u>205,140</u>
Total Expenditures	<u>425,000</u>	<u>219,860</u>	<u>205,140</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(224,000)</u>	<u>73,356</u>	<u>297,356</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(75,000)</u>	<u>(95,166)</u>	<u>(20,166)</u>
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>(95,166)</u>	<u>(20,166)</u>
Net Change in Fund Balance	<u>\$ (299,000)</u>	<u>(21,810)</u>	<u>\$ 277,190</u>
Fund Balance at Beginning of Year		<u>24,940</u>	
Fund Balance at End of Year		<u>\$ 3,130</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 TIF SHOPPING CENTER FUND
 Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 1,200,000	\$ 933,301	\$ (266,699)
Investment Income	<u>10,000</u>	<u>4,263</u>	<u>(5,737)</u>
Total Revenues	<u>1,210,000</u>	<u>937,564</u>	<u>(272,436)</u>
Expenditures			
Current			
General Administration	-	61,470	(61,470)
Highway and Streets	-	5,815	(5,815)
Debt Service - Principal	985,000	985,000	-
Debt Service - Interest and Fees	<u>50,500</u>	<u>39,400</u>	<u>11,100</u>
Total Expenditures	<u>1,035,500</u>	<u>1,091,685</u>	<u>(56,185)</u>
Net Change in Fund Balance	<u>\$ 174,500</u>	(154,121)	<u>\$ (328,621)</u>
Fund Balance at Beginning of Year		<u>1,056,429</u>	
Fund Balance at End of Year		<u>\$ 902,308</u>	

FIDUCIARY FUNDS

Fiduciary Funds are used to account for resources received and held by a governmental unit as agent or trustee for individuals, private organizations or other governments. The Village maintains the following Fiduciary Funds:

The Police Pension Fund accounts for the accumulation of resources to be used for retirement annuity payments of Police Personnel at appropriate amounts and times in the future. The funds do not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by a special tax levy, and by mandated allocation of personal property replacement tax. Total taxes to be levied are determined by actuarial studies.

The Firefighters Pension Fund accounts for the accumulation of resources to be used for retirement annuity payments of Fire Department Personnel at appropriate amounts and times in the future. The funds do not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by a special tax levy, and by mandated allocation of personal property replacement tax. Total taxes to be levied are determined by actuarial studies.

VILLAGE OF HILLSIDE, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 April 30, 2012

EXHIBIT 19

	<u>Police Pension Fund</u>	<u>Fire Pension Fund</u>	<u>Total</u>
ASSETS			
Cash & Investments			
Money Markets	\$ 268,999	\$ 347,063	\$ 616,062
U.S. Government and Agency Obligations	6,678,694	8,153,598	14,832,292
Mutual Funds	6,487,896	201,218	6,689,114
Stocks	-	571,691	571,691
State and Local Obligations	712,804	-	712,804
Total Cash & Investments	<u>14,148,393</u>	<u>9,273,570</u>	<u>23,421,963</u>
Receivables			
Interest Receivable	72,294	4,058	76,352
Due from Primary Government	121,343	119,831	241,174
Total Receivables	<u>193,637</u>	<u>123,889</u>	<u>317,526</u>
Other Assets	<u>4,837</u>	<u>6,224</u>	<u>11,061</u>
Total Assets	<u>\$ 14,346,867</u>	<u>\$ 9,403,683</u>	<u>\$ 23,750,550</u>
LIABILITIES			
Accounts Payable	<u>\$ 4,984</u>	<u>\$ 4,750</u>	<u>\$ 9,734</u>
Total Liabilities	<u>4,984</u>	<u>4,750</u>	<u>9,734</u>
NET ASSETS			
Held for Employees' pension benefits	<u>14,341,883</u>	<u>9,398,933</u>	<u>23,740,816</u>
Total Liabilities and Net Assets	<u>\$ 14,346,867</u>	<u>\$ 9,403,683</u>	<u>\$ 23,750,550</u>

VILLAGE OF HILLSIDE, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 Year ended April 30, 2012

	Police Pension Fund	Fire Pension Fund	Total
ADDITIONS			
Contributions			
Employer	\$ 1,514,719	\$ 1,006,335	\$ 2,521,054
Plan Members	<u>211,131</u>	<u>176,923</u>	<u>388,054</u>
Total Contributions	<u>1,725,850</u>	<u>1,183,258</u>	<u>2,909,108</u>
Investment Income			
Net appreciation in fair value of investments	573,516	231,234	804,750
Less investment expense	<u>(53,078)</u>	<u>(35,532)</u>	<u>(88,610)</u>
Net Investment Income	<u>520,438</u>	<u>195,702</u>	<u>716,140</u>
Total Additions	<u>2,246,288</u>	<u>1,378,960</u>	<u>3,625,248</u>
DEDUCTIONS			
Benefits	1,474,222	824,637	2,298,859
Administrative Expenses	<u>26,908</u>	<u>16,843</u>	<u>43,751</u>
Total Deductions	<u>1,501,130</u>	<u>841,480</u>	<u>2,342,610</u>
Change in Net Assets	745,158	537,480	1,282,638
Net assets at Beginning of Year	<u>13,596,725</u>	<u>8,861,453</u>	<u>22,458,178</u>
Net assets at End of Year	<u>\$ 14,341,883</u>	<u>\$ 9,398,933</u>	<u>\$ 23,740,816</u>

Statistical Section

This part of the Village of Hillside's 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.

