

**VILLAGE OF HILLSIDE, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
April 30, 2010

Prepared By:

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

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## INTRODUCTORY SECTION





## VILLAGE OF HILLSIDE

**President**

Joseph T. Tamburino  
**Village Clerk**  
Patrick F. O'Sullivan

**Trustees**

Lytton H. Andersen  
Carol Bibly  
David V. Delgado  
John N. Kramer  
Frank J. Lomeli, Sr.  
Harold A. Martin, Jr.

425 HILLSIDE AVENUE  
HILLSIDE, ILLINOIS 60162  
708/449-6450  
FAX: 708/236-5110  
[www.hillside-il.org](http://www.hillside-il.org)

October 29, 2010

**Village Administrator**  
Russell F. Wajda

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

**Village Attorney**  
Patrick E. Deady

**Village Engineer**  
Hanson Engineering

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

The Comprehensive Annual Financial Report of the Village of Hillside, Illinois, for the fiscal year ending April 30, 2010, is submitted herewith. This report was prepared by the Village's Treasurer.

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).

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 8,155 according to the 2000 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 09-10 totaled \$2,826,839 which is up from FY 08-09 of \$2,630,855 by seven percent. State shared income tax receipts as well as 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 1<sup>st</sup> 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. Motor Fuel Tax Fund
  - C. Debt Service Fund
  - D. TIF Shopping Center Fund
  
- II. NON-MAJOR GOVERNMENTAL FUNDS
  - A. Special Revenue Funds
  - B. Capital Projects Funds
  
- III. MAJOR PROPRIETARY FUNDS
  - A. Enterprise Funds
  
- IV. NON-MAJOR PROPRIETARY FUNDS
  
- V. INTERNAL SERVICE FUNDS
  
- VI. FIDUCIARY FUNDS
  
- VII. 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 2010 and a comparison, where available, to performance in 2009, 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

There were no Village financial policies that had a significant impact on the current period's financial statements. The Village did not engage in any significant transactions in the past fiscal year that would influence or affect future planned or actual operations of the Village.

## 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, 2009. 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-five of twenty-seven years since 1982.

#### ACKNOWLEDGMENTS

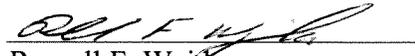
The preparation of this report could not be accomplished without the services of the entire administrative staff and the Village Clerk. We would like to express our appreciation to all who assisted and contributed to its preparation. Thanks are also due to the Mayor and the Board of Trustees for their 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, 2009

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.



President

Executive Director

VILLAGE OF HILLSIDE, ILLINOIS

Village Officials

April 30, 2010

PRESIDENT

Joseph T. Tamburino

TRUSTEES

Lytton H. Andersen  
Carol Bibly  
John N. Kramer  
Frank J. Lomeli, Sr.  
Harold A. Martin, Jr.  
David V. Delgado

CLERK

Patrick F. O'Sullivan

ATTORNEY

Patrick E. Deady

TREASURER

John T. Flood, Jr.

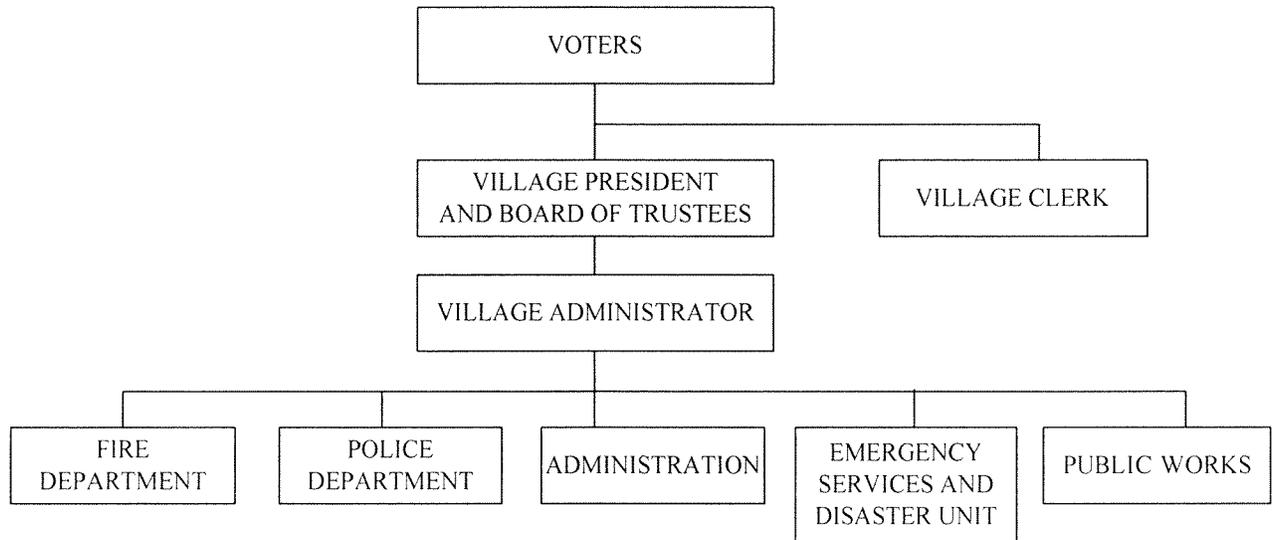
ENGINEER

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

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## 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, 2010, 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 units, is based solely on the report of other auditors.

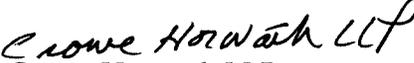
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



The required supplementary information, which includes the Management's Discussion and Analysis, schedules of funding progress and employer contributions, and budgetary comparison information as listed on the table of contents, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying supplementary information, including the introductory section, combining and individual fund financial statements and schedules, and statistical section for the year ended April 30, 2010, as listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

  
Crowe Horwath LLP

Oak Brook, Illinois  
October 29, 2010



VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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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, 2010. 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 \$25,124,165 (net assets). Of this amount, \$447,368 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets decreased by \$1,132,937 (or 4.3%) during the fiscal year ended April 30, 2010 (FY10). The governmental net assets decreased by \$842,454 (or 5.1% from FY09) and the business-type activities net assets decreased by \$290,483 (or 3.0% from FY09).

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$4,779,576, a decrease of \$1,323,583 in comparison with the prior year. Approximately 98.9% of this amount, \$4,724,696, is available for spending at the government's discretion (unreserved fund balance).

At the end of the current fiscal year, unreserved fund balance for the general fund was \$518,456.

### **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.

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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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.

### **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 four 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, Motor Fuel Tax fund, Debt Service fund, and TIF Shopping Center fund, all of which are considered to be major funds. Information from the Village's eight 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

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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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.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Assets**

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
<b>Assets:</b>						
Current & other assets	\$ 12.1	\$ 10.7	\$ 4.7	\$ 4.4	\$ 16.8	\$ 15.1
<u>Capital assets</u>	<u>24.7</u>	<u>23.7</u>	<u>5.2</u>	<u>5.1</u>	<u>29.9</u>	<u>28.8</u>
<b>Total assets</b>	<b>36.8</b>	<b>34.4</b>	<b>9.9</b>	<b>9.5</b>	<b>46.7</b>	<b>43.9</b>
<b>Liabilities:</b>						
Other liabilities	5.6	5.7	0.2	0.1	5.8	5.8
<u>Long-term liabilities</u>	<u>14.6</u>	<u>13.0</u>	<u>0.1</u>	<u>0.1</u>	<u>14.7</u>	<u>13.1</u>
<b>Total liabilities</b>	<b>20.2</b>	<b>18.7</b>	<b>0.3</b>	<b>0.2</b>	<b>20.5</b>	<b>18.9</b>
<b>Net Assets:</b>						
Invested in capital						
assets, net,	15.6	17.0	5.2	5.1	20.8	22.1
Restricted	5.3	2.5	0.0	-	5.3	2.5
<u>Unrestricted</u>	<u>(4.3)</u>	<u>(3.8)</u>	<u>4.4</u>	<u>4.3</u>	<u>0.1</u>	<u>0.5</u>
<b>Total net assets</b>	<b><u>\$ 16.6</u></b>	<b><u>\$ 15.7</u></b>	<b><u>\$ 9.6</u></b>	<b><u>\$ 9.4</u></b>	<b><u>\$ 26.2</u></b>	<b><u>\$ 25.1</u></b>

The largest portion of the Village of Hillside's net assets (88.1%) 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

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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 can not be used to liquidate these liabilities.

An additional portion of the Village of Hillside's net assets (10.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$447,368, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village of Hillside is able to report positive balance in total net assets. The same situation held true for the prior year.

The following chart reflects the condensed Statement of Activities (in millions):

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u> <u>Government</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$ 1.5	\$ 2.2	\$ 1.8	\$ 1.9	\$ 3.3	\$ 4.1
Oper. grants/contrib.	0.2	0.2	0.0	0.0	0.2	0.2
Cap. grants/contrib.	0.0	0.0	0.0	0.0	0.0	0.0
General Revenues:						
Property taxes	10.0	12.5	0.1	0.1	10.1	12.6
Other taxes	5.5	5.8	0.0	0.0	5.5	5.8
Other	0.8	0.4	0.0	0.0	0.8	0.4
<b>Total Revenues</b>	<b>18.0</b>	<b>21.1</b>	<b>1.9</b>	<b>2.0</b>	<b>19.9</b>	<b>23.1</b>
<b>EXPENSES</b>						
General government	5.7	8.9	0.0	0.0	5.7	8.9
Public safety	9.3	10.2	0.0	0.0	9.3	10.2
Highways and streets	2.7	1.9	0.0	0.0	2.7	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	0.5	0.4	0.0	0.0	0.5	0.4
Water	0.0	0.0	2.5	2.2	2.5	2.2
Sewer	0.0	0.0	0.1	0.1	0.1	0.1
<b>Total Expenses</b>	<b>18.8</b>	<b>22.0</b>	<b>2.6</b>	<b>2.3</b>	<b>21.4</b>	<b>24.3</b>
<b>Change in net assets</b>	<b>(0.8)</b>	<b>(0.9)</b>	<b>(0.7)</b>	<b>(0.3)</b>	<b>(1.5)</b>	<b>(1.2)</b>
<b>Ending net assets</b>	<b>\$ 16.6</b>	<b>\$ 15.7</b>	<b>\$ 9.7</b>	<b>\$ 9.4</b>	<b>\$ 26.3</b>	<b>\$ 25.1</b>

Governmental Activities: Governmental activities decreased the Village of Hillside's net assets by \$0.9 million. This was due mainly in part to the net TIF surplus refunding expense of \$2 million.

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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Business-Type Activities: Business-Type activities decreased the Village of Hillside's net assets by \$0.3 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 of the end of the current fiscal year, the Village of Hillside's governmental funds reported combined ending fund balances of \$4,779,576 a decrease of \$1,323,583 in comparison with the prior year. Approximately 98.9% of this amount, \$4,724,696, constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to insurance commitments of \$54,880.

The general fund is the chief operating fund of the Village of Hillside. At the end of the current fiscal year, unreserved fund balance of the general fund was \$518,456, while the total fund balance was \$573,336. The fund balance of the Village of Hillside's general fund increased by \$1,252,127 during the current fiscal year. This was mainly due to the increase in property tax revenue resulting from a property tax rebate.

The fund balance of the Village of Hillside's TIF Shopping Center Fund decreased by \$2,977,387 during the current fiscal year. This was mainly due to a TIF surplus refunding.

The fund balance of the Village of Hillside's Motor Fuel Tax Fund decreased by \$109,155 during the current fiscal year. This was mainly due to the debt service payments of \$0.3 million exceeding the \$0.2 million of motor fuel tax revenue.

The fund balance of the Debt Service Fund increased by \$361,260 during the current fiscal year. This was mainly due to the amount of property taxes collected in excess of debt service payments due.

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 \$5,549,398, and those for the Sewer Fund amounted to \$3,826,288. The Water Fund had a decline in net assets of \$372,423. The Sewer Fund had growth in net assets of \$81,940.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

<b>General Fund:</b>	<b>Adopted Budget</b>	<b>Actual</b>
Revenues:		
Taxes	\$ 10.8	\$ 12.2
Intergovernmental	1.0	0.9
Other	2.2	2.0
<b>Total</b>	<b>14.0</b>	<b>15.1</b>
Expenditures:		
Current expenditures	14.4	14.7
Debt service	0.1	0.1
<b>Total</b>	<b>14.5</b>	<b>14.8</b>
Other Financing Sources	0.0	1.0
Net Change in Fund Balance	\$ (0.5)	\$ 1.3

There was a General fund budget amendment in fiscal year 2010; however, the amendment only affected individual line items within the same departments. Therefore, the change does not impact the budget amounts reported by function in the budgetary comparison schedule that is presented as RSI. Property tax revenue was \$932,865 above the budgeted revenues. Public safety expenditures were under budget by \$93,227, as were streets expenditures by \$583,960 and culture and recreation by \$35,158. General administration expenditures were over budget by \$1,079,961.

Property tax revenue was impacted by a property tax rebate. General administration expenditures were over budget due to increase legal and contractual fees.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

**Governmental Activities**

**Change in Capital Assets**

(in millions)

	<u>Balance</u> <u>May 1, 2009</u>	<u>Net Additions/</u> <u>Deletions</u>	<u>Balance</u> <u>April 30, 2010</u>
<b>Non-Depreciable Assets:</b>			
Land/CIP	\$ 5.6	\$ 0.0	\$ 5.6
<b>Other Capital Assets:</b>			
Infrastructure	11.6	0.0	11.6
Buildings	10.9	0.0	10.9
Improvements	1.2	0.0	1.2
Vehicles/furniture/fixtures	6.5	0.1	6.6
Accum. depreciation on capital assets	<u>(11.1)</u>	<u>(1.1)</u>	<u>(12.2)</u>
<b>Totals</b>	<u>\$ 24.7</u>	<u>\$ (1.0)</u>	<u>\$ 23.7</u>

**Business-Type Activities**

**Change in Capital Assets**

(in millions)

	<u>Balance</u> <u>May 1, 2009</u>	<u>Net Additions/</u> <u>Deletions</u>	<u>Balance</u> <u>April 30, 2010</u>
<b>Non-Depreciable Assets:</b>			
Land	\$ 0.0	\$ 0.0	\$ 0.0
<b>Other Capital Assets:</b>			
Infrastructure	8.7	0.0	8.7
Buildings	0.0	0.0	0.0
Vehicles/Furniture/Fixtures	0.9	0.0	0.9
Accum. Depreciation on Capital Assets	<u>(4.3)</u>	<u>(0.1)</u>	<u>(4.4)</u>
<b>Totals</b>	<u>\$ 5.3</u>	<u>\$ (0.1)</u>	<u>\$ 5.2</u>

During the fiscal year there were no significant capital asset events.

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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Debt Administration: At April 30, 2010, the Village had outstanding debt as follows:

General Obligation Bonds Series 2002	\$ 1,810,000
General Obligation Bonds Series 2005A	2,090,000
General Obligation Bonds Series 2005B	2,370,000
Less deferred amounts	<u>(3,210)</u>
Total General Obligation Bonds	<u>\$ 6,266,790</u>

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 revenue to increase when 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 now leases over 100,000 square feet and has a full lumber yard. Since the development of the CarMax property and the recent loss of an access road to the I-290 project, the property no longer functions as a mall, but rather as a two anchor stand-alone development (CarMax and Menards).

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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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.

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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2010

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The Village has been working with PAR Development 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, The Room Place, Petco, Staples, Michaels, AJ Wright, American Mattress, Panda Express, T Mobile, Qdoba Mexican Grill, Vision Works, Game Stop, GNC, Home Run Inn, Jimmy Johns, Priceless Clothing, and Sally Beauty have opened. The Developer commenced vertical construction of the development including the Hotel in June 2008. The development is currently 93% leased.

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, 2010

STATEMENT 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash & Investments	\$ 6,130,753	\$ 2,491,187	\$ 8,621,940	\$ 1,165,997
Receivables				
Property Taxes	4,442,463	26,349	4,468,812	433,934
Intergovernmental	1,454,440	-	1,454,440	-
Interest	465	-	465	-
Accounts (Net of Allowance of \$41,777)	-	370,854	370,854	-
Internal Balances	(1,529,311)	1,529,311	-	-
Deferred Charges	96,812	-	96,812	-
Inventory	-	12,942	12,942	-
Other Assets	149,580	5,460	155,040	-
Capital Assets not Being Depreciated	5,582,031	22,714	5,604,745	624,680
Capital Assets Being Depreciated, Net	<u>18,091,125</u>	<u>5,084,754</u>	<u>23,175,879</u>	<u>402,124</u>
<b>Total Assets</b>	<u>\$ 34,418,358</u>	<u>\$ 9,543,571</u>	<u>\$ 43,961,929</u>	<u>\$ 2,626,735</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 857,475	\$ 2,029	\$ 859,504	\$ 24,455
Accrued Payroll	154,066	4,082	158,148	9,705
Interest Payable	110,206	-	110,206	-
Unearned Revenue	4,442,463	26,349	4,468,812	-
Deposits Payable	69,974	95,498	165,472	-
Due to Component Unit	28,395	-	28,395	-
Long-term Obligations, Due Within One Year				
Bonds Payable	2,515,000	-	2,515,000	-
Promissory Note Payable	79,207	-	79,207	-
Compensated Absences	437,119	19,205	456,324	27,494
Early Retirement Benefit Obligation	151,397	-	151,397	-
Long-term Obligations, Due in More Than One Year				
Bonds Payable	3,751,790	-	3,751,790	-
Promissory Note Payable	303,541	-	303,541	-
Compensated Absences	846,948	19,328	866,276	-
Net Pension Obligation	3,498,061	-	3,498,061	-
Early Retirement Benefit Obligation	1,262,721	-	1,262,721	-
Other Post Employment Benefits Obligation	<u>161,516</u>	<u>1,394</u>	<u>162,910</u>	<u>-</u>
<b>Total Liabilities</b>	<u>18,669,879</u>	<u>167,885</u>	<u>18,837,764</u>	<u>61,654</u>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	17,023,618	5,107,468	22,131,086	1,026,804
Restricted for Capital Projects	1,937,522	-	1,937,522	-
Restricted for Debt Service	608,189	-	608,189	-
Unrestricted Net Assets	<u>(3,820,850)</u>	<u>4,268,218</u>	<u>447,368</u>	<u>1,538,277</u>
<b>Total Net Assets</b>	<u>15,748,479</u>	<u>9,375,686</u>	<u>25,124,165</u>	<u>2,565,081</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 34,418,358</u>	<u>\$ 9,543,571</u>	<u>\$ 43,961,929</u>	<u>\$ 2,626,735</u>

See accompanying notes to financial statements.

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VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF ACTIVITIES  
Year Ended April 30, 2010

Functions/Programs	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	
<b>Primary Government</b>							
Governmental Activities							
General Government	\$ 8,935,728	\$ 1,719,423	\$ -	\$ (7,216,305)	\$ -	\$ (7,216,305)	
Public Safety	10,157,524	360,744	19,375	(9,737,370)	-	(9,737,370)	
Streets	1,920,586	-	-	(1,719,904)	-	(1,719,904)	
Culture and Recreation	105,452	-	-	(105,452)	-	(105,452)	
Sanitation	523,085	110,188	-	(412,897)	-	(412,897)	
Interest on Debt	385,599	-	-	(385,599)	-	(385,599)	
Total Governmental Activities	22,027,974	2,190,355	19,375	(19,577,527)	-	(19,577,527)	
Business-type Activities							
Water	2,224,790	1,792,337	-	-	\$ (432,453)	(432,453)	
Sewer	47,085	129,025	-	-	81,940	81,940	
Business-type Activities	2,271,875	1,921,362	-	-	(350,513)	(350,513)	
<b>Total Primary Government</b>	\$ 24,299,849	\$ 4,111,717	\$ 19,375	(19,577,527)	(350,513)	(19,928,040)	
<b>Component Unit</b>							
Library	\$ 793,718	\$ 22,841	\$ 18,193	\$ -	\$ -	\$ (752,684)	
General revenues							
Taxes							
Property				12,499,174	60,030	12,559,204	934,840
Income				628,969	-	628,969	-
Sales				3,599,348	-	3,599,348	-
Utility				1,088,752	-	1,088,752	-
Replacement				139,970	-	139,970	25,134
Other				359,488	-	359,488	-
Investment Earnings				105,762	-	105,762	1,229
Gain on Sale of Assets				1,756	-	1,756	-
Other General Revenues				311,854	-	311,854	2,938
Total General Revenues				18,735,073	60,030	18,795,103	964,141
Change in Net Assets				(842,454)	(290,483)	(1,132,937)	211,457
Net Assets, May 1, 2009				16,590,933	9,666,169	26,257,102	2,353,624
Net Assets, April 30, 2010				\$ 15,748,479	\$ 9,375,686	\$ 25,124,165	\$ 2,565,081

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2010

	Major Funds			
	General Fund	Motor Fuel Tax Fund	Debt Service Fund	TIF Shopping Center Fund
<b>ASSETS</b>				
Cash & Investments	\$ 1,767,889	\$ 17,713	\$ 718,395	\$ 1,067,301
Receivables				
Property Taxes	3,256,910	-	634,869	-
Intergovernmental	1,419,634	34,806	-	-
Interest	465	-	-	-
Due from Other Funds	5,971	-	-	-
Other Assets	149,580	-	-	-
<b>Total Assets</b>	<u>\$ 6,600,449</u>	<u>\$ 52,519</u>	<u>\$ 1,353,264</u>	<u>\$ 1,067,301</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 857,167	\$ -	\$ -	\$ -
Deferred Revenue	3,573,351	-	634,869	-
Due to Other Funds	1,498,226	-	-	5,971
Due to Component Unit	28,395	-	-	-
Deposits Payable	69,974	-	-	-
<b>Total Liabilities</b>	<u>6,027,113</u>	<u>-</u>	<u>634,869</u>	<u>5,971</u>
<b>Fund Balances</b>				
Reserved for Insurance	54,880	-	-	-
Unreserved, As Reported in				
General Fund	518,456	-	-	-
Special Revenue Funds	-	52,519	-	-
Debt Service Funds	-	-	718,395	-
Capital Projects Funds	-	-	-	1,061,330
<b>Total Fund Balances</b>	<u>573,336</u>	<u>52,519</u>	<u>718,395</u>	<u>1,061,330</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 6,600,449</u>	<u>\$ 52,519</u>	<u>\$ 1,353,264</u>	<u>\$ 1,067,301</u>

See accompanying notes to financial statements.

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Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,559,455	\$ 6,130,753
550,684	4,442,463
-	1,454,440
-	465
10,080	16,051
-	149,580
<u>\$ 3,120,219</u>	<u>\$ 12,193,752</u>
\$ 154,374	\$ 1,011,541
550,684	4,758,904
41,165	1,545,362
-	28,395
-	69,974
746,223	7,414,176
-	54,880
-	518,456
1,550,323	1,602,842
-	718,395
823,673	1,885,003
2,373,996	4,779,576
<u>\$ 3,120,219</u>	<u>\$ 12,193,752</u>

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VILLAGE OF HILLSIDE, ILLINOIS  
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
 TO STATEMENT OF NET ASSETS  
 April 30, 2010

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Total fund balances - governmental funds	\$	4,779,576
<p>Amounts reported for governmental activities in the net assets are different because:</p>		
<p>Capital assets net of accumulated depreciation of \$12,188,722 used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		23,673,156
<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>		316,441
<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>		96,812
<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		(110,206)
Bonds Payable		(6,266,790)
Promissory Note Payable		(382,748)
Compensated Absences		(1,284,067)
Net Pension Obligation		(3,498,061)
Other Post Employment Benefits Obligation		(161,516)
Early Retirement Benefit Obligation		(1,414,118)
		(1,414,118)
Net assets of governmental activities	\$	15,748,479

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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, 2010

	Major Funds			
	General Fund	Motor Fuel Tax Fund	Debt Service Fund	TIF Shopping Center Fund
<b>Revenues</b>				
Property Taxes	\$ 7,180,592	\$ -	\$ 1,639,463	\$ 1,624,779
Taxes	5,050,534	-	-	-
Intergovernmental Revenues	813,124	200,682	-	-
Licenses and Permits	235,762	-	-	-
Charges for Services	805,196	-	-	-
Fines and Forfeitures	369,984	-	-	-
Investment Income	10,560	330	-	92,168
Miscellaneous	614,958	-	-	-
<b>Total Revenues</b>	<u>15,080,710</u>	<u>201,012</u>	<u>1,639,463</u>	<u>1,716,947</u>
<b>Expenditures</b>				
Current				
General Administration	4,078,311	-	-	3,518,309
Public Safety	8,975,500	-	-	-
Highway and Streets	1,607,170	-	-	-
Sanitation	-	-	-	-
Culture and Recreation	75,692	-	-	-
Debt Service - Principal	74,921	247,450	1,107,550	1,050,000
Debt Service - Interest and Fees	24,050	62,717	170,653	126,025
<b>Total Expenditures</b>	<u>14,835,644</u>	<u>310,167</u>	<u>1,278,203</u>	<u>4,694,334</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>245,066</u>	<u>(109,155)</u>	<u>361,260</u>	<u>(2,977,387)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,756	-	-	-
Transfers In	1,005,305	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,007,061</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	1,252,127	(109,155)	361,260	(2,977,387)
<b>Fund Balances at Beginning of Year</b>	<u>(678,791)</u>	<u>161,674</u>	<u>357,135</u>	<u>4,038,717</u>
<b>Fund Balances at End of Year</b>	<u>\$ 573,336</u>	<u>\$ 52,519</u>	<u>\$ 718,395</u>	<u>\$ 1,061,330</u>

See accompanying notes to financial statements.

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Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,054,340	\$ 12,499,174
92,063	5,142,597
-	1,013,806
-	235,762
358,888	1,164,084
115,921	485,905
2,704	105,762
-	614,958
2,623,916	21,262,048
873,703	8,470,323
72,251	9,047,751
-	1,607,170
523,085	523,085
-	75,692
-	2,479,921
-	383,445
1,469,039	22,587,387
1,154,877	(1,325,339)
-	1,756
-	1,005,305
(1,005,305)	(1,005,305)
(1,005,305)	1,756
149,572	(1,323,583)
2,224,424	6,103,159
\$ 2,373,996	\$ 4,779,576

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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, 2010

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Net change in total fund balances \$ (1,323,583)

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	(95,009)
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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	\$ 7,533	
Change in Net Pension Obligation	(1,081,072)	
Change in Other Post Employment Benefits	(81,531)	
Change in Early Retirement Benefit Obligation	327,144	
Amortization of Deferred Amount on Refunding	(23,773)	
Amortization of Deferred Bond Issuance Costs	(25,504)	
Amortization of Premium	5,940	
Change in Accrued Interest on Debt	<u>41,183</u>	
Total Expenses of Non-current Resources		(830,080)

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	70,042	
Depreciation Expense	<u>(1,143,745)</u>	
Excess of Capital Outlay over Depreciation		(1,073,703)

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	2,405,000	
Promissory Note Payable	<u>74,921</u>	
		<u>2,479,921</u>

Change in net assets of governmental activities \$ (842,454)

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VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
April 30, 2010

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Investments	\$ 644,925	\$ 1,846,262	\$ 2,491,187
Receivables			
Property Taxes	26,349	-	26,349
Accounts (Net of Allowance of \$41,777)	349,047	21,807	370,854
Due from Other Funds	-	1,529,311	1,529,311
Other Assets	5,460	-	5,460
Inventory	12,942	-	12,942
<b>Total Current Assets</b>	<u>1,038,723</u>	<u>3,397,380</u>	<u>4,436,103</u>
<b>Noncurrent Assets</b>			
Capital Assets Not Being Depreciated	22,714	-	22,714
Capital Assets Being Depreciated, Net	4,655,846	428,908	5,084,754
<b>Total Noncurrent Assets</b>	<u>4,678,560</u>	<u>428,908</u>	<u>5,107,468</u>
<b>Total Assets</b>	<u>\$ 5,717,283</u>	<u>\$ 3,826,288</u>	<u>\$ 9,543,571</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 6,111	\$ -	\$ 6,111
Unearned Revenue	26,349	-	26,349
Deposits Payable	95,498	-	95,498
Compensated Absences Payable	19,205	-	19,205
<b>Total Current Liabilities</b>	<u>147,163</u>	<u>-</u>	<u>147,163</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences Payable	19,328	-	19,328
Other Post Employment Benefits Obligation	1,394	-	1,394
<b>Total Noncurrent Liabilities</b>	<u>20,722</u>	<u>-</u>	<u>20,722</u>
<b>Total Liabilities</b>	<u>167,885</u>	<u>-</u>	<u>167,885</u>
<b>Net Assets</b>			
Invested in capital assets	4,678,560	428,908	5,107,468
Unrestricted	870,838	3,397,380	4,268,218
<b>Total Net Assets</b>	<u>5,549,398</u>	<u>3,826,288</u>	<u>9,375,686</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 5,717,283</u>	<u>\$ 3,826,288</u>	<u>\$ 9,543,571</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, 2010

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>Operating Revenues</b>			
Charges for Services	\$ 1,724,879	\$ 129,025	\$ 1,853,904
Penalties	67,458	-	67,458
<b>Total Operating Revenues</b>	<u>1,792,337</u>	<u>129,025</u>	<u>1,921,362</u>
<b>Operating Expenses</b>			
Water Operations	465,081	-	465,081
Sewer Operations	-	29,270	29,270
Cost of Sales	1,642,725	-	1,642,725
Depreciation	116,984	17,815	134,799
<b>Total Operating Expenses</b>	<u>2,224,790</u>	<u>47,085</u>	<u>2,271,875</u>
<b>Operating Income (Loss)</b>	<u>(432,453)</u>	<u>81,940</u>	<u>(350,513)</u>
<b>Nonoperating Revenues (Expenses)</b>			
Property Taxes	60,030	-	60,030
<b>Total Nonoperating Revenues (Expenses)</b>	<u>60,030</u>	<u>-</u>	<u>60,030</u>
<b>Change in Net Assets</b>	(372,423)	81,940	(290,483)
<b>Net Assets at Beginning of Year</b>	<u>5,921,821</u>	<u>3,744,348</u>	<u>9,666,169</u>
<b>Net Assets at End of Year</b>	<u>\$ 5,549,398</u>	<u>\$ 3,826,288</u>	<u>\$ 9,375,686</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended April 30, 2010