Contents

Tables

Financial Trends

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

Revenue Capacity

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These tables contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.

Debt Capacity

10, 11, 12

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

Demographic and Economic Information

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These tables offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

15, 16, 17

These tables contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

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

Village of Hillside
Net Assets by Component
Last Nine Fiscal Years
(Unaudited)

	Fiscal Year		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities			
Invested in capital assets, net of related debt	\$ 21,019,908	\$ 18,403,981	\$ 17,023,618
Restricted	4,766,458	4,192,886	2,535,631
Unrestricted	<u>(2,814,260)</u>	<u>(4,195,682)</u>	<u>(3,810,770)</u>
Total governmental activities net assets	<u>\$ 22,972,106</u>	<u>\$ 18,401,185</u>	<u>\$ 15,748,479</u>
Business-type activities			
Invested in capital assets, net of related debt	\$ 4,830,332	\$ 4,964,345	\$ 5,107,468
Unrestricted	<u>3,983,950</u>	<u>4,069,042</u>	<u>4,268,218</u>
Total business-type activities net assets	<u>\$ 8,814,282</u>	<u>\$ 9,033,387</u>	<u>\$ 9,375,686</u>
Primary government			
Invested in capital assets, net of related debt	\$ 25,850,240	\$ 23,368,326	\$ 22,131,086
Restricted	4,766,458	4,192,886	2,535,631
Unrestricted	<u>1,169,690</u>	<u>(126,640)</u>	<u>457,448</u>
Total primary government net assets	<u>\$ 31,786,388</u>	<u>\$ 27,434,572</u>	<u>\$ 25,124,165</u>

Notes: Accrual basis of accounting

The Village began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

Table 1

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 15,635,233	\$ 13,220,989	\$ 11,914,288	\$ 8,920,129	\$ 11,236,403	\$ 5,475,472
5,272,339	4,494,602	4,943,432	6,715,079	3,330,867	140,459
(4,316,639)	(341,771)	(2,481,090)	(909,345)	(1,740,767)	4,148,653
<u>\$ 16,590,933</u>	<u>\$ 17,373,820</u>	<u>\$ 14,376,630</u>	<u>\$ 14,725,863</u>	<u>\$ 12,826,503</u>	<u>\$ 9,764,584</u>
\$ 5,242,267	\$ 5,377,120	\$ 5,512,285	\$ 5,647,450	\$ 5,801,486	\$ 5,929,169
4,423,902	4,983,874	5,232,390	5,153,075	4,923,543	4,734,838
<u>\$ 9,666,169</u>	<u>\$ 10,360,994</u>	<u>\$ 10,744,675</u>	<u>\$ 10,800,525</u>	<u>\$ 10,725,029</u>	<u>\$ 10,664,007</u>
\$ 20,877,500	\$ 18,598,109	\$ 17,426,573	\$ 14,567,579	\$ 17,037,889	\$ 11,404,641
5,272,339	4,494,602	4,943,432	6,715,079	3,330,867	140,459
107,263	4,642,103	2,751,300	4,243,730	3,182,776	8,883,491
<u>\$ 26,257,102</u>	<u>\$ 27,734,814</u>	<u>\$ 25,121,305</u>	<u>\$ 25,526,388</u>	<u>\$ 23,551,532</u>	<u>\$ 20,428,591</u>

Village of Hillside
Changes in Net Assets
Last Nine Fiscal Years
(Unaudited)