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,793,374	\$ 130,349	\$ 1,923,723
Cash payments for goods and services	(1,893,330)	(42,314)	(1,935,644)
Cash payments to employees	(277,978)	-	(277,978)
<b>Net cash provided by/(used in) operating activities</b>	<u>(377,934)</u>	<u>88,035</u>	<u>(289,899)</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Interfund Borrowing	962,829	-	962,829
Property Taxes	60,030	-	60,030
<b>Net cash provided by/(used in) noncapital financing activities</b>	<u>1,022,859</u>	<u>-</u>	<u>1,022,859</u>
<b>Net increase/(decrease) in cash</b>	644,925	88,035	732,960
<b>Cash &amp; Investments, Beginning of Year</b>	-	1,758,227	1,758,227
<b>Cash &amp; Investments, End of Year</b>	<u>\$ 644,925</u>	<u>\$ 1,846,262</u>	<u>\$ 2,491,187</u>
<b>Reconciliation of operating income to net cash provided by/(used in) operating activities</b>			
Operating income/(loss)	\$ (432,453)	\$ 81,940	\$ (350,513)
Adjustments to reconcile operating income/(loss) to net cash provided by/(used in) operating activities:			
Depreciation	116,984	17,815	134,799
Decrease (increase) in accounts receivable	1,037	1,324	2,361
Decrease (increase) in other assets	(5,382)	-	(5,382)
Decrease (increase) in inventory	1,050	-	1,050
Increase (decrease) in accounts payable	(18,250)	(13,044)	(31,294)
Increase (decrease) in compensated absences	(25,439)	-	(25,439)
Increase (decrease) in other post employment benefits obligation	704	-	704
Increase (decrease) in deposits payable	(16,185)	-	(16,185)
Total Adjustments	<u>54,519</u>	<u>6,095</u>	<u>60,614</u>
<b>Net cash provided by/(used in) operating activities</b>	<u>\$ (377,934)</u>	<u>\$ 88,035</u>	<u>\$ (289,899)</u>

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF FIDUCIARY NET ASSETS  
April 30, 2010

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	<u>Pension Trust Funds</u>
<b>ASSETS</b>	
Cash & Investments	
Money Markets	\$ 759,586
U.S. Government and Agency Obligations	13,038,479
Mutual Funds	5,671,725
Stocks	438,392
State and Local Obligations	700,401
Receivables	
Interest Receivable	126,511
Prepaid Expenses	<u>9,039</u>
<b>Total Assets</b>	<u><u>\$ 20,744,133</u></u>
<b>LIABILITIES</b>	
Accounts Payable	<u>\$ 12,668</u>
<b>Total Liabilities</b>	<u>12,668</u>
<b>NET ASSETS</b>	
Held for Employees' pension benefits	<u>20,731,465</u>
<b>Total Net Assets</b>	<u>20,731,465</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 20,744,133</u></u>

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See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 Year ended April 30, 2010

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	<u>Pension Trust Funds</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 2,011,897
Plan Members	<u>424,944</u>
 Total Contributions	 <u>2,436,841</u>
 Investment Income	
Net appreciation in fair value of investments	2,425,030
Less investment expense	<u>(79,925)</u>
Net Investment Income	<u>2,345,105</u>
 <b>Total Additions</b>	 <u>4,781,946</u>
 <b>DEDUCTIONS</b>	
Benefits	1,940,451
Administrative Expenses	<u>70,322</u>
 <b>Total Deductions</b>	 <u>2,010,773</u>
 <b>Change in Net Assets</b>	 2,771,173
 <b>Net assets at Beginning of Year</b>	 <u>17,960,292</u>
 <b>Net assets at End of Year</b>	 <u>\$ 20,731,465</u>

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See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**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.

**Blended 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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

*Village-Wide Financial Statements* - The Village-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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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) 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. Amounts reported in the governmental or proprietary funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net assets as accounts receivable or payable to external parties.

*Fund Financial Statements* - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. 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, 2010, 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 \$245,486 in order to properly present 12 months of revenue on the financial statements. The Village does not anticipate this event to recur in future years.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Deferred revenue is reported on the governmental fund balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria. Deferred revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both recognition criteria are met or when the government has a legal claim to the resources, the liability is removed and the revenue 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 Village-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 Village-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.

Motor Fuel Tax Fund - This 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.

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

TIF Shopping Center Fund - This 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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Proprietary Funds

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

The Village reports the following major proprietary funds:

Water Fund - This fund accounts for the 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.

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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**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 Village-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$1,000 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. Interest expense incurred during construction of capital improvements has not been 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>
Buildings and other improvements	20-67 years
Infrastructure - roads	50 years
Office furniture	5 years
Office equipment	5 years
Water treatment equipment	10 years
Automobiles	2-7 years
Trucks	8 years
Buses	10 years

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

<u>Category of Assets</u>	<u>Estimated Useful Life</u>
Other vehicles	10 years
Other machinery and equipment	5 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.

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 2009 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, 2010, of \$1,284,067 is recorded in the Village-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 \$38,533 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 Village-wide financial statements as "internal balances." All receivables are shown net of an allowance for uncollectibles.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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: In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

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, 2010.

Long-Term Debt: In the Village-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. 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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2010

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**NOTE 3 - INTERFUND ACTIVITY**

Interfund receivables and payables as of April 30, 2010 are summarized as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major governmental funds:		
General	\$ 5,971	\$ 1,498,226
TIF Shopping Center	-	5,971
Nonmajor governmental funds	10,080	41,165
Major proprietary funds:		
Sewer	<u>1,529,311</u>	-
Total interfunds	<u>\$ 1,545,362</u>	<u>\$ 1,545,362</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 receivables and payables totaling \$207,841 between two accounts, Corporate and Workmen's Compensation, which comprise part of the General Fund, have been netted off for financial statement purposes. Exhibit 1 shows these interfund receivables and payables at gross.

Interfund transfers in and transfers out for the year ending April 30, 2010 are summarized as follows:

<u>Fund</u>	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>
Major governmental funds:		
General	\$ -	\$ 1,005,305
Nonmajor governmental funds	<u>1,005,305</u>	-
Total interfunds	<u>\$ 1,005,305</u>	<u>\$ 1,005,305</u>

Transfers were made from nonmajor governmental funds to reimburse expenditures recorded in the General Fund.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2010 was as follows:

Primary Government

	<u>Balance at May 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2010</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,582,031	\$ -	\$ -	\$ 5,582,031
Capital assets being depreciated:				
Infrastructure	11,580,910	-	-	11,580,910
Buildings and improvements	10,874,321	-	-	10,874,321
Vehicles	3,100,356	60,378	(20,750)	3,139,984
Site improvements	1,234,204	-	-	1,234,204
Equipment	<u>3,440,764</u>	<u>9,664</u>	<u>-</u>	<u>3,450,428</u>
Subtotal	<u>30,230,555</u>	<u>70,042</u>	<u>(20,750)</u>	<u>30,279,847</u>
Less accumulated depreciation for:				
Infrastructure	(4,287,727)	(234,200)	-	(4,521,927)
Buildings and improvements	(2,329,821)	(404,397)	-	(2,734,218)
Vehicles	(2,147,825)	(232,045)	20,750	(2,359,120)
Site improvements	(31,257)	(1,364)	-	(32,621)
Equipment	<u>(2,269,097)</u>	<u>(271,739)</u>	<u>-</u>	<u>(2,540,836)</u>
Total accumulated depreciation	<u>(11,065,727)</u>	<u>(1,143,745)</u>	<u>20,750</u>	<u>(12,188,722)</u>
Total capital assets being depreciated, net	<u>19,164,828</u>	<u>(1,073,703)</u>	<u>-</u>	<u>18,091,125</u>
Governmental activities capital assets, net	<u>\$ 24,746,859</u>	<u>\$ (1,073,703)</u>	<u>\$ -</u>	<u>\$ 23,673,156</u>

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

**NOTE 4 - CAPITAL ASSETS (Continued)**

	<u>Balance at May 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2010</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 22,714	\$ -	\$ -	\$ 22,714
Capital assets being depreciated:				
Infrastructure	8,681,128	-	-	8,681,128
Buildings and improvements	14,603	-	-	14,603
Site improvements	3,110	-	-	3,110
Equipment	28,530	-	-	28,530
Water network	<u>796,950</u>	<u>-</u>	<u>-</u>	<u>796,950</u>
Subtotal	<u>9,524,321</u>	<u>-</u>	<u>-</u>	<u>9,524,321</u>
Less accumulated depreciation for:				
Infrastructure	(3,697,327)	(112,350)	-	(3,809,677)
Buildings and improvements	(12,904)	(365)	-	(13,269)
Site improvements	(3,037)	(73)	-	(3,110)
Equipment	(27,712)	(713)	-	(28,425)
Water network	<u>(563,788)</u>	<u>(21,298)</u>	<u>-</u>	<u>(585,086)</u>
Total accumulated depreciation	<u>(4,304,768)</u>	<u>(134,799)</u>	<u>-</u>	<u>(4,439,567)</u>
Total capital assets being depreciated, net	<u>5,219,553</u>	<u>(134,799)</u>	<u>-</u>	<u>5,084,754</u>
Business-type activities capital assets, net	<u>\$ 5,242,267</u>	<u>\$ (134,799)</u>	<u>\$ -</u>	<u>\$ 5,107,468</u>

Depreciation expense of \$1,143,745 and \$134,799 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	\$ 467,926	Water	\$ 116,984
Public safety	345,396	Sewer	<u>17,815</u>
Public works	300,663	Total	<u>\$ 134,799</u>
Culture and recreation	<u>29,760</u>		
Total	<u>\$ 1,143,745</u>		

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

**NOTE 5 - RECEIVABLES**

The following is a summary of the various components of significant receivables at April 30, 2010. Any uncollectible amount is not believed to be material.

	<u>Governmental Funds</u>		<u>Proprietary</u>		Total Statement of Net Assets
	<u>General</u>	Motor <u>Fuel Tax</u>	<u>Water</u>	<u>Sewer</u>	
Intergovernmental					
Local use tax	\$ 24,398	\$ -	\$ -	\$ -	\$ 24,398
Sales tax	807,921	-	-	-	807,921
Court fines	48,148	-	-	-	48,148
Utility tax	196,909	-	-	-	196,909
State income tax	305,694	-	-	-	305,694
Motor fuel tax	-	34,806	-	-	34,806
Franchise fees	18,796	-	-	-	18,796
State replacement tax	17,768	-	-	-	17,768
Total intergovernmental	<u>\$ 1,419,634</u>	<u>\$ 34,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,454,440</u>
Accounts receivable					
Water billings	\$ -	\$ -	\$ 349,047	\$ -	\$ 349,047
Sewer billings	-	-	-	21,807	21,807
Total accounts receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,047</u>	<u>\$ 21,807</u>	<u>\$ 370,854</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, 2009</u>	<u>Debt Additions</u>	<u>Debt Retirement</u>	<u>Balances April 30, 2010</u>	<u>Due within one year</u>
Governmental activities:					
General Obligation Bonds:					
Series of 2002	\$ 2,660,000	\$ -	\$ 850,000	\$ 1,810,000	\$ 885,000
Series of 2005A	3,140,000	-	1,050,000	2,090,000	1,105,000
Series of 2005B	2,875,000	-	505,000	2,370,000	525,000
Less deferred amounts:					
For issuance premiums	44,333	-	5,940	38,393	-
On refunding	(65,376)	-	(23,773)	(41,603)	-
Total General Obligation Bonds	<u>8,653,957</u>	<u>-</u>	<u>2,387,167</u>	<u>6,266,790</u>	<u>2,515,000</u>
Promissory note-1999	457,669	-	74,921	382,748	79,207
Compensated absences	1,291,600	432,481	440,014	1,284,067	437,119
Early retirement benefit obligation	1,741,262	-	327,144	1,414,118	151,397
Other post employment benefits obligation	79,985	81,531	-	161,516	-
Net pension obligation	<u>2,416,989</u>	<u>1,081,072</u>	<u>-</u>	<u>3,498,061</u>	<u>-</u>
Total governmental activities	<u>\$14,641,462</u>	<u>\$ 1,595,084</u>	<u>\$ 3,229,246</u>	<u>\$13,007,300</u>	<u>\$ 3,182,723</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

**NOTE 6 - LONG-TERM DEBT (Continued)**

	<u>Balances</u> <u>May 1, 2009</u>	<u>Debt</u> <u>Additions</u>	<u>Debt</u> <u>Retirement</u>	<u>Balances</u> <u>April 30, 2010</u>	<u>Due within</u> <u>one year</u>
Business-type activities:					
Compensated absences	\$ 63,972	\$ 1,817	\$ 27,256	\$ 38,533	\$ 19,205
Other post employment benefits obligation	<u>690</u>	<u>704</u>	<u>-</u>	<u>1,394</u>	<u>-</u>
Total Business-type activities	<u>\$ 64,662</u>	<u>\$ 2,521</u>	<u>\$ 27,256</u>	<u>\$ 39,927</u>	<u>\$ 19,205</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	\$ 2,515,000	\$ -	\$ 2,515,000
Promissory note payable	79,207	-	79,207
Compensated absences	437,119	19,205	456,324
Early retirement benefit obligation	151,397	-	151,397
Long-term obligations, due in more than one year:			
Bonds payable	3,751,790	-	3,751,790
Promissory note payable	303,541	-	303,541
Compensated absences	846,948	19,328	866,276
Net pension obligation	3,498,061	-	3,498,061
Early retirement benefit obligation	1,262,721	-	1,262,721
Other post employment benefits obligation	<u>161,516</u>	<u>1,394</u>	<u>162,910</u>
Total debt	<u>\$ 13,007,300</u>	<u>\$ 39,927</u>	<u>\$ 13,047,227</u>

Long Term obligations outstanding at April 30, 2010 are comprised of the following:

General Obligation Bonds, Series 2002: \$7,230,000 2002 General Obligation Bonds dated March 1, 2002 due December 1, 2011; interest of 3.20% to 4.00% (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</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt Service</u>
2011	\$ 885,000	\$ 72,400	\$ 957,400
2012	<u>925,000</u>	<u>37,000</u>	<u>962,000</u>
	<u>\$ 1,810,000</u>	<u>\$ 109,400</u>	<u>\$ 1,919,400</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 6 - LONG-TERM DEBT (Continued)**

General Obligation Refunding Bonds, Series 2005A: \$5,830,000 2005A General Obligation Refunding Bonds dated October 1, 2005 due December 1, 2011; interest at 3.50% to 4.00% (principal and interest to be serviced by TIF property tax 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>
2011	\$ 1,105,000	\$ 83,600	\$ 1,188,600
2012	<u>985,000</u>	<u>39,400</u>	<u>1,024,400</u>
	<u>\$ 2,090,000</u>	<u>\$ 123,000</u>	<u>\$ 2,213,000</u>

The Village has pledged future TIF incremental property tax revenues to repay \$5,830,000 in General Obligation Refunding Bonds, Series 2005A, issued to finance the refurbishing of the Hillside Mall Redevelopment District. The bonds are payable solely from the incremental property taxes collected in the refurbished district. Total principal and interest remaining on the bonds is \$2,213,000, payable through December 2011. For the current year, principal and interest paid and total incremental property tax revenues were \$1,175,600 and \$1,639,463, respectively.