	Fiscal Year			
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses				
Governmental activities:				
General government	\$ 6,294,698	\$ 5,799,059	\$ 8,935,728	\$ 5,742,740
Public Safety	9,853,021	9,529,806	10,157,524	9,320,260
Streets	1,893,563	1,896,922	1,920,586	2,649,025
Culture & Recreation	33,411	41,318	105,452	88,411
Sanitation	519,974	528,911	523,085	546,400
Interest on Debt	173,941	255,539	385,599	477,626
Total governmental activities expenses	<u>18,768,608</u>	<u>18,051,555</u>	<u>22,027,974</u>	<u>18,824,462</u>
Business-type activities:				
Water	2,421,090	2,396,050	2,224,790	2,477,043
Sewer	66,959	35,786	47,085	85,886
Total business-type activities expenses	<u>2,488,049</u>	<u>2,431,836</u>	<u>2,271,875</u>	<u>2,562,929</u>
Total primary government expenses	<u>21,256,657</u>	<u>20,483,391</u>	<u>24,299,849</u>	<u>21,387,391</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	999,518	1,024,132	1,719,423	1,059,454
Public safety	1,442,455	636,135	360,744	443,789
Sanitation	30	92,980	110,188	1,768
Operating grants and contributions	203,647	206,362	240,717	220,678
Capital grants and contributions	805,288	-	19,375	19,522
Total governmental activities program revenues	<u>3,450,938</u>	<u>1,959,609</u>	<u>2,450,447</u>	<u>1,745,211</u>
Business-type activities:				
Charges for services:				
Water	2,062,859	1,918,302	1,792,337	1,693,725
Sewer	123,331	130,903	129,025	124,885
Total business-type activities program revenues	<u>2,186,190</u>	<u>2,049,205</u>	<u>1,921,362</u>	<u>1,818,610</u>
Total primary government program revenues	<u>5,637,128</u>	<u>4,008,814</u>	<u>4,371,809</u>	<u>3,563,821</u>
Net (Expense)/Revenue				
Governmental activities	(15,317,670)	(16,091,946)	(19,577,527)	(17,079,251)
Business-type activities	(301,859)	(382,631)	(350,513)	(744,319)
Total primary government net expense	<u>(15,619,529)</u>	<u>(16,474,577)</u>	<u>(19,928,040)</u>	<u>(17,823,570)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property Taxes	13,144,456	12,636,469	12,499,174	9,998,764
Taxes	5,579,324	5,321,789	5,047,588	4,591,862
Unrestricted Intergovernmental Revenue	845,999	806,252	768,939	889,563
Investment Income	11,250	9,386	105,762	163,648
Gain on sale of fixed assets	26,111	-	1,756	180,075
Miscellaneous	279,239	404,092	311,854	472,452
Total governmental activities	<u>19,886,379</u>	<u>19,177,988</u>	<u>18,735,073</u>	<u>16,296,364</u>
Business-type activities:				
Property Taxes	82,754	48,237	60,030	49,494
Investment earnings	-	-	-	-
Total business-type activities	<u>82,754</u>	<u>48,237</u>	<u>60,030</u>	<u>49,494</u>
Total primary government	<u>19,969,133</u>	<u>19,226,225</u>	<u>18,795,103</u>	<u>16,345,858</u>
Change in Net Assets				
Governmental activities	4,568,709	3,086,042	(842,454)	(782,887)
Business-type activities	(219,105)	(334,394)	(290,483)	(694,825)
Total primary government	<u>\$ 4,349,604</u>	<u>\$ 2,751,648</u>	<u>\$ (1,132,937)</u>	<u>\$ (1,477,712)</u>

Notes: Accrual basis of accounting

The Village began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	4,612,903	\$ 2,967,524	\$ 4,568,640	\$ 2,944,742	\$ 3,357,772
	8,199,765	8,167,835	6,861,036	6,615,805	6,145,753
	2,032,177	3,925,163	2,917,607	2,136,364	2,465,737
	130,609	10,683	123,711	175,874	156,723
	514,559	503,961	502,545	498,559	477,690
	519,630	650,471	516,333	684,253	714,081
	<u>16,009,643</u>	<u>16,225,637</u>	<u>15,489,872</u>	<u>13,055,597</u>	<u>13,317,756</u>
	2,302,241	2,251,069	2,091,186	1,889,415	1,849,715
	60,188	90,724	22,930	78,261	64,857
	<u>2,362,429</u>	<u>2,341,793</u>	<u>2,114,116</u>	<u>1,967,676</u>	<u>1,914,572</u>
	<u>18,372,072</u>	<u>18,567,430</u>	<u>17,603,988</u>	<u>15,023,273</u>	<u>15,232,328</u>
	2,046,400	925,214	876,348	905,735	731,078
	361,050	181,881	123,888	160,314	163,543
	16,182	19,394	17,788	17,751	50,995
	231,739	270,540	241,996	258,634	238,384
	-	47,230	146,329	-	-
	<u>2,655,371</u>	<u>1,444,259</u>	<u>1,406,349</u>	<u>1,342,434</u>	<u>1,184,000</u>
	1,791,417	1,878,057	1,970,739	1,840,221	2,021,999
	137,611	141,402	151,852	128,150	134,488
	<u>1,929,028</u>	<u>2,019,459</u>	<u>2,122,591</u>	<u>1,968,371</u>	<u>2,156,487</u>
	<u>4,584,399</u>	<u>3,463,718</u>	<u>3,528,940</u>	<u>3,310,805</u>	<u>3,340,487</u>
	(13,354,272)	(14,781,378)	(14,083,523)	(11,713,163)	(12,133,756)
	(433,401)	(322,334)	8,475	695	241,915
	<u>(13,787,673)</u>	<u>(15,103,712)</u>	<u>(14,075,048)</u>	<u>(11,712,468)</u>	<u>(11,891,841)</u>
	9,317,163	10,029,591	8,565,324	7,352,615	6,671,999
	6,128,570	6,082,721	6,558,350	6,113,710	5,431,814
	-	-	-	-	-
	333,399	414,415	277,160	97,954	104,548
	400,704	-	-	-	-
	171,626	256,684	91,460	1,072,894	57,876
	<u>16,351,462</u>	<u>16,783,411</u>	<u>15,492,294</u>	<u>14,637,173</u>	<u>12,266,237</u>
	49,720	55,019	51,295	49,061	47,852
	-	-	-	11,266	33,677
	<u>49,720</u>	<u>55,019</u>	<u>51,295</u>	<u>60,327</u>	<u>81,529</u>
	<u>16,401,182</u>	<u>16,838,430</u>	<u>15,543,589</u>	<u>14,697,500</u>	<u>12,347,766</u>
	2,997,190	2,002,033	1,408,771	2,924,010	132,481
	(383,681)	(267,315)	59,770	61,022	323,444
\$	<u>2,613,509</u>	<u>1,734,718</u>	<u>1,468,541</u>	<u>2,985,032</u>	<u>455,925</u>