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 Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2011	\$ 525,000	\$ 104,508	\$ 629,508
2012	545,000	80,883	625,883
2013	165,000	56,358	221,358
2014	170,000	48,933	218,933
2015	180,000	41,708	221,708
2016-2019	<u>785,000</u>	<u>86,277</u>	<u>871,277</u>
	<u>\$ 2,370,000</u>	<u>\$ 418,667</u>	<u>\$ 2,788,667</u>

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 \$1,971,689, 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 \$309,794 and \$200,682, respectively.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 6 - LONG-TERM DEBT** (Continued)

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>
2011	\$ 79,207	\$ 19,353	\$ 98,560
2012	83,702	14,858	98,560
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>\$ 382,748</u>	<u>\$ 49,716</u>	<u>\$ 432,464</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.

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, 2010, the Village was obligated to pay 8 employees as part of the plan with payments due through fiscal year 2022. The net present value of the Village's liability at April 30, 2010 was \$1,414,118. The Village considers \$151,397 of this liability current as of April 30, 2010.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2010

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**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. None of the pension plans issue a separate report. 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](http://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](http://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 rate for calendar year 2009 was 11.31% of annual covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: For 2009, the Village's annual pension cost of \$282,337 for the Regular plan was equal to the Village's required and actual contributions.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/09	\$ 282,337	100%	\$ -
12/31/08	287,098	100%	-
12/31/07	233,278	100%	-

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, 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 15.00% corridor between the actuarial and market value of assets. The Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 23 years.

Funded Status and Funding Progress: As of December 31, 2009, the most recent actuarial valuation date, the plan was 65.99% funded. The actuarial accrued liability for benefits was \$6,303,330 and the actuarial value of assets was \$4,159,730 resulting in an underfunded actuarial accrued liability (UAAL) of \$2,143,600. The covered payroll (annual payroll of active employees covered by the plan) was \$2,496,347 and the ratio of the UAAL to the covered payroll was 86 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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 Village accounts for the plan as a pension trust fund.

At May 1, 2009 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	32
Current employees	
Vested and nonvested	<u>28</u>
	<u>60</u>

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**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.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or over with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years.

Employees with at least 8 years but less than 20 years of credited service may retire at or after the age of 60 and receive a reduced benefit. The monthly benefit of a police officer who retires with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

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. By the year 2033, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Firefighters' Pension 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 Village accounts for the plan as a pension trust fund.

At April 30, 2010 the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	15
Current employees	
Vested and nonvested	<u>23</u>
	<u>38</u>

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or over with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by 1/12 of 2% of such monthly salary for each additional month over 20 years of service through 30 years of service, to the maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retires with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

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

Summary of Significant Accounting Policies and Plan Asset Matters:

*Basis of Accounting* - The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as 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, 2010, 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 National Mortgage Association
Federal Farm Credit Banks	
Federal Home Loan Mortgage Corporation	

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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

*Related-Party Transactions* - There are no securities of the employer or any other related parties included in plan assets.

Annual Pension Cost and Net Pension Obligation: The Pension liability at transition 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 transition or 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	\$ 1,629,815	\$ 728,817
Interest on net pension obligation	205,273	12,942
Adjustment to annual required contribution	<u>(175,100)</u>	<u>(9,147)</u>
Annual pension cost	1,659,988	732,612
Annual contributions made	<u>1,283,080</u>	<u>728,817</u>
Increase (decrease) in net pension obligation	376,908	3,795
Net pension obligation beginning of year	<u>2,932,468</u>	<u>184,890</u>
 Net pension obligation end of year	 <u>\$ 3,309,376</u>	 <u>\$ 188,685</u>

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

	Year	Illinois Municipal Retirement	Year	Police Pension	Firefighters' Pension
	<u>December 31,</u>		<u>April 30,</u>		
Annual pension cost (APC)	2007	\$ 233,278	2008	\$1,082,000	\$ 595,106
	2008	287,098	2009	1,425,510	597,431
	2009	282,337	2010	1,659,988	732,612
Actual contributions	2007	\$ 233,278	2008	\$ 898,863	\$ 486,629
	2008	287,098	2009	1,034,915	574,834
	2009	282,337	2010	1,283,080	728,817
Percentage of APC contributed	2007	100.0%	2008	83.1%	81.8%
	2008	100.0	2009	72.6	96.2
	2009	100.0	2010	77.3	99.5

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2010

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

	Year December 31,	Illinois Municipal Retirement	Year April 30,	Police Pension	Firefighters' Pension
Net pension obligation	2007	\$ -	2008	\$ 2,541,873	\$ 162,293
	2008	-	2009	2,932,468	184,890
	2009	-	2010	3,309,376	188,685

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

	Police Pension	Firefighters' Pension
<b>ASSETS</b>		
Cash and investments	\$ 12,311,083	\$ 8,297,500
Interest receivable	80,128	46,383
Other assets	3,570	5,469
Total assets	<u>\$ 12,394,781</u>	<u>\$ 8,349,352</u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 4,899</u>	<u>\$ 7,769</u>
<b>NET ASSETS</b>		
Held for employee pension benefits	<u>12,389,882</u>	<u>8,341,583</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 12,394,781</u>	<u>\$ 8,349,352</u>
<b>ADDITIONS</b>		
Contributions	\$ 1,507,801	\$ 929,040
Net investment income	1,992,446	352,659
Total additions	<u>3,500,247</u>	<u>1,281,699</u>
<b>DEDUCTIONS</b>		
Benefits	1,307,029	633,422
Administration expenses	27,302	43,020
Total deductions	<u>1,334,331</u>	<u>676,442</u>
<b>Change in net assets</b>	2,165,916	605,257
<b>Net assets held for employee pension benefits</b>		
Beginning of year	<u>10,223,966</u>	<u>7,736,326</u>
End of year	<u>\$ 12,389,882</u>	<u>\$ 8,341,583</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2010

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**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:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Contributed rates		
Employer	16.82%	38.921%
Employee	9.91%	9.455%
Annual pension cost	\$1,659,988	\$ 732,612
Contributions made	1,283,080	728,817
Actuarial valuation date	5/1/09	4/30/10
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level % of Payroll Closed Basis	Level % of Payroll Closed Basis
Remaining amortization period	24.17 Years	23 Years
Asset valuation method	Market	Market
Actuarial assumptions:		
Investment rate of return	7.00 % Compounded Annually	7.00% Compounded Annually
Projected salary increases	5.00%	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, 2009 and April 30, 2010, the most recent actuarial valuation dates for the Police Pension and Firefighters' Pension Plans respectively, the plans were 42.45% and 48.60% funded. The actuarial accrued liability for Police Pension Plan benefits was \$26,493,271 and the actuarial value of assets was \$11,246,362 resulting in an underfunded actuarial accrued liability (UAAL) of \$15,246,909. The covered payroll (annual payroll of active employees covered by the plan) was \$2,052,843 and the ratio of the UAAL to the covered payroll was 742.72 percent. The actuarial accrued liability for Firefighters' Pension Plan benefits was \$17,179,067 and the actuarial value of assets was \$8,341,584 resulting in an underfunded actuarial accrued liability (UAAL) of \$8,837,483. The covered payroll (annual payroll of active employees covered by the plan) was \$1,872,576 and the ratio of the UAAL to the covered payroll was 471.90 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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**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.

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, 2009, the most recent financial information available:

BALANCE SHEET	
Assets:	
Cash and investments	\$ 110,894,152
Receivables	13,031,210
Equipment net of accumulated depreciation	52,153
Prepaid expenses	<u>1,698,879</u>
Total Assets	<u>\$ 125,676,394</u>
Liabilities and member balances:	
Deferred contributions	\$ 620,997
Unpaid losses	71,383,016
Members' reserve	39,108,500
Amounts due to members	5,719,113
Excess surplus fund	8,472,088
Accounts payable	262,537
Other	<u>110,143</u>
Total Liabilities and Member Balances	<u>\$ 125,676,394</u>

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (Continued)**

STATEMENT OF REVENUES AND EXPENSES

Revenues:		
Member contributions	\$	34,564,162
Interest income and other		3,007,337
Net increase(decrease) in the fair value of investments		<u>16,967,063</u>
Total revenues	\$	<u>54,538,562</u>
Expenses:		
Losses and loss adjustments	\$	26,171,705
Unallocated loss adjustments		593,544
Excess insurance premiums		2,904,412
General and Administrative		2,842,192
Depreciation		24,785
Members' balances		<u>22,001,924</u>
Total expenses	\$	<u>54,538,562</u>

The Village of Hillside represents 1.42% 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, 2010 management knows of no claim, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial position of the various funds of the Village at April 30, 2010.

**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 2010.

*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 2010, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

**NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)**

Annual OPEB Cost and Net OPEB Obligation	April 30, 2010	April 30, 2009
Annual required contribution	\$ 80,890	\$ 80,675
Interest on Net OPEB Obligation	4,034	-
Adjustment to annual required contribution	(2,689)	-
Annual OPEB cost	82,235	80,675
Contributions made	-	-
Increase in Net OPEB Obligation	82,235	80,675
Net OPEB Obligation, beginning of year	80,675	-
Net OPEB Obligation, end of year	<u>\$ 162,910</u>	<u>\$ 80,675</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 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
04/30/10	\$ 82,235	0.0%	\$ 162,910
04/30/09	80,675	0.0%	80,675
04/30/08	-	-	-

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

*Funded Status and Funding Progress.* As of April 30, 2009, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$1,036,125 and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,036,125. The covered payroll (annual payroll of active employees covered by the plan) was \$2,796,164, and the ratio of the UAAL to the covered payroll was 37.06 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.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)**

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

In the April 30, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 6 percent. Both rates included a 3.0 percent inflation assumption. The actuarial value of the liability was marked to the market value of the retiree healthcare account as of April 30, 2009. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2009, was thirty years.

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done once every two years; above is the information from the most recent valuation as of April 30, 2009. 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, 2010 the carrying amount of the Library's deposits was \$1,165,787 not including a petty cash fund of \$210 and the bank balance was \$1,150,401. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

**NOTE 11 - PUBLIC LIBRARY (Continued)**

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.

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, 2010 was \$94,611. The following is a summary of the changes in the capital assets for the year ended April 30, 2010:

	<u>Balance at</u> <u>May 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>April 30, 2010</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	241,371	5,037	-	246,408
Library materials	300,054	67,902	(60,011)	307,945
Subtotal	1,270,262	72,939	(60,011)	1,283,190
Less accumulated depreciation	(846,466)	(94,611)	60,011	(881,066)
Total capital assets being depreciated, net	423,796	(21,672)	-	402,124
Net capital assets	<u>\$ 1,048,476</u>	<u>\$ (21,672)</u>	<u>\$ -</u>	<u>\$ 1,026,804</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 12 - EXPENDITURES IN EXCESS OF BUDGET**

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

General	\$ 367,587
TIF Shopping Center	3,518,234
Disposal Service	19,174
Mannheim Road TIF	10,080

**NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS**

The Governmental Accounting Standards Board (GASB) recently issued the following statements:

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

In June 2008, GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Statement 53 is effective for the Village's fiscal year ending April 30, 2011.

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance amounts will be reported in the following classifications: restricted, committed, assigned, and unassigned. Statement 54 is effective for the Village's fiscal year ending April 30, 2012.

In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This Statement amends Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, to permit an agent employer that has an individual employer OPEB plan with fewer than 100 total plan members to use the alternative measurement method, at its option, regardless of the number of total plan members in the agent multiple employer OPEB plan in which it participates. This Statement also amends a Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, requirement that a defined benefit OPEB plan obtain an actuarial valuation. The amendment permits the requirement to be satisfied for an agent multiple-employer OPEB plan by reporting an aggregation of results of actuarial valuations of the individual-employer OPEB plans or measurements resulting from use of the alternative measurement method for individual-employer OPEB plans that are eligible. In addition, this Statement clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating

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VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2010

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**NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)**

employers. The provisions related to the use and reporting of the alternative method are effective immediately. The provisions related to the frequency and timing of measurements are effective for actuarial valuations first used to report funded status information in OPEB plans financial statements for financial periods beginning after June 15, 2011.

In December 2009, the GASB issued Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. In the event of bankruptcy, the objective of this Statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. This statement is effective for the Village's fiscal year ending April 30, 2011.

In June 2010 the Governmental Accounting Standards Board (GASB) issued Statement No. 59, *Financial Instruments Omnibus*. The Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. Statement No. 59 emphasizes the applicability of U.S. Securities and Exchange Commission requirements to certain external investment pools – known as 2a7-like pools – to provide users more consistent information on qualifying pools; addresses the applicability of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, to certain financial instruments to clarify which financial instruments are within the scope of that pronouncement and to provide greater consistency in financial reporting; and applies the reporting provisions for interest-earning investment contracts of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, to unallocated insurance contracts to improve the consistency of reporting by pension and OPEB plans. Statement No. 59 is effective for the Village's fiscal year ending April 30, 2012, with earlier application encouraged.

Management has not determined the impact these statements will have on the financial position and results of operations of the Village.

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 April 30, 2010

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)
<b>IMRF</b>						
12/31/2004	\$ 4,303,730	\$ 4,665,471	\$ 361,741	92.25%	\$ 2,177,911	16.61%
12/31/2005	4,925,766	5,452,672	526,906	90.34%	2,340,469	22.51%
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%
<b>Police Pension</b>						
4/30/2005	9,868,675	20,807,169	10,938,494	47.43%	1,973,034	554.40%
4/30/2006	10,657,440	22,664,460	12,007,020	47.02%	1,806,116	664.80%
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%
<b>Fire Pension</b>						
5/1/2002	5,710,491	8,774,071	3,063,580	65.08%	1,123,392	272.71%
5/1/2003	N/A	N/A	N/A	N/A	N/A	N/A
5/1/2004	6,110,933	10,228,659	4,117,726	59.74%	1,475,118	279.15%
5/1/2005	N/A	N/A	N/A	N/A	N/A	N/A
5/1/2006	6,454,095	12,564,930	6,110,835	51.37%	1,662,378	367.60%
5/1/2007	N/A	N/A	N/A	N/A	N/A	N/A
5/1/2008	N/A	N/A	N/A	N/A	N/A	N/A
5/1/2009	N/A	N/A	N/A	N/A	N/A	N/A
5/1/2010	8,341,584	17,179,067	8,837,483	48.56%	1,872,576	471.94%

N/A - Comparative information not available.