Village of Hillside
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund				
Reserved		\$ 230,560	\$ 54,880	\$ 120,280
Unreserved		<u>281,883</u>	<u>518,456</u>	<u>(799,071)</u>
Nonspendable	\$ 173,411			
Restricted	141,016			
Unassigned	<u>2,669,397</u>			
Total general fund	<u>\$ 2,983,824</u>	<u>\$ 512,443</u>	<u>\$ 573,336</u>	<u>\$ (678,791)</u>
All Other Governmental Funds				
Unreserved, designated		\$ -	\$ -	\$ 202,000
Unreserved, reported in:				
Special service funds		2,086,552	1,602,842	1,317,896
Capital projects funds		3,176,456	1,885,003	4,904,919
Debt service funds		<u>714,998</u>	<u>718,395</u>	<u>357,135</u>
Restricted	<u>\$ 9,474,526</u>			
Total all other governmental funds	<u>\$ 9,474,526</u>	<u>\$ 5,978,006</u>	<u>\$ 4,206,240</u>	<u>\$ 6,781,950</u>

Note: Modified accrual basis of accounting

Note: The change in the classifications of fund balance amounts in 2012 are discussed in Footnote 1 of the Financial Statements. Amounts prior to 2012 have not been restated for the implementation of Statement 54.

Table 3

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 284,236	\$ 673,492	\$ 934,303	\$ 903,622	\$ 865,610	\$ 839,845
<u>1,738,489</u>	<u>633,668</u>	<u>(1,807,196)</u>	<u>(1,910,284)</u>	<u>(2,646,341)</u>	<u>(1,018,489)</u>
<u>\$ 2,022,725</u>	<u>\$ 1,307,160</u>	<u>\$ (872,893)</u>	<u>\$ (1,006,662)</u>	<u>\$ (1,780,731)</u>	<u>\$ (178,644)</u>
\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ -
1,967,054	1,684,219	4,572,580	2,928,021	2,523,531	5,557,995
4,150,364	4,511,120	4,442,502	2,031,156	5,871,064	9,046,325
<u>281,799</u>	<u>289,364</u>	<u>345,327</u>	<u>333,708</u>	<u>205,897</u>	<u>218,808</u>
<u>\$ 7,349,217</u>	<u>\$ 6,484,703</u>	<u>\$ 9,360,409</u>	<u>\$ 5,292,885</u>	<u>\$ 8,600,492</u>	<u>\$ 14,823,128</u>

Village of Hillside
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues				
Taxes	\$ 18,714,992	\$ 17,952,910	\$ 17,641,771	\$ 14,485,383
Intergovernmental	1,857,146	1,014,114	1,013,806	1,131,263
Licenses, fees, and permits	165,455	256,680	235,762	238,213
Charges for services	356,307	399,857	1,164,084	312,366
Fines and Forfeitures	1,591,789	784,272	485,905	520,318
Investment earnings	11,250	9,386	105,762	163,648
Other revenues	<u>607,691</u>	<u>715,030</u>	<u>614,958</u>	<u>905,066</u>
Total revenues	<u>23,304,630</u>	<u>21,132,249</u>	<u>21,262,048</u>	<u>17,756,257</u>
Expenditures				
General Administration	6,944,766	5,306,145	8,470,323	5,622,167
Public Safety	10,520,551	9,057,067	9,047,751	9,848,322
Highway and Streets	1,770,399	1,636,542	1,607,170	2,315,738
Sanitation	519,974	528,911	523,085	546,400
Culture and Recreation	20,884	23,514	75,692	105,895
Debt service				
Principal	2,538,702	2,594,207	2,479,921	2,295,867
Interest	<u>173,408</u>	<u>281,253</u>	<u>383,445</u>	<u>470,726</u>
Total expenditures	<u>22,488,684</u>	<u>19,427,639</u>	<u>22,587,387</u>	<u>21,205,115</u>
Excess of revenues over (under) expenditures	815,946	1,704,610	(1,325,339)	(3,448,858)
Other Financing Sources (Uses)				
Proceeds from Issuance of Debt	5,100,000	-	-	-
Premium on Issuance of Debt	-	-	-	-
Sale of Capital Assets	51,955	6,263	1,756	180,075
Payment to Escrow	-	-	-	-
Transfers in	100,906	1,063,789	1,015,385	45,525
Transfers out	<u>(100,906)</u>	<u>(1,063,789)</u>	<u>(1,015,385)</u>	<u>(45,525)</u>
Total other financing sources (uses)	<u>5,151,955</u>	<u>6,263</u>	<u>1,756</u>	<u>180,075</u>
Net change in fund balances	<u>\$ 5,967,901</u>	<u>\$ 1,710,873</u>	<u>\$ (1,323,583)</u>	<u>\$ (3,268,783)</u>
Debt service as a percentage of noncapital expenditures	12.1%	14.8%	12.7%	13.9%

Note: Modified accrual basis of accounting

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	14,494,133	\$ 15,277,712	\$ 14,325,508	\$ 12,762,068	\$ 11,451,796	\$ 10,047,087
	1,191,786	1,194,623	1,155,971	947,907	813,436	872,835
	219,404	268,766	248,619	214,918	182,804	232,579
	1,484,017	353,181	325,156	300,819	282,784	366,264
	423,578	251,587	196,398	238,454	242,021	185,756
	333,399	414,415	277,160	97,954	104,548	235,270
	466,864	508,171	338,770	1,401,003	294,483	499,058
	<u>18,613,181</u>	<u>18,268,455</u>	<u>16,867,582</u>	<u>15,963,123</u>	<u>13,371,872</u>	<u>12,438,849</u>
	4,093,192	4,045,229	4,523,117	7,460,066	6,550,652	3,585,243
	8,352,853	7,861,287	6,799,112	6,168,900	5,859,382	5,428,969
	1,700,770	3,604,018	2,515,411	1,909,980	2,088,067	1,239,650
	514,559	503,961	502,545	498,559	477,690	476,067
	102,757	97,641	102,087	153,365	122,966	98,715
	2,201,953	2,210,409	1,866,978	1,642,732	1,569,547	2,731,385
	554,490	658,048	691,821	663,059	743,756	-
	<u>17,520,574</u>	<u>18,980,593</u>	<u>17,001,071</u>	<u>18,496,661</u>	<u>17,412,060</u>	<u>13,560,029</u>
	1,092,607	(712,138)	(133,489)	(2,533,538)	(4,040,188)	(1,121,180)
	-	-	9,965,000	-	620,000	749,338
	-	-	63,464	-	-	-
	487,472	16,485	34,900	-	-	-
	-	-	(5,728,582)	-	(603,829)	-
	896,455	1,444,962	-	-	-	-
	(896,455)	(1,444,962)	-	-	-	-
	<u>487,472</u>	<u>16,485</u>	<u>4,334,782</u>	<u>-</u>	<u>16,171</u>	<u>749,338</u>
\$	<u>1,580,079</u>	<u>(695,653)</u>	<u>4,201,293</u>	<u>(2,533,538)</u>	<u>(4,024,017)</u>	<u>(371,842)</u>
	17.8%	16.9%	15.9%	17.3%	16.5%	20.1%

Village of Hillside
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Property ^a	Sales & Use ^b	Utility	Franchise	Property Transfer	Hotel Motel	Other	Total
2012	\$ 13,144,456	\$ 3,858,290	\$ 1,035,973	\$ 77,056	\$ 211,360	\$ 334,674	\$ 53,183	\$ 18,714,992
2011	12,636,469	3,614,290	1,050,973	75,599	229,542	292,412	53,625	17,952,910
2010	12,499,174	3,470,059	1,088,752	71,770	221,352	240,836	49,828	17,641,771
2009	9,998,764	2,747,733	1,193,140	74,134	239,722	177,985	53,905	14,485,383
2008	9,317,163	3,148,808	1,256,989	73,962	487,508	144,888	64,815	14,494,133
2007	10,029,591	3,205,007	1,277,210	69,270	495,260	157,876	43,498	15,277,712
2006	8,565,324	3,687,169	1,382,308	64,368	491,466	85,554	49,319	14,325,508
2005	7,352,615	3,282,480	1,432,379	61,096	525,040	58,563	49,895	12,762,068
2004	6,671,999	2,899,481	1,471,812	61,167	267,725	33,989	45,623	11,451,796
2003	6,152,840	2,238,072	1,086,827	60,341	380,477	71,939	56,591	10,047,087
Change 2003-2012	113.6%	72.4%	-4.7%	27.7%	-44.4%	365.2%	-6.0%	86.3%

Notes:

^a The Village attempts to keep the annual increase in property tax rates to 5% or less. The increases above that percentage are attributed to the tri-annual assessments applied by the Cook County Assessor.

^b Sales and use tax revenues increased beginning January 1, 2003 when the Village implemented a 1% Home Rule Sales Tax.

Modified accrual basis of accounting

Village of Hillside
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Tax Year	Equalized Assessed Value Residential Property	Equalized Assessed Value Commercial Property	Equalized Assessed Value Industrial Property	Equalized Assessed Value Railroad Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of total equalized assessed value to total estimated actual value
2012	2011	\$ 96,463,240	\$ 50,035,290	\$ 83,712,512	\$ 100,416	\$ 230,311,458	\$ 3.610	\$ 690,934,374	33.33%
2011	2010	126,770,698	50,977,821	99,661,108	110,770	277,520,397	3.427	832,561,191	33.33%
2010	2009	123,866,896	53,209,711	106,576,715	106,223	283,759,545	3.146	851,278,635	33.33%
2009	2008	120,669,029	48,679,082	126,652,933	86,420	296,087,464	2.874	888,262,392	33.33%
2008	2007	114,184,953	43,469,869	119,683,412	66,083	277,404,317	2.945	832,212,951	33.33%
2007	2006	96,634,829	44,927,525	116,265,161	46,478	257,873,993	3.028	773,621,979	33.33%
2006	2005	94,933,726	45,927,247	122,844,959	31,171	263,737,103	2.827	791,211,309	33.33%
2005	2004	79,142,241	47,609,352	104,541,001	31,868	231,324,462	2.854	693,973,386	33.33%
2004	2003	76,577,655	50,071,436	98,473,659	32,690	225,155,440	2.640	675,466,320	33.33%
2003	2002	77,564,226	55,751,533	97,389,987	41,912	230,747,658	2.367	692,242,974	33.33%