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 April 30, 2010

Year Ended <u>April 30</u>	Employer Contributions			
	Police Pension		Fire Pension	
	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2004	\$ 749,103	80.2 %	239,207	97.1 %
2005	863,054	73.0	N/A	N/A
2006	927,469	74.7	350,621	89.2
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

Year Ended <u>December 31</u>	Employer Contributions	
	IMRF	
	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2004	\$ 159,859	100 %
2005	204,323	100
2006	235,479	100
2007	233,278	100
2008	287,098	100
2009	282,337	100

N/A - Comparative information not available.  
 Information provided is the most recent available.

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES  
 SCHEDULE OF FUNDING PROGRESS  
 April 30, 2010

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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%

\*\* 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 BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL AND MOTOR FUEL TAX FUNDS  
 Year Ended April 30, 2010

	General Fund				Motor Fuel Tax Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>								
Property Taxes	\$ 6,247,727	\$ 6,247,727	\$ 7,180,592	\$ 932,865	\$ -	\$ -	\$ -	\$ -
Taxes	4,595,100	4,595,100	5,050,534	455,434	-	-	-	-
Intergovernmental Revenues	979,500	979,500	813,124	(166,376)	215,000	215,000	200,682	(14,318)
Licenses and Permits	250,000	250,000	235,762	(14,238)	-	-	-	-
Charges for Services	838,200	838,200	805,196	(33,004)	-	-	-	-
Fines and Forfeitures	434,900	434,900	369,984	(64,916)	-	-	-	-
Investment Income	150,000	150,000	10,560	(139,440)	15,000	15,000	330	(14,670)
Miscellaneous	493,386	493,386	614,958	121,572	-	-	-	-
<b>Total Revenues</b>	<b>13,988,813</b>	<b>13,988,813</b>	<b>15,080,710</b>	<b>1,091,897</b>	<b>230,000</b>	<b>230,000</b>	<b>201,012</b>	<b>(28,988)</b>
<b>Expenditures</b>								
Current								
General Administration	2,998,350	2,998,350	4,078,311	(1,079,961)	-	-	-	-
Public Safety	9,068,727	9,068,727	8,975,500	93,227	-	-	-	-
Streets	2,191,130	2,191,130	1,607,170	583,960	-	-	-	-
Culture and Recreation	110,850	110,850	75,692	35,158	-	-	-	-
Debt Service - Principal	74,921	74,921	74,921	-	237,000	247,500	247,450	50
Debt Service - Interest and Fees	24,079	24,079	24,050	29	75,000	64,500	62,717	1,783
<b>Total Expenditures</b>	<b>14,468,057</b>	<b>14,468,057</b>	<b>14,835,644</b>	<b>(367,587)</b>	<b>312,000</b>	<b>312,000</b>	<b>310,167</b>	<b>1,833</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(479,244)</b>	<b>(479,244)</b>	<b>245,066</b>	<b>724,310</b>	<b>(82,000)</b>	<b>(82,000)</b>	<b>(109,155)</b>	<b>(27,155)</b>
<b>Other Financing Sources (Uses)</b>								
Sale of Capital Assets	5,000	5,000	1,756	(3,244)	-	-	-	-
Transfers In	-	-	1,005,305	1,005,305	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>5,000</b>	<b>1,007,061</b>	<b>1,002,061</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ (474,244)</b>	<b>\$ (474,244)</b>	<b>1,252,127</b>	<b>\$ 1,726,371</b>	<b>\$ (82,000)</b>	<b>\$ (82,000)</b>	<b>(109,155)</b>	<b>\$ (27,155)</b>
<b>Fund Balances at Beginning of Year</b>			<b>(678,791)</b>				<b>161,674</b>	
<b>Fund Balances at End of Year</b>			<b>\$ 573,336</b>				<b>\$ 52,519</b>	

See accompanying notes to required supplementary information.

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
April 30, 2010

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**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
Audit Fund	Debt Service Fund	Equipment Replacement Fund
Motor Fuel Tax Fund	Mannheim Road TIF Fund	Disposal Service Fund
IMRF Fund	E911	F.I.C.A Fund

VILLAGE OF HILLSIDE, ILLINOIS  
GENERAL FUND  
BALANCE SHEET  
April 30, 2010

	Corporate <u>Account</u>	Liability Insurance <u>Account</u>	Workmen's Compensation <u>Account</u>	Unemployment Compensation <u>Account</u>	Total Current <u>Year</u>
<b>ASSETS</b>					
Cash & Investments	\$ 1,709,339	\$ 10,591	\$ 843	\$ 47,116	\$ 1,767,889
Receivables					
Property Taxes	3,014,505	118,568	123,837	-	3,256,910
Intergovernmental	1,419,634	-	-	-	1,419,634
Interest	465	-	-	-	465
Due from Other Funds	213,812	-	-	-	213,812
Other Assets	<u>149,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,580</u>
<b>Total Assets</b>	<u>\$ 6,507,335</u>	<u>\$ 129,159</u>	<u>\$ 124,680</u>	<u>\$ 47,116</u>	<u>\$ 6,808,290</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 854,340	\$ 2,827	\$ -	\$ -	\$ 857,167
Deferred Revenue	3,330,946	118,568	123,837	-	3,573,351
Due to Other Funds	1,498,226	-	207,841	-	1,706,067
Due to Component Unit	28,395	-	-	-	28,395
Deposits Payable	<u>69,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,974</u>
<b>Total Liabilities</b>	<u>5,781,881</u>	<u>121,395</u>	<u>331,678</u>	<u>-</u>	<u>6,234,954</u>
<b>Fund Balances</b>					
Reserved for Insurance	-	7,764	-	47,116	54,880
Unreserved	<u>725,454</u>	<u>-</u>	<u>(206,998)</u>	<u>-</u>	<u>518,456</u>
<b>Total Fund Balances</b>	<u>725,454</u>	<u>7,764</u>	<u>(206,998)</u>	<u>47,116</u>	<u>573,336</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 6,507,335</u>	<u>\$ 129,159</u>	<u>\$ 124,680</u>	<u>\$ 47,116</u>	<u>\$ 6,808,290</u>

VILLAGE OF HILLSIDE, ILLINOIS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2010

EXHIBIT 2

	Corporate Account	Liability Insurance Account	Workmen's Compensation Account	Unemployment Compensation Account	Total Current Year
<b>Revenues</b>					
Property Taxes	\$ 6,817,484	\$ 179,189	\$ 183,919	\$ -	\$ 7,180,592
Taxes	5,050,534	-	-	-	5,050,534
Intergovernmental Revenues	813,124	-	-	-	813,124
Licenses and Permits	235,762	-	-	-	235,762
Charges for Services	805,196	-	-	-	805,196
Fines and Forfeitures	369,984	-	-	-	369,984
Investment Income	10,560	-	-	-	10,560
Miscellaneous	562,283	-	52,675	-	614,958
<b>Total Revenues</b>	<u>14,664,927</u>	<u>179,189</u>	<u>236,594</u>	<u>-</u>	<u>15,080,710</u>
<b>Expenditures</b>					
Current					
General Administration	3,592,096	225,690	241,626	18,899	4,078,311
Public Safety	8,975,500	-	-	-	8,975,500
Streets	1,607,170	-	-	-	1,607,170
Culture and Recreation	75,692	-	-	-	75,692
Debt Service - Principal	74,921	-	-	-	74,921
Debt Service - Interest and Fees	24,050	-	-	-	24,050
<b>Total Expenditures</b>	<u>14,349,429</u>	<u>225,690</u>	<u>241,626</u>	<u>18,899</u>	<u>14,835,644</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>315,498</u>	<u>(46,501)</u>	<u>(5,032)</u>	<u>(18,899)</u>	<u>245,066</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	1,756	-	-	-	1,756
Transfers In	1,005,305	-	-	-	1,005,305
<b>Total Other Financing Sources (Uses)</b>	<u>1,007,061</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,007,061</u>
<b>Net Change in Fund Balances</b>	1,322,559	(46,501)	(5,032)	(18,899)	1,252,127
<b>Fund Balances at Beginning of Year</b>	<u>(597,105)</u>	<u>54,265</u>	<u>(201,966)</u>	<u>66,015</u>	<u>(678,791)</u>
<b>Fund Balances at End of Year</b>	<u>\$ 725,454</u>	<u>\$ 7,764</u>	<u>\$ (206,998)</u>	<u>\$ 47,116</u>	<u>\$ 573,336</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, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 5,987,727	\$ 6,817,484	\$ 829,757
Taxes	4,595,100	5,050,534	455,434
Intergovernmental Revenues	979,500	813,124	(166,376)
Licenses and Permits	250,000	235,762	(14,238)
Charges for Services	838,200	805,196	(33,004)
Fines and Forfeitures	434,900	369,984	(64,916)
Investment Income	150,000	10,560	(139,440)
Miscellaneous	493,386	562,283	68,897
<b>Total Revenues</b>	<u>13,728,813</u>	<u>14,664,927</u>	<u>936,114</u>
<b>Expenditures</b>			
Current			
General Administration	2,528,350	3,592,096	(1,063,746)
Public Safety	9,068,727	8,975,500	93,227
Streets	2,191,130	1,607,170	583,960
Culture and Recreation	110,850	75,692	35,158
Debt Service - Principal	74,921	74,921	-
Debt Service - Interest and Fees	24,079	24,050	29
<b>Total Expenditures</b>	<u>13,998,057</u>	<u>14,349,429</u>	<u>(351,372)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(269,244)</u>	<u>315,498</u>	<u>584,742</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	5,000	1,756	(3,244)
Transfers In	-	1,005,305	1,005,305
<b>Total Other Financing Sources (Uses)</b>	<u>5,000</u>	<u>1,007,061</u>	<u>1,002,061</u>
<b>Net Change in Fund Balance</b>	<u>\$ (264,244)</u>	1,322,559	<u>\$ 1,586,803</u>
<b>Fund Balance at Beginning of Year</b>		<u>(597,105)</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 725,454</u>	

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 5,987,727	\$ 6,817,484	\$ 829,757
<b>Taxes</b>			
Sales Tax	2,400,000	2,826,839	426,839
Municipal Utility Tax	1,400,000	1,088,752	(311,248)
Local Use Tax	12,000	97,678	85,678
Hotel/Motel Tax	225,000	240,836	15,836
Storage Facility Tax	50,000	49,828	(172)
Franchise Fees	75,000	71,770	(3,230)
Fire Insurance Tax	8,000	-	(8,000)
Amusement Tax	100	-	(100)
Real Estate Transfer Tax	175,000	129,289	(45,711)
Sales Tax - Hillside Town Center	250,000	545,542	295,542
<b>Total Taxes</b>	<b>4,595,100</b>	<b>5,050,534</b>	<b>455,434</b>
<b>Intergovernmental Revenues</b>			
Income Tax	738,000	628,969	(109,031)
Replacement Tax	180,000	139,970	(40,030)
Village of Berkley	1,500	1,500	-
Police Dept Grant	50,000	40,035	(9,965)
Fire Dept Grant	10,000	2,650	(7,350)
<b>Total Intergovernmental Revenues</b>	<b>979,500</b>	<b>813,124</b>	<b>(166,376)</b>
<b>Licenses and Permits</b>			
Business Licenses	130,000	116,856	(13,144)
Liquor Licenses	20,000	25,900	5,900
Contractors Licenses	15,000	13,540	(1,460)
Other Licenses	1,000	1,570	570
Alarm Permits	30,000	28,428	(1,572)
Building Permits	50,000	40,670	(9,330)
Sewer Permits	1,000	2,577	1,577
Sign Permits	2,000	5,531	3,531
Fence Permits	1,000	690	(310)
<b>Total Licenses and Permits</b>	<b>250,000</b>	<b>235,762</b>	<b>(14,238)</b>
<b>Charges for Services</b>			
Home Inspections	3,000	6,700	3,700
Sewer Connections	2,000	200	(1,800)
Plumbing Fixtures	-	40	40
Postage	200	1,085	885
Plumbing Inspections	10,000	13,520	3,520
Electrical Inspections	20,000	12,279	(7,721)

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Heating & A/C Inspections	\$ 1,000	\$ 1,100	\$ 100
Elevator Inspections	12,000	14,600	2,600
Miscellaneous Fees	5,000	1,030	(3,970)
Sidewalk Replacement	2,500	1,750	(750)
Senior Taxi Cab	2,500	2,500	-
Tipping Fees	780,000	750,000	(30,000)
CPR Classes	-	392	392
<b>Total Charges for Services</b>	<u>838,200</u>	<u>805,196</u>	<u>(33,004)</u>
<b>Fines and Forfeitures</b>			
Zoning Hearing Fees	2,500	1,850	(650)
Youth Commission Fees	15,000	14,710	(290)
Telephone Franchise Fees	20,000	-	(20,000)
Village Fines	75,000	108,671	33,671
Circuit Court Fines	100,000	77,282	(22,718)
Adjudication Court Fines	15,000	11,576	(3,424)
Municipal Ordinance Tickets	57,000	-	(57,000)
Police Towing Violation Fee	116,900	127,455	10,555
Police Department Processing Fee	30,000	24,420	(5,580)
Police Finger Printing Fee	500	750	250
DUI Fines	3,000	3,270	270
<b>Total Fines and Forfeitures</b>	<u>434,900</u>	<u>369,984</u>	<u>(64,916)</u>
<b>Investment Income</b>	<u>150,000</u>	<u>10,560</u>	<u>(139,440)</u>
<b>Miscellaneous</b>			
Picnic Donations and Signs	-	19	19
Police & Fire Reports	5,000	2,507	(2,493)
Other Insurance Claims	10,000	2,086	(7,914)
Antenna Rental	40,000	33,875	(6,125)
Zoning Certificates	1,500	1,250	(250)
Training Reimbursement	2,000	-	(2,000)
Employee Health Contributions	150,000	135,244	(14,756)
Reimbursements-Other Agencies	50,000	80,013	30,013
Other Revenues	166,886	259,251	92,365
Proviso High Reimbursement	65,000	45,148	(19,852)
Forfeiture Collections	500	-	(500)
MLK Breakfast	2,500	2,890	390
<b>Total Miscellaneous</b>	<u>493,386</u>	<u>562,283</u>	<u>68,897</u>
<b>Total Revenues</b>	<u>\$ 13,728,813</u>	<u>\$ 14,664,927</u>	<u>\$ 936,114</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

Expenditures	Final Budget	Actual	Variance Positive (Negative)
General Administration			
Mayor & Village Board			
Salaries Full-Time	\$ 67,000	\$ 64,031	\$ 2,969
Salaries Part-Time	31,400	31,400	-
Sick Pay	3,000	2,944	56
Health Insurance Costs	31,000	30,918	82
Dental Insurance Costs	2,600	2,564	36
Vision Insurance Costs	400	373	27
Life Insurance Costs	400	260	140
Employee Assistance Program	50	26	24
Travel & Conference Expense	7,500	5,595	1,905
Office Supplies	2,500	252	2,248
Membership Fees	9,250	9,202	48
Publications	11,000	3,916	7,084
Awards & Recognitions	10,000	5,079	4,921
Postage	3,000	2,817	183
Telephone	1,000	691	309
Cellular Telephones	9,000	8,967	33
Printing	500	50	450
Total Mayor & Village Board	<u>189,600</u>	<u>169,085</u>	<u>20,515</u>
Administration			
Salaries Full-Time	445,500	445,659	(159)
Salaries Part-Time	42,000	41,894	106
Overtime	5,900	4,506	1,394
Holiday and Vacation	29,000	28,535	465
Health Insurance Costs	91,000	125,794	(34,794)
Dental Insurance Costs	8,000	7,734	266
Vision Insurance Costs	1,600	1,685	(85)
Life Insurance Costs	2,700	2,643	57
Employee Assistance Program	200	95	105
Village Attorney	225,000	276,710	(51,710)
Village Prosecutor	10,000	6,393	3,607
Contractual Legal Services	100,000	512,929	(412,929)
Payroll Service	10,000	7,787	2,213
Exterminating Services	6,000	4,920	1,080
Maintenance Contracts	57,900	54,997	2,903
Maint of Computer Equipment	3,000	974	2,026
Maint of Automotive Equipment	2,500	2,444	56
Reception & Entertainment	1,000	48	952
Travel & Conference Expense	1,000	636	364
Office Supplies	7,000	4,739	2,261
Stationery & Forms	3,000	2,729	271