Source: Office of the Cook County Clerk

Village of Hillside
 Direct and Overlapping Property Tax Rates
 Last Ten Tax Levy Years
 (rate per \$100 of assessed value)
 (Unaudited)

	Tax Levy Year			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Village Direct Rates</u>				
Village of Hillside	\$ 3.610	\$ 3.427	\$ 3.146	\$ 2.874
Village of Hillside Library Fund	0.405	0.320	0.299	0.273
Suburban TB Sanitarium	0.000	0.000	0.000	0.000
County of Cook	0.462	0.423	0.394	0.415
Consolidated Elections	0.025	0.000	0.021	0.000
Forest Preserve District of Cook County	0.058	0.051	0.049	0.051
Proviso Township	0.081	0.062	0.057	0.057
General Assistance - Proviso Township	0.038	0.031	0.033	0.033
Metropolitan Water Reclamation District	0.320	0.274	0.261	0.252
Community College District #504	0.267	0.225	0.214	0.212
Proviso Township High School #209	2.263	1.813	1.759	1.752
School District #93	1.980	1.643	1.567	1.433
Proviso Mental Health District	0.145	0.117	0.113	0.113
Des Plaines Valley Mosquito Abatement	0.014	0.011	0.011	0.012
Total Direct Rate	\$ 9.668	\$ 8.397	\$ 7.924	\$ 7.477
<u>Additional Overlapping Tax Rates</u>				
School District #87	\$ 3.836	\$ 3.091	\$ 2.975	\$ 2.901
School District #88	3.620	2.930	2.813	2.664
School District #92 1/2	2.536	2.048	2.044	2.116
School District #93	1.980	1.643	1.567	1.433
Memorial Park District	0.508	0.413	0.401	0.395
Westchester Park District	0.315	0.264	0.257	0.219

Source: Cook County Clerk's Office

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	2.945	\$ 3.028	\$ 2.827	\$ 2.854	\$ 2.640	\$ 2.367
	0.278	0.285	0.266	0.290	0.276	0.257
	0.000	0.005	0.005	0.001	0.004	0.006
	0.446	0.500	0.533	0.593	0.630	0.690
	0.012	0.000	0.014	0.000	0.029	0.000
	0.053	0.057	0.060	0.060	0.059	0.061
	0.059	0.062	0.056	0.063	0.063	0.060
	0.034	0.036	0.033	0.037	0.037	0.035
	0.263	0.284	0.315	0.347	0.361	0.371
	0.224	0.240	0.233	0.259	0.269	0.257
	1.839	1.878	1.810	2.046	2.061	1.971
	1.486	1.525	1.457	1.561	1.570	1.496
	0.117	0.115	0.114	0.129	0.129	0.123
	0.012	0.012	0.011	0.012	0.012	0.011
<u>\$</u>	<u>7.768</u>	<u>\$ 8.027</u>	<u>\$ 7.734</u>	<u>\$ 8.252</u>	<u>\$ 8.140</u>	<u>\$ 7.705</u>
\$	2.963	\$ 3.131	\$ 3.061	\$ 3.321	\$ 3.498	\$ 3.343
	2.741	2.765	2.616	2.962	2.998	2.900
	2.230	2.317	2.270	2.573	2.614	2.537
	1.486	1.525	1.457	1.561	1.570	1.496
	0.411	0.420	0.396	0.431	0.434	0.405
	0.318	0.279	0.266	0.294	0.305	0.270

Village of Hillside
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	Tax Levy Year 2011			Tax Levy Year 2002		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Par Development	\$ 13,669,495	1	5.94%	-	-	-
Target Corp T 2490	10,471,362	2	4.55%	-	-	-
Crown Enterprises Inc.	6,266,100	3	2.72%	-	-	-
Cambridge Realty	5,748,456	4	2.50%	\$ 5,704,147	6	2.47%
Carmax	5,255,681	5	2.28%	6,376,063	4	2.76%
Newcastle Partners	5,130,969	6	2.23%	6,177,600	5	2.68%
Marc Realty	4,624,998	7	2.01%	6,654,814	3	2.88%
Partipilo Fam Prtns	4,261,860	8	1.85%	-	-	-
Markwell Hillside LLC	4,109,584	9	1.78%	-	-	-
Warburg Storamart	3,839,420	10	1.67%	-	-	-
TJ Adam & Company	-	-	-	7,270,375	1	3.15%
Prime Group Realty	-	-	-	6,807,935	2	2.95%
Central Transport	-	-	-	5,210,922	7	2.26%
Columbia Sussex Corp	-	-	-	4,346,837	8	1.88%
Hillside Limited Ptrshp	-	-	-	4,194,706	9	1.82%
Wallace Computer Service	-	-	-	3,928,514	10	1.70%
Total	\$ 63,377,926		27.52%	\$ 56,671,911		24.56%
Total City Taxable Assessed Value	\$ 230,311,458			\$ 230,747,658		