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Office Furniture/Equipment	\$ 4,000	\$ 3,835	\$ 165
Minor Equipment & Hardware	500	23	477
Food & Beverage Supplies	2,500	2,075	425
Gasoline & Diesel Fuel	2,500	1,303	1,197
Licensing Supplies	2,000	963	1,037
Membership Fees	6,000	4,442	1,558
Publications	3,000	1,818	1,182
Postage	18,000	6,718	11,282
Telephone	12,000	10,661	1,339
Cellular Telephones	3,500	3,237	263
Printing	2,000	126	1,874
Advertising	<u>100</u>	<u>24</u>	<u>76</u>
Total Administration	<u>1,108,400</u>	<u>1,569,076</u>	<u>(460,676)</u>
Village Hall & Grounds			
Maintenance Contracts	15,000	10,950	4,050
Maint of Building	42,000	20,934	21,066
Maint of Cells	4,000	3,135	865
Cleaning Contract	54,000	47,711	6,289
Minor Equipment & Hardware	1,500	694	806
Janitorial Supplies	4,000	2,956	1,044
Horticultural Supplies	<u>500</u>	<u>-</u>	<u>500</u>
Total Village Hall & Grounds	<u>121,000</u>	<u>86,380</u>	<u>34,620</u>
Planning Commission			
Salaries Part-Time	400	-	400
Advertising	<u>500</u>	<u>-</u>	<u>500</u>
Total Planning Commission	<u>900</u>	<u>-</u>	<u>900</u>
Zoning Board of Appeals			
Salaries Part-Time	1,200	655	545
Advertising	<u>3,000</u>	<u>387</u>	<u>2,613</u>
Total Zoning Board of Appeals	<u>4,200</u>	<u>1,042</u>	<u>3,158</u>
Inspection Services			
Salaries Full-Time	113,000	113,155	(155)
Salaries Part-Time	42,000	41,089	911
Health Insurance Costs	8,000	7,572	428
Dental Insurance Costs	<u>500</u>	<u>448</u>	<u>52</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Vision Insurance Costs	\$ 100	\$ 96	\$ 4
Life Insurance Costs	600	533	67
Employee Assistance Program	50	21	29
Maint of Automotive Equipment	3,450	3,191	259
Adjudication Hearing Officer	11,500	11,077	423
Elevator Inspection Services	7,000	6,785	215
Animal Control - Skunk Trap	4,500	4,410	90
Travel & Conference Expense	500	175	325
Training School Expense	500	-	500
Office Supplies	1,000	219	781
Stationery & Forms	3,000	2,515	485
Office Furniture/Equipment	500	-	500
Gasoline & Diesel Fuel	1,000	1,286	(286)
Membership Fees	300	256	44
Publications	1,000	480	520
Postage	1,000	626	374
Cellular Telephones	3,000	2,352	648
Advertising	300	-	300
Adjudication Court Software	3,000	2,821	179
<b>Total Inspection Services</b>	<u>205,800</u>	<u>199,107</u>	<u>6,693</u>
<b>General Expenses</b>			
Awards & Recognitions	14,900	3,129	11,771
Youth Athletic Parade	500	202	298
Tuition Reimbursement	51,000	46,317	4,683
Banking Charges	19,000	18,154	846
Hotel Tax Expense	58,000	57,941	59
Sales Tax Rebate	25,000	21,773	3,227
Christmas Walk	5,000	47	4,953
Veteran's Day Parade	27,750	27,552	198
Maintenance and Repairs	7,500	2,895	4,605
CarMax Sales Tax	202,000	295,953	(93,953)
Disability Personnel Insurance	50,000	36,549	13,451
Retired Personnel Health Insurance	209,200	201,483	7,717
Retired Personnel Dental Insurance	17,200	5,077	12,123
Retired Personnel Vision Insurance	3,400	2,372	1,028
Sales Tax Pledge Hillside Town Center	-	705,401	(705,401)
MLK Breakfast	3,000	3,997	(997)
Historical Society Grant	5,000	5,000	-
<b>Total General Expenses</b>	<u>698,450</u>	<u>1,433,842</u>	<u>(735,392)</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Economic Development			
Economic Development	\$ 200,000	\$ 133,564	\$ 66,436
Total Economic Development Expenses	<u>200,000</u>	<u>133,564</u>	<u>66,436</u>
Total General Administration	<u>2,528,350</u>	<u>3,592,096</u>	<u>(1,063,746)</u>
Public Safety			
Police Department			
Salaries Full-Time	2,518,000	2,499,827	18,173
Salaries Part-Time	31,000	30,649	351
Salaries Crossing Guards	18,900	16,135	2,765
Overtime	135,000	119,064	15,936
Holiday & Sickpay	204,000	203,090	910
Salaries Part-Time - Officers	37,000	-	37,000
Health Insurance Costs	583,000	580,276	2,724
Dental Insurance Costs	36,400	35,654	746
Vision Insurance Costs	6,600	7,082	(482)
Life Insurance Costs	13,000	12,671	329
Employee Assistance Program	1,500	541	959
Maintenance Contracts	45,000	43,669	1,331
Maint of Computer Equipment	6,200	750	5,450
Maint of Automotive Equipment	65,000	64,617	383
Maint of Communication Equipment	5,500	653	4,847
Maint of Laptop Computers	1,600	-	1,600
Animal Shelter Services	3,500	1,999	1,501
Towing Services	5,000	4,733	267
Travel & Conference Expense	6,200	1,569	4,631
Training School Expense	22,000	8,858	13,142
Office Supplies	6,800	2,850	3,950
Stationery & Forms	5,400	1,661	3,739
Office Furniture/Equipment	6,000	322	5,678
Minor Equipment & Hardware	1,250	941	309
Food & Beverage Supplies	4,700	3,464	1,236
Gasoline & Diesel Fuel	55,000	61,923	(6,923)
Licensing Supplies	1,600	1,130	470
Clothing	22,000	18,554	3,446
Chemicals & Ammunition	7,500	5,249	2,251
Medical & Lab Supplies	6,000	1,852	4,148
Photographic Supplies	4,700	4,249	451
Copy Machine Supplies	17,000	12,005	4,995
Computer Equipment	5,500	5,280	220
Purchase of Communication Equipment	6,800	1,014	5,786
Purchase of Evidence Bar-coding	1,000	264	736

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Purchase of Bicycle Replacement	\$ 800	\$ -	\$ 800
Purchase of Training Equipment	5,000	-	5,000
Safety Equipment	2,500	2,372	128
Membership Fees	3,100	3,073	27
Publications	900	847	53
Postage	2,000	1,842	158
Telephone	27,000	28,249	(1,249)
Cellular Telephones	12,000	11,531	469
Accreditation Services	7,000	8,275	(1,275)
Meals & Prov. for Prison	4,500	2,127	2,373
NIPAS Contribution	1,000	457	543
Community Policing	12,000	10,601	1,399
DUI Expenses	4,000	3,296	704
Bullying Grant	6,000	5,875	125
Tobacco Grant	2,000	350	1,650
JAG Equipment Grant	40,000	38,935	1,065
Actuarial Requirement	<u>1,121,727</u>	<u>1,283,080</u>	<u>(161,353)</u>
 Total Police Department	 <u>5,147,177</u>	 <u>5,153,505</u>	 <u>(6,328)</u>
 Fire Department			
Salaries Full-Time	2,067,348	2,048,326	19,022
Salaries Full-Part Time Fire Prevention	23,000	22,932	68
Overtime	120,000	96,656	23,344
Holiday & Sickpay	141,000	140,833	167
Health Insurance Costs	486,729	486,126	603
Dental Insurance Costs	28,767	28,602	165
Vision Insurance Costs	5,474	5,779	(305)
Life Insurance Costs	10,253	10,063	190
Employee Assistance Program	750	399	351
Maintenance Contracts	17,000	16,908	92
Maint of Computer Equipment	5,000	3,933	1,067
Maint of Office Equipment	6,000	594	5,406
Maint of Automotive Equipment	57,000	56,355	645
Maint of Communication Equipment	8,000	2,255	5,745
Maint of Other Equipment	6,000	5,323	677
Maint of Building	47,000	15,269	31,731
Reception & Entertainment	1,000	127	873
Travel & Conference Expense	2,500	1,303	1,197
Training School Expense	9,000	7,189	1,811
Office Supplies	2,000	736	1,264
Stationery & Forms	1,000	73	927
Minor Equipment & Hardware	500	100	400
Gasoline & Diesel Fuel	30,000	22,388	7,612

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Clothing	\$ 10,000	\$ 3,828	\$ 6,172
Janitorial Supplies	3,000	2,811	189
Photographic Supplies	750	-	750
Training Supplies	4,000	2,674	1,326
Rental/Equipment-Oxygen	4,000	3,093	907
Medical & Lab Supplies	15,000	5,058	9,942
Safety Equipment	25,000	7,657	17,343
Membership Fees	8,000	7,284	716
Publications	2,500	2,107	393
Awards & Recognitions	1,000	845	155
Postage	750	694	56
Telephone	30,000	16,295	13,705
Cellular Telephones	6,000	3,095	2,905
Pagers	100	67	33
Medical & Hospital Services	6,000	5,708	292
FEMA Grant Expense	2,000	2,000	-
FEMA Grant Match 10%	2,000	1,109	891
Upgrade to Paperless CAD System	25,000	-	25,000
Actuarial Requirement	<u>629,329</u>	<u>728,817</u>	<u>(99,488)</u>
 Total Fire Department	 <u>3,849,750</u>	 <u>3,765,411</u>	 <u>84,339</u>
 ESDA			
Maint of Automotive Equipment	1,400	1,312	88
Maint of Communication Equipment	-	637	(637)
Maint of Other Equipment	500	404	96
Office Supplies	150	122	28
Stationery & Forms	25	79	(54)
Minor Equipment & Hardware	250	213	37
Food & Beverage Supplies	600	580	20
Gasoline & Diesel Fuel	1,600	2,005	(405)
Clothing	-	327	(327)
Janitorial Supplies	-	41	(41)
Training Supplies	-	903	(903)
Safety Equipment	125	109	16
Postage	50	41	9
Telephone	1,800	2,091	(291)
Cellular Telephones	1,100	1,097	3
Pagers	<u>400</u>	<u>207</u>	<u>193</u>
 Total ESDA	 <u>8,000</u>	 <u>10,168</u>	 <u>(2,168)</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Fire & Police Commission			
Salaries- Part Time	\$ 2,000	\$ 1,823	\$ 177
Testing & Interviewing Expense	25,000	24,544	456
Travel & Conference Expense	2,000	1,527	473
Membership Fees	2,500	375	2,125
Postage	300	-	300
Printing	2,000	267	1,733
Advertising	28,000	17,880	10,120
Physicals	2,000	-	2,000
Total Fire & Police Commission	<u>63,800</u>	<u>46,416</u>	<u>17,384</u>
Total Public Safety	<u>9,068,727</u>	<u>8,975,500</u>	<u>93,227</u>
Streets			
Public Works			
Salaries Full-Time	252,700	251,824	876
Overtime	11,000	10,526	474
Health Insurance Costs	61,000	60,143	857
Sick and Vacation Pay	9,000	7,666	1,334
Dental Insurance Costs	3,900	3,846	54
Vision Insurance Costs	800	821	(21)
Life Insurance Costs	1,300	1,273	27
Employee Assistance Program	100	47	53
Archtrl/Engineering Services	41,000	40,308	692
Maintenance Contracts	8,500	7,904	596
Maint of Computer Equipment	500	-	500
Maint of Automotive Equipment	22,000	12,978	9,022
Maint of Communication Equipment	4,000	2,994	1,006
Maint of Other Equipment	1,500	908	592
Maint of Building	15,000	11,568	3,432
Maint of Storm Water Facility	15,000	12,289	2,711
Maint of Commons	30,000	19,470	10,530
Maint of Sidewalks	10,000	5,600	4,400
Maint of Landscape Areas	125,000	98,714	26,286
Tree Removal / Trimming	30,000	10,805	19,195
Maint of Park-N-Ride	10,000	-	10,000
Travel & Conference Expense	1,000	430	570
Training School Expense	1,000	974	26
Office Supplies	2,000	1,843	157
Stationery & Forms	750	736	14
Office Furniture/Equipment	1,500	1,055	445
Minor Equipment & Hardware	5,000	2,011	2,989
Food & Beverage Supplies	3,000	2,304	696
Gasoline & Diesel Fuel	40,000	37,906	2,094
Licensing Supplies	250	232	18

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Clothing	\$ 12,000	\$ 8,550	\$ 3,450
Janitorial Supplies	2,000	1,869	131
Chemicals	1,500	1,055	445
Electricity	20,000	16,471	3,529
Other Machinery & Equipment	2,000	-	2,000
Fuel System Computer	7,000	3,550	3,450
Safety Equipment	4,000	3,233	767
Horticultural Supplies	1,000	159	841
Membership Fees	500	225	275
Postage	4,000	1,661	2,339
Telephone	40,000	35,330	4,670
Cellular Telephones	6,000	4,879	1,121
Advertising	300	252	48
Alarm Service	750	300	450
Salt Storage Bin	-	60,601	(60,601)
Oakridge Creek Work	100,000	-	100,000
Lease Payments - New Building	51,000	-	51,000
Improvements to Building	100,000	-	100,000
Tree Planting	5,000	-	5,000
<b>Total Public Works</b>	<b>1,063,850</b>	<b>745,310</b>	<b>318,540</b>
<b>Streets &amp; Bridges</b>			
Salaries Full-Time	\$ 223,000	\$ 218,619	\$ 4,381
Overtime	40,000	17,687	22,313
Sick Pay	2,730	2,730	-
Health Insurance Costs	77,000	76,316	684
Dental Insurance Costs	6,100	5,128	972
Vision Insurance Costs	1,000	920	80
Life Insurance Costs	1,200	1,140	60
Employee Assistance Program	150	68	82
Maint of Automotive Equipment	39,000	27,397	11,603
Maint of Other Equipment	1,000	333	667
Maint of Traffic Signals	20,000	21,037	(1,037)
Maint of Streets	267,000	117,767	149,233
Street Sweeping	50,000	46,485	3,515
Maintenance of Street Lights	9,000	8,471	529
Street Patching	137,000	136,779	221
Snow Removal	26,000	25,565	435
Minor Equipment & Hardware	1,500	613	887
Electricity	215,000	154,394	60,606
Printing	500	-	500
Street Signs	10,000	383	9,617
Maint & Repairs of Butterfield Rd	100	28	72
<b>Total Streets &amp; Bridges</b>	<b>1,127,280</b>	<b>861,860</b>	<b>265,420</b>
<b>Total Streets</b>	<b>2,191,130</b>	<b>1,607,170</b>	<b>583,960</b>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Culture and Recreation			
Youth Commission			
Salaries Part-Time	\$ 24,000	\$ 22,136	\$ 1,864
Minor Equipment & Hardware	1,000	46	954
Clothing	1,500	466	1,034
Miscellaneous Supplies	2,500	1,718	782
Publications	800	-	800
Camp Out	600	579	21
Bowling	300	67	233
Youth Athletic Parade	700	607	93
Easter Expenses	1,500	1,221	279
Halloween Expenses	1,000	988	12
Christmas Walk	700	457	243
Kids Spot Field Trip Adm	5,000	600	4,400
Total Youth Commission	<u>39,600</u>	<u>28,885</u>	<u>10,715</u>
Community Center			
Maintenance Contracts	2,000	1,803	197
Maint of Building	31,000	30,585	415
Cleaning Contract	6,000	4,915	1,085
Minor Equipment & Hardware	500	-	500
Janitorial Supplies	500	-	500
Telephone	550	497	53
Paint Interior	13,500	-	13,500
Total Community Center	<u>54,050</u>	<u>37,800</u>	<u>16,250</u>
Senior Citizen Program			
Reception & Entertainment	5,000	1,704	3,296
Minor Equipment & Hardware	200	-	200
Bus Rental	12,000	7,303	4,697
Total Senior Citizen Program	<u>17,200</u>	<u>9,007</u>	<u>8,193</u>
Total Culture and Recreation	<u>110,850</u>	<u>75,692</u>	<u>35,158</u>
Debt Service - Principal	74,921	74,921	-
Debt Service - Interest and Fees	24,079	24,050	29
Total Expenditures	<u>\$ 13,998,057</u>	<u>\$ 14,349,429</u>	<u>\$ (351,372)</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, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 100,000	\$ 179,189	\$ 79,189
<b>Total Revenues</b>	<u>100,000</u>	<u>179,189</u>	<u>79,189</u>
<b>Expenditures</b>			
Current			
General Administration			
Liability Insurance	<u>225,000</u>	<u>225,690</u>	<u>(690)</u>
<b>Total Expenditures</b>	<u>225,000</u>	<u>225,690</u>	<u>(690)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (125,000)</u>	(46,501)	<u>\$ 78,499</u>
<b>Fund Balance at Beginning of Year</b>		<u>54,265</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 7,764</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, 2010

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	<u>Final Budget</u>	<u>Actual</u>	Variance Positive <u>(Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 150,000	\$ 183,919	\$ 33,919
Miscellaneous	<u>-</u>	<u>52,675</u>	<u>52,675</u>
<b>Total Revenues</b>	<u>150,000</u>	<u>236,594</u>	<u>86,594</u>
<b>Expenditures</b>			
Current			
General Administration			
Workers Compensation	<u>235,000</u>	<u>241,626</u>	<u>(6,626)</u>
<b>Total Expenditures</b>	<u>235,000</u>	<u>241,626</u>	<u>(6,626)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (85,000)</u>	(5,032)	<u>\$ 79,968</u>
<b>Fund Balance at Beginning of Year</b>		<u>(201,966)</u>	
<b>Fund Balance at End of Year</b>		<u>\$ (206,998)</u>	

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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, 2010

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	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 10,000	\$ -	\$ (10,000)
<b>Total Revenues</b>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
<b>Expenditures</b>			
Current:			
General Administration			
Unemployment Claims	<u>10,000</u>	<u>18,899</u>	<u>(8,899)</u>
<b>Total Expenditures</b>	<u>10,000</u>	<u>18,899</u>	<u>(8,899)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>(18,899)</u>	<u>\$ (18,899)</u>
<b>Fund Balance at Beginning of Year</b>		<u>66,015</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 47,116</u>	

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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, 2010

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	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental Revenues	\$ 215,000	\$ 200,682	\$ (14,318)
Investment Income	<u>15,000</u>	<u>330</u>	<u>(14,670)</u>
<b>Total Revenues</b>	<u>230,000</u>	<u>201,012</u>	<u>(28,988)</u>
<b>Expenditures</b>			
Debt Service - Principal	247,500	247,450	50
Debt Service - Interest and Fees	<u>64,500</u>	<u>62,717</u>	<u>1,783</u>
<b>Total Expenditures</b>	<u>312,000</u>	<u>310,167</u>	<u>1,833</u>
<b>Net Change in Fund Balance</b>	<u>\$ (82,000)</u>	(109,155)	<u>\$ (27,155)</u>
<b>Fund Balance at Beginning of Year</b>		<u>161,674</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 52,519</u>	

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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, 2010

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	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 1,276,000	\$ 1,639,463	\$ 363,463
<b>Total Revenues</b>	<u>1,276,000</u>	<u>1,639,463</u>	<u>363,463</u>
<b>Expenditures</b>			
Debt Service - Principal	1,109,500	1,107,550	1,950
Debt Service - Interest and Fees	<u>171,500</u>	<u>170,653</u>	<u>847</u>
<b>Total Expenditures</b>	<u>1,281,000</u>	<u>1,278,203</u>	<u>2,797</u>
<b>Net Change in Fund Balance</b>	<u>\$ (5,000)</u>	361,260	<u>\$ 366,260</u>
<b>Fund Balance at Beginning of Year</b>		<u>357,135</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 718,395</u>	

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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, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 1,200,000	\$ 1,624,779	\$ 424,779
Investment Income	<u>50,000</u>	<u>92,168</u>	<u>42,168</u>
<b>Total Revenues</b>	<u>1,250,000</u>	<u>1,716,947</u>	<u>466,947</u>
<b>Expenditures</b>			
Current			
General Administration	-	3,518,309	(3,518,309)
Debt Service - Principal	1,049,600	1,050,000	(400)
Debt Service - Interest and Fees	<u>126,500</u>	<u>126,025</u>	<u>475</u>
<b>Total Expenditures</b>	<u>1,176,100</u>	<u>4,694,334</u>	<u>(3,518,234)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 73,900</u>	(2,977,387)	<u>\$ (3,051,287)</u>
<b>Fund Balance at Beginning of Year</b>		<u>4,038,717</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 1,061,330</u>	

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## 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 Audit Fund accounts for revenues and expenditures for the annual audit as required by State law. Financing is from a specific property tax levy.

The Illinois Municipal Retirement Fund accounts for revenues and expenditures to meet requirements of the pension fund. Financing is by a specific annual property tax levy.

The F.I.C.A. Fund accounts for revenues and expenditures to meet the cost of participating in the Social Security Program. Financing is by a specific annual tax levy.

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.

Equipment Replacement Fund accounts for monies set aside by the Village for equipment replacement and the related expenditures.

**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 Mannheim Road TIF Fund accounts for redevelopment costs within the Mannheim Road tax increment district.

VILLAGE OF HILLSIDE, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 April 30, 2010

	Special Revenue Funds			
	Audit Fund	I.M.R.F. Fund	F.I.C.A. Fund	Disposal Service Fund
<b>ASSETS</b>				
Cash & Investments	\$ -	\$ 36,765	\$ 62,536	\$ 305,176
Receivables				
Property Taxes	-	171,265	131,743	247,676
Due from Other Funds	-	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 208,030</u>	<u>\$ 194,279</u>	<u>\$ 552,852</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 8,868
Deferred Revenue	-	171,265	131,743	247,676
Due to Other Funds	-	-	41,165	-
<b>Total Liabilities</b>	<u>-</u>	<u>171,265</u>	<u>172,908</u>	<u>256,544</u>
<b>Fund Balances</b>				
Unreserved				
Special Revenue Funds	-	36,765	21,371	296,308
Capital Project Fund	-	-	-	-
<b>Total Fund Balances</b>	<u>-</u>	<u>36,765</u>	<u>21,371</u>	<u>296,308</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 208,030</u>	<u>\$ 194,279</u>	<u>\$ 552,852</u>

Special Revenue Funds			Capital Project Funds			Total Nonmajor Governmental Funds
E 911 Fund	Equipment Replacement Fund	Total Nonmajor Special Revenue Funds	Business Park TIF Fund	Mannheim Road TIF Fund	Total Capital Project Funds	
\$ 259,234	\$ 936,645	\$ 1,600,356	\$ 171,322	\$ 787,777	\$ 959,099	\$ 2,559,455
-	-	550,684	-	-	-	550,684
-	-	-	-	10,080	10,080	10,080
<u>\$ 259,234</u>	<u>\$ 936,645</u>	<u>\$ 2,151,040</u>	<u>\$ 171,322</u>	<u>\$ 797,857</u>	<u>\$ 969,179</u>	<u>\$ 3,120,219</u>
\$ -	\$ -	\$ 8,868	\$ 145,506	\$ -	\$ 145,506	\$ 154,374
-	-	550,684	-	-	-	550,684
-	-	41,165	-	-	-	41,165
-	-	600,717	145,506	-	145,506	746,223
259,234	936,645	1,550,323	-	-	-	1,550,323
-	-	-	25,816	797,857	823,673	823,673
<u>259,234</u>	<u>936,645</u>	<u>1,550,323</u>	<u>25,816</u>	<u>797,857</u>	<u>823,673</u>	<u>2,373,996</u>
<u>\$ 259,234</u>	<u>\$ 936,645</u>	<u>\$ 2,151,040</u>	<u>\$ 171,322</u>	<u>\$ 797,857</u>	<u>\$ 969,179</u>	<u>\$ 3,120,219</u>

VILLAGE OF HILLSIDE, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2010

	Special Revenue Funds			
	Audit Fund	I.M.R.F. Fund	F.I.C.A. Fund	Disposal Service Fund
<b>Revenues</b>				
Property Taxes	\$ 45,350	\$ 281,059	\$ 300,150	\$ 564,282
Taxes	-	-	-	-
Charges for Services	-	-	-	110,188
Fines and Fees	-	-	-	-
Investment Income	-	-	-	-
<b>Total Revenues</b>	<u>45,350</u>	<u>281,059</u>	<u>300,150</u>	<u>674,470</u>
<b>Expenditures</b>				
Current				
General Administration	34,665	280,709	215,597	76,089
Public Safety	-	-	-	-
Sanitation	-	-	-	523,085
<b>Total Expenditures</b>	<u>34,665</u>	<u>280,709</u>	<u>215,597</u>	<u>599,174</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>10,685</u>	<u>350</u>	<u>84,553</u>	<u>75,296</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(38,137)</u>	<u>-</u>	<u>-</u>	<u>(325,079)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(38,137)</u>	<u>-</u>	<u>-</u>	<u>(325,079)</u>
<b>Net Change in Fund Balances</b>	(27,452)	350	84,553	(249,783)
<b>Fund Balance at Beginning of Year</b>	<u>27,452</u>	<u>36,415</u>	<u>(63,182)</u>	<u>546,091</u>
<b>Fund Balance at End of Year</b>	<u>\$ -</u>	<u>\$ 36,765</u>	<u>\$ 21,371</u>	<u>\$ 296,308</u>

Special Revenue Funds			Capital Project Funds			Total Nonmajor Governmental Funds
E 911 Fund	Equipment Replacement Fund	Total Nonmajor Special Revenue Funds	Business Park TIF Fund	Mannheim Road TIF Fund	Total Capital Project Funds	
\$ -	\$ -	\$ 1,190,841	\$ 341,598	\$ 521,901	\$ 863,499	\$ 2,054,340
92,063	-	92,063	-	-	-	92,063
-	248,700	358,888	-	-	-	358,888
-	115,921	115,921	-	-	-	115,921
-	-	-	2,704	-	2,704	2,704
<u>92,063</u>	<u>364,621</u>	<u>1,757,713</u>	<u>344,302</u>	<u>521,901</u>	<u>866,203</u>	<u>2,623,916</u>
-	-	607,060	256,563	10,080	266,643	873,703
60,084	12,167	72,251	-	-	-	72,251
-	-	523,085	-	-	-	523,085
<u>60,084</u>	<u>12,167</u>	<u>1,202,396</u>	<u>256,563</u>	<u>10,080</u>	<u>266,643</u>	<u>1,469,039</u>
<u>31,979</u>	<u>352,454</u>	<u>555,317</u>	<u>87,739</u>	<u>511,821</u>	<u>599,560</u>	<u>1,154,877</u>
-	-	(363,216)	(118,033)	(524,056)	(642,089)	(1,005,305)
-	-	(363,216)	(118,033)	(524,056)	(642,089)	(1,005,305)
31,979	352,454	192,101	(30,294)	(12,235)	(42,529)	149,572
<u>227,255</u>	<u>584,191</u>	<u>1,358,222</u>	<u>56,110</u>	<u>810,092</u>	<u>866,202</u>	<u>2,224,424</u>
<u>\$ 259,234</u>	<u>\$ 936,645</u>	<u>\$ 1,550,323</u>	<u>\$ 25,816</u>	<u>\$ 797,857</u>	<u>\$ 823,673</u>	<u>\$ 2,373,996</u>

VILLAGE OF HILLSDALE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 BUSINESS PARK TIF FUND  
 Year Ended April 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 600,000	\$ 341,598	\$ (258,402)
Investment Income	<u>5,000</u>	<u>2,704</u>	<u>(2,296)</u>
<b>Total Revenues</b>	<u>605,000</u>	<u>344,302</u>	<u>(260,698)</u>
<b>Expenditures</b>			
Current			
General Administration	<u>395,000</u>	<u>256,563</u>	<u>138,437</u>
<b>Total Expenditures</b>	<u>395,000</u>	<u>256,563</u>	<u>138,437</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>210,000</u>	<u>87,739</u>	<u>(122,261)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>(305,000)</u>	<u>(118,033)</u>	<u>186,967</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(305,000)</u>	<u>(118,033)</u>	<u>186,967</u>
<b>Net Change in Fund Balance</b>	<u>\$ (95,000)</u>	(30,294)	<u>\$ 64,706</u>
<b>Fund Balance at Beginning of Year</b>		<u>56,110</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 25,816</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, 2010

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 1,000,000	\$ 521,901	\$ (478,099)
Investment Income	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b>Total Revenues</b>	<u>1,005,000</u>	<u>521,901</u>	<u>(483,099)</u>
<b>Expenditures</b>			
Current			
General Administration	<u>-</u>	<u>10,080</u>	<u>(10,080)</u>
<b>Total Expenditures</b>	<u>-</u>	<u>10,080</u>	<u>(10,080)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,005,000</u>	<u>511,821</u>	<u>(493,179)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>-</u>	<u>(524,056)</u>	<u>(524,056)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(524,056)</u>	<u>(524,056)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,005,000</u>	<u>(12,235)</u>	<u>\$ (1,017,235)</u>
<b>Fund Balance at Beginning of Year</b>		<u>810,092</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 797,857</u>	