Source: Cook County Clerks Office

Village of Hillside
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	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
2012	\$ 8,059,267	\$ 4,629,850	57.45%	\$ -	\$ 4,629,850	57.45%
2011	9,106,673	4,046,908	44.44%	4,871,165	8,918,073	97.93%
2010	8,638,052	4,083,415	47.27%	4,494,963	8,578,378	99.31%
2009	8,234,902	3,420,041	41.53%	4,792,641	8,212,682	99.73%
2008	7,902,403	3,105,529	39.30%	4,700,424	7,805,953	98.78%
2007	7,552,680	3,159,695	41.84%	4,380,875	7,540,570	99.84%
2006	7,313,614	2,891,402	39.53%	4,389,022	7,280,424	99.55%
2005	6,390,123	2,598,654	40.67%	3,727,552	6,326,206	99.00%
2004	5,746,674	2,368,052	41.21%	3,310,292	5,678,344	98.81%
2003	5,337,948	2,388,243	44.74%	2,814,066	5,202,309	97.46%

Sources: Cook County Clerks Office

Village of Hillside
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities		Percentage of Actual Taxable Value of Property	Per Capita	Governmental Activities Other Debt		Total Debt Primary Government	Percentage of Personal Income	Per Capita
	Bonded Debt				Promissory Note	Installment Note			
	General Obligation Bonds								
2012	\$ 6,426,458		0.93%	\$ 788	\$ 219,839	\$ -	\$ 6,646,297	4.8%	\$ 815
2011	3,769,388		0.45%	462	303,541	-	4,072,929	3.0%	499
2010	6,266,790		0.74%	768	382,748	-	6,649,538	4.8%	815
2009	8,653,957		0.97%	1,061	457,669	-	9,111,626	6.6%	1,117
2008	10,860,898		1.31%	1,591	528,536	-	13,573,111	9.9%	1,664
2007	12,977,622		1.68%	1,836	595,489	-	15,764,556	11.4%	1,933
2006	14,973,658		1.89%	1,512	658,898	132,000	13,307,123	9.7%	1,632
2005	12,329,247		1.78%	1,689	718,876	259,000	14,930,955	10.8%	1,831
2004	13,775,347		2.04%	1,857	775,608	380,000	16,470,155	12.0%	2,020
2003	15,145,000		2.19%	2,003	829,155	496,000	17,675,581	12.8%	2,167

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

Village Of Hillside, Illinois
 Computation Of Direct And Overlapping Bonded Debt(1)
 April 30, 2012
 (Unaudited)

<u>Taxing Body</u>	<u>Outstanding Bonds</u>	<u>Percentage Applicable to Hillside</u>	<u>Amount Applicable to Hillside</u>
<u>Direct:</u>			
Village of Hillside	\$ 6,619,839 (5)	100.00%	\$ 6,619,839
Total Direct	<u>6,619,839</u>		<u>6,619,839</u>
<u>Overlapping (4):</u>			
County of Cook	3,709,260,000	0.15%	5,625,911
Forest Preserve District of Cook County	94,885,000	0.15%	143,914
Metropolitan Water Reclamation of Greater Chicago	2,446,220,030 (2)	0.15%	3,785,264
Memorial Park District	560,000 (3)	15.64%	87,573
Westchester Park District	490,580 (3)	1.83%	8,982
School District #87	15,565,000	9.30%	1,447,300
School District #88	33,252,165 (4)	6.23%	2,071,939
School District #92 1/2	10,035,000	1.61%	161,732
School District #93	2,740,000	50.86%	1,393,481
High School District 209	43,938,597 (3)	9.28%	4,076,278
Total Overlapping Bonded Debt			<u>18,802,374</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 25,422,213</u>

Notes:

- (1) Tax levy year 2011 information was used in the calculations of this statement.
- (2) Includes Revolving Loan Fund Bonds issued with the IEPA.
- (3) Excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.
- (4) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
- (5) Includes outstanding bonds and promissory notes.

Sources: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District

Village of Hillside
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (Unaudited)

	Fiscal Year			
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt limit	\$ 19,864,363	\$ 23,936,134	\$ 23,936,134	\$ 25,537,544
Total net debt applicable to limit	<u>6,400,000</u>	<u>6,400,000</u>	<u>6,270,000</u>	<u>8,675,000</u>
Legal debt margin	<u>\$ 13,464,363</u>	<u>\$ 17,536,134</u>	<u>\$ 17,666,134</u>	<u>\$ 16,862,544</u>
Total net debt applicable to the limit as a percentage of debt limit	32.22%	26.74%	26.19%	33.97%

Note: Under state finance law, the Village's outstanding general obligation debt should not exceed 8.625 percent of total assessed property value.

Legal Debt Margin Calculation for Fiscal Year 2012					
	Assessed value	\$ 230,311,458			
	Debt limit (8.625% of assessed value)	19,864,363			
	Debt applicable to limit:	<u>6,400,000</u>			
	Legal debt margin	<u>\$ 13,464,363</u>			

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 23,926,122	\$ 22,241,632	\$ 22,747,325	\$ 19,951,735	\$ 19,419,657	\$ 19,901,986
<u>10,900,000</u>	<u>13,035,000</u>	<u>15,050,000</u>	<u>12,345,000</u>	<u>13,720,000</u>	<u>15,145,000</u>
<u>\$ 13,026,122</u>	<u>\$ 9,206,632</u>	<u>\$ 7,697,325</u>	<u>\$ 7,606,735</u>	<u>\$ 5,699,657</u>	<u>\$ 4,756,986</u>
45.56%	58.61%	66.16%	61.87%	70.65%	76.10%

Village of Hillside
Demographic and Economic Statistics
Last Ten Calendar Years
(Unaudited)

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2012	8,157	\$ 137,770,570	\$ 16,894	33.0	12.7	2,018	3.2%
2011	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2010	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2009	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2008	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2007	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2006	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2005	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2004	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2003	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%

Sources: 2000 & 2010 Federal Census

Village of Hillside
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

<u>Employer</u>	<u>2012</u>		<u>Percentage of Total City Employment</u>
	<u>Employees</u>	<u>Rank</u>	
V Mark, Inc	770	1	20.4%
Dynamic Manufacturing	400	2	10.6%
Gas Tech Inc.	364	3	9.7%
Orange Crush	350	4	9.3%
Creative Automation Co.	250	5	6.6%
Admiral Heating & Ventalating	200	6	5.3%
Mechanical, Inc.	200	7	5.3%
Glass Services	200	8	5.3%
RR Donnelly	170	9	4.5%
Bekins Van Lines, LLC.	150	10	4.0%
Darwill Press, Inc.	150	10	4.0%
Total	<u>3,204</u>		<u>84.94%</u>

*The number of employees listed in the 2012 directories are actually the number employed in 2011.
The Illinois Department of Employment Security reports that 3,772 persons were employed in Hillside in 2011.

Source: 2012 Illinois Services Directory
2012 Illinois Manufacturers' Directory
2012 Harris Illinois Industrial Directory

Information for 2003 not available

Village of Hillside
Full-time-Equivalent Village Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Full-time-Equivalent Employees as of April 30									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government										
Administration	7	8	9	9	9	9	10	10	9	9
Social Services	-	-	-	-	1	1	1	1	1	1
Public Safety										
Police										
Officers	25	27	27	28	28	28	26	30	30	30
Civilians	8	8	8	8	9	9	8	8	9	9
Fire										
Firefighters	21	22	23	25	25	25	25	25	25	14
Civilians	1	1	1	1	1	1	1	1	1	1
Streets (Public Works)										
Administration	3	3	3	3	3	3	3	4	4	4
Streets	3	3	3	3	3	3	6	5	5	5
Building Services	3	3	3	3	3	3	3	3	3	3
Water	3	4	4	4	5	5	5	5	5	5
Total	<u>74</u>	<u>83</u>	<u>85</u>	<u>84</u>	<u>87</u>	<u>87</u>	<u>88</u>	<u>92</u>	<u>92</u>	<u>81</u>

Source: Village Finance Department

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

Village of Hillside
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government										
Building permits issued	625	589	576	657	522	600	561	599	550	546
Building inspections conducted	1,874	1,767	1,296	1,993	1,515	1,800	1,683	1,797	1,650	1,638
Public Safety										
Police										
Calls for service	14,030	14,642	16,626	15,744	15,374	8,358	7,166	6,920	7,238	7,176
Physical arrests	435	518	669	470	646	808	536	454	481	480
Parking tickets	2,485	2,406	2,423	2,064	1,671	1,878	1,989	2,635	2,095	2,647
Traffic tickets	3,724	6,087	4,540	3,987	4,014	4,533	2,829	3,092	3,249	3,604
Fire										
Fire Calls	667	754	718	754	675	646	730	716	653	741
Ambulance Calls	1,501	1,382	1,247	1,387	1,351	1,293	1,331	1,338	1,254	1,237
ALS	596	559	488	531	533	547	565	554	465	363
BLS	406	329	303	292	314	268	266	274	293	331
Training Hours	5,684	4,775	5,410	6,155	6,499	4,537	3,775	4,430	5,095	5,087
Inspections Initial	155	99	99	290	225	354	338	354	351	270
Inspections Follow-Up	32	78	30	118	83	189	128	266	237	92
Streets (public works)										
Street resurfacing (miles)	-	-	-	-	-	-	4	2	-	-
Sewer Inspections Conducted	9	94	105	81	85	156	175	181	130	130
Library										
Volumes in collection	59,386	81,610	57,641	56,635	51,800	47,954	48,613	47,191	46,364	47,763
Total volumes borrowed	96,421	88,558	92,212	92,258	88,987	82,096	106,063	82,266	85,056	76,020
Water										
Meters Installed	29	16	27	16	22	16	56	57	58	55
Water main breaks	20	28	19	11	2	28	40	31	31	18
Average daily consumption (thousands of gallons)	1,055	1,061	981	730	1,180	1,148	1,150	1,149	1,130	1,120

Sources: Various Village departments.

Village of Hillside
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	25	27	27	28	28	28	26	30	30	30
Fire stations	1	1	1	1	1	1	1	1	1	1
Other public works										
Streets (miles)	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
Streetlights	124	124	124	124	124	124	124	124	124	124
Parks and recreation										
Acreage	12.23	12.23	12.23	12.23	12.23	12.23	12.23	12.23	12.23	12.23
Playgrounds	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21
Fire hydrants	722	722	722	722	722	722	722	722	722	722
Storage capacity (thousands of gallons)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wastewater										
Sewers (miles)	26.09	26.09	26.09	26.09	26.09	26.09	26.09	26.09	26.09	26.09

Sources: Various Village departments.

Notes: No capital asset indicators are available for the general government or library function.