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## 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, 2010

EXHIBIT 22

	<u>Police</u> <u>Pension Fund</u>	<u>Fire</u> <u>Pension Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash & Investments			
Money Markets	\$ 475,816	\$ 283,770	\$ 759,586
U.S. Government and Agency Obligations	5,587,661	7,450,818	13,038,479
Mutual Funds	5,547,205	124,520	5,671,725
Stocks	-	438,392	438,392
State and Local Obligations	700,401	-	700,401
Receivables			
Interest Receivable	80,128	46,383	126,511
Other Assets	<u>3,570</u>	<u>5,469</u>	<u>9,039</u>
<b>Total Assets</b>	<u>\$ 12,394,781</u>	<u>\$ 8,349,352</u>	<u>\$ 20,744,133</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>\$ 4,899</u>	<u>\$ 7,769</u>	<u>\$ 12,668</u>
<b>Total Liabilities</b>	<u>4,899</u>	<u>7,769</u>	<u>12,668</u>
<b>NET ASSETS</b>			
Held for Employees' pension benefits	<u>12,389,882</u>	<u>8,341,583</u>	<u>20,731,465</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 12,394,781</u>	<u>\$ 8,349,352</u>	<u>\$ 20,744,133</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PENSION TRUST FUNDS  
 Year ended April 30, 2010

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	<u>Police</u>	<u>Fire</u>	<u>Total</u>
	<u>Pension Fund</u>	<u>Pension Fund</u>	
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,283,080	\$ 728,817	\$ 2,011,897
Plan Members	<u>224,721</u>	<u>200,223</u>	<u>424,944</u>
 Total Contributions	 <u>1,507,801</u>	 <u>929,040</u>	 <u>2,436,841</u>
 Investment Income			
Net appreciation in fair value of investments	2,038,300	386,730	2,425,030
Less investment expense	<u>(45,854)</u>	<u>(34,071)</u>	<u>(79,925)</u>
 Net Investment Income	 <u>1,992,446</u>	 <u>352,659</u>	 <u>2,345,105</u>
 <b>Total Additions</b>	 <u>3,500,247</u>	 <u>1,281,699</u>	 <u>4,781,946</u>
 <b>DEDUCTIONS</b>			
Benefits	1,307,029	633,422	1,940,451
Administrative Expenses	<u>27,302</u>	<u>43,020</u>	<u>70,322</u>
 <b>Total Deductions</b>	 <u>1,334,331</u>	 <u>676,442</u>	 <u>2,010,773</u>
 <b>Change in Net Assets</b>	 2,165,916	 605,257	 2,771,173
 <b>Net assets at Beginning of Year</b>	 <u>10,223,966</u>	 <u>7,736,326</u>	 <u>17,960,292</u>
 <b>Net assets at End of Year</b>	 <u>\$ 12,389,882</u>	 <u>\$ 8,341,583</u>	 <u>\$ 20,731,465</u>

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# 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**

1, 2, 3, 4, 5

*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**

6, 7, 8, 9

*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**

13, 14

*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 Seven Fiscal Years  
(Unaudited)

	Fiscal Year						
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Governmental activities</b>							
Invested in capital assets, net of related debt	\$ 17,023,618	\$ 15,635,233	\$ 13,220,989	\$ 11,914,288	\$ 8,920,129	\$ 11,236,403	\$ 5,475,472
Restricted	2,535,631	5,272,339	4,494,602	4,943,432	6,715,079	3,330,867	140,459
Unrestricted	(3,810,770)	(4,316,639)	(341,771)	(2,481,090)	(909,345)	(1,740,767)	4,148,653
<b>Total governmental activities net assets</b>	<b>\$ 15,748,479</b>	<b>\$ 16,590,933</b>	<b>\$ 17,373,820</b>	<b>\$ 14,376,630</b>	<b>\$ 14,725,863</b>	<b>\$ 12,826,503</b>	<b>\$ 9,764,584</b>
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$ 5,107,468	\$ 5,242,267	\$ 5,377,120	\$ 5,512,285	\$ 5,647,450	\$ 5,801,486	\$ 5,929,169
Unrestricted	4,268,218	4,423,902	4,983,874	5,232,390	5,153,075	4,923,543	4,734,838
<b>Total business-type activities net assets</b>	<b>\$ 9,375,686</b>	<b>\$ 9,666,169</b>	<b>\$ 10,360,994</b>	<b>\$ 10,744,675</b>	<b>\$ 10,800,525</b>	<b>\$ 10,725,029</b>	<b>\$ 10,664,007</b>
<b>Primary government</b>							
Invested in capital assets, net of related debt	\$ 22,131,086	\$ 20,877,500	\$ 18,598,109	\$ 17,426,573	\$ 14,567,579	\$ 17,037,889	\$ 11,404,641
Restricted	2,535,631	5,272,339	4,494,602	4,943,432	6,715,079	3,330,867	140,459
Unrestricted	457,448	107,263	4,642,103	2,751,300	4,243,730	3,182,776	8,883,491
<b>Total primary government net assets</b>	<b>\$ 25,124,165</b>	<b>\$ 26,257,102</b>	<b>\$ 27,734,814</b>	<b>\$ 25,121,305</b>	<b>\$ 25,526,388</b>	<b>\$ 23,551,532</b>	<b>\$ 20,428,591</b>

Notes: Accrual basis of accounting

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

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

	Fiscal Year						
	2010	2009	2008	2007	2006	2005	2004
<b>Expenses</b>							
<b>Governmental activities:</b>							
General government	\$ 8,935,728	\$ 5,742,740	\$ 4,612,903	\$ 2,967,524	\$ 4,568,640	\$ 2,944,742	\$ 3,357,772
Public Safety	10,157,524	9,320,260	8,199,765	8,167,835	6,861,036	6,615,805	6,145,753
Streets	1,920,586	2,649,025	2,032,177	3,925,163	2,917,607	2,136,364	2,465,737
Culture & Recreation	105,452	88,411	130,609	10,683	123,711	175,874	156,723
Sanitation	523,085	546,400	514,559	503,961	502,545	498,559	477,690
Interest on Debt	385,599	477,626	519,630	650,471	516,333	684,253	714,081
Total governmental activities expenses	<u>22,027,974</u>	<u>18,824,462</u>	<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>
<b>Business-type activities:</b>							
Water	2,224,790	2,477,043	2,302,241	2,251,069	2,091,186	1,889,415	1,849,715
Sewer	47,085	85,886	60,188	90,724	22,930	78,261	64,857
Total business-type activities expenses	<u>2,271,875</u>	<u>2,562,929</u>	<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>
Total primary government expenses	<u>24,299,849</u>	<u>21,387,391</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>
<b>Program Revenues</b>							
<b>Governmental activities:</b>							
Charges for services:							
General government	1,719,423	1,059,454	2,046,400	925,214	876,348	905,735	731,078
Public safety	360,744	443,789	361,050	181,881	123,888	160,314	163,543
Sanitation	110,188	1,768	16,182	19,394	17,788	17,751	50,995
Operating grants and contributions	240,717	220,678	231,739	270,540	241,996	258,634	238,384
Capital grants and contributions	19,375	19,522	-	47,230	146,329	-	-
Total governmental activities program revenues	<u>2,450,447</u>	<u>1,745,211</u>	<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>
<b>Business-type activities:</b>							
Charges for services:							
Water	1,792,337	1,693,725	1,791,417	1,878,057	1,970,739	1,840,221	2,021,999
Sewer	129,025	124,885	137,611	141,402	151,852	128,150	134,488
Total business-type activities program revenues	<u>1,921,362</u>	<u>1,818,610</u>	<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>
Total primary government program revenues	<u>4,371,809</u>	<u>3,563,821</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>
<b>Net (Expense)/ Revenue</b>							
Governmental activities	(19,577,527)	(17,079,251)	(13,354,272)	(14,781,378)	(14,083,523)	(11,713,163)	(12,133,756)
Business-type activities	(350,513)	(744,319)	(433,401)	(322,334)	8,475	695	241,915
Total primary government net expense	<u>(19,928,040)</u>	<u>(17,823,570)</u>	<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>
<b>General Revenues and Other Changes in Net Assets</b>							
<b>Governmental activities:</b>							
Property Taxes	12,499,174	9,998,764	9,317,163	10,029,591	8,565,324	7,352,615	6,671,999
Taxes	5,816,527	5,481,425	6,128,570	6,082,721	6,558,350	6,113,710	5,431,814
Investment Income	105,762	163,648	333,399	414,415	277,160	97,954	104,548
Gain on sale of fixed assets	1,756	180,075	400,704	-	-	-	-
Miscellaneous	311,854	472,452	171,626	256,684	91,460	1,072,894	57,876
Total governmental activities	<u>18,735,073</u>	<u>16,296,364</u>	<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>
<b>Business-type activities:</b>							
Property Taxes	60,030	49,494	49,720	55,019	51,295	49,061	47,852
Investment earnings	-	-	-	-	-	11,266	33,677
Total business-type activities	<u>60,030</u>	<u>49,494</u>	<u>49,720</u>	<u>55,019</u>	<u>51,295</u>	<u>60,327</u>	<u>81,529</u>
Total primary government	<u>18,795,103</u>	<u>16,345,858</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>
<b>Change in Net Assets</b>							
Governmental activities	(842,454)	(782,887)	2,997,190	2,002,033	1,408,771	2,924,010	132,481
Business-type activities	(290,483)	(694,825)	(383,681)	(267,315)	59,770	61,022	323,444
Total primary government	<u>\$ (1,132,937)</u>	<u>\$ (1,477,712)</u>	<u>\$ 2,613,509</u>	<u>\$ 1,734,718</u>	<u>\$ 1,468,541</u>	<u>\$ 2,985,032</u>	<u>\$ 455,925</u>

Notes: Accrual basis of accounting

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

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

	Fiscal Year			
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>General Fund</b>				
Reserved	\$ 54,880	\$ 120,280	\$ 284,236	\$ 673,492
Unreserved	<u>518,456</u>	<u>(799,071)</u>	<u>1,738,489</u>	<u>633,668</u>
<b>Total general fund</b>	<u><u>\$ 573,336</u></u>	<u><u>\$ (678,791)</u></u>	<u><u>\$ 2,022,725</u></u>	<u><u>\$ 1,307,160</u></u>
<b>All Other Governmental Funds</b>				
Unreserved, designated	\$ -	\$ 202,000	\$ 950,000	\$ -
Unreserved, reported in:				
Special service funds	1,602,842	1,317,896	1,967,054	1,684,219
Capital projects funds	1,885,003	4,904,919	4,150,364	4,511,120
Debt service funds	<u>718,395</u>	<u>357,135</u>	<u>281,799</u>	<u>289,364</u>
<b>Total all other governmental funds</b>	<u><u>\$ 4,206,240</u></u>	<u><u>\$ 6,781,950</u></u>	<u><u>\$ 7,349,217</u></u>	<u><u>\$ 6,484,703</u></u>

Note: Modified accrual basis of accounting

Table 3

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<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 934,303	\$ 903,622	\$ 865,610	\$ 839,845	\$ 817,236	\$ 821,706
<u>(1,807,196)</u>	<u>(1,910,284)</u>	<u>(2,646,341)</u>	<u>(1,018,489)</u>	<u>(312,563)</u>	<u>263,071</u>
<u>\$ (872,893)</u>	<u>\$ (1,006,662)</u>	<u>\$ (1,780,731)</u>	<u>\$ (178,644)</u>	<u>\$ 504,673</u>	<u>\$ 1,084,777</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,572,580	2,928,021	2,523,531	5,557,995	5,022,381	4,253,326
4,442,502	2,031,156	5,871,064	9,046,325	9,309,025	1,627,353
<u>345,327</u>	<u>333,708</u>	<u>205,897</u>	<u>218,808</u>	<u>180,247</u>	<u>103,411</u>
<u>\$ 9,360,409</u>	<u>\$ 5,292,885</u>	<u>\$ 8,600,492</u>	<u>\$ 14,823,128</u>	<u>\$ 14,511,653</u>	<u>\$ 5,984,090</u>

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

	Fiscal Year			
	2010	2009	2008	2007
<b>Revenues</b>				
Taxes	\$ 17,641,771	\$ 14,485,383	\$ 14,494,133	\$ 15,277,712
Intergovernmental	1,013,806	1,131,263	1,191,786	1,194,623
Licenses, fees, and permits	235,762	238,213	219,404	268,766
Charges for services	1,164,084	312,366	1,484,017	353,181
Fines and Forfeitures	485,905	520,318	423,578	251,587
Investment earnings	105,762	163,648	333,399	414,415
Other revenues	<u>614,958</u>	<u>905,066</u>	<u>466,864</u>	<u>508,171</u>
<b>Total revenues</b>	<u>21,262,048</u>	<u>17,756,257</u>	<u>18,613,181</u>	<u>18,268,455</u>
<b>Expenditures</b>				
General Administration	8,470,323	5,622,167	4,093,192	4,045,229
Public Safety	9,047,751	9,848,322	8,352,853	7,861,287
Highway and Streets	1,607,170	2,315,738	1,700,770	3,604,018
Sanitation	523,085	546,400	514,559	503,961
Culture and Recreation	75,692	105,895	102,757	97,641
Debt service				
Principal	2,479,921	2,295,867	2,201,953	2,210,409
Interest	<u>383,445</u>	<u>470,726</u>	<u>554,490</u>	<u>658,048</u>
<b>Total expenditures</b>	<u>22,587,387</u>	<u>21,205,115</u>	<u>17,520,574</u>	<u>18,980,593</u>
Excess of revenues over (under) expenditures	(1,325,339)	(3,448,858)	1,092,607	(712,138)
<b>Other Financing Sources (Uses)</b>				
Proceeds from Issuance of Debt	-	-	-	-
Premium on Issuance of Debt	-	-	-	-
Accrued interest on Issuance	-	-	-	-
Sale of Capital Assets	1,756	180,075	487,472	16,485
Payment to Escrow	-	-	-	-
Transfers in	1,015,385	45,525	896,455	1,444,962
Transfers out	<u>(1,015,385)</u>	<u>(45,525)</u>	<u>(896,455)</u>	<u>(1,444,962)</u>
<b>Total other financing sources (uses)</b>	<u>1,756</u>	<u>180,075</u>	<u>487,472</u>	<u>16,485</u>
<b>Net change in fund balances</b>	<u>\$ (1,323,583)</u>	<u>\$ (3,268,783)</u>	<u>\$ 1,580,079</u>	<u>\$ (695,653)</u>
 Debt service as a percentage of noncapital expenditures	 12.7%	 13.9%	 17.8%	 16.9%

Note: Modified accrual basis of accounting

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$	14,325,508	\$ 12,762,068	\$ 11,451,796	\$ 10,047,087	\$ 9,803,485	\$ 7,810,817
	1,155,971	947,907	813,436	872,835	898,119	1,193,237
	248,619	214,918	182,804	232,579	238,705	294,903
	325,156	300,819	282,784	366,264	324,552	334,772
	196,398	238,454	242,021	185,756	151,899	171,742
	277,160	97,954	104,548	235,270	299,708	430,052
	338,770	1,401,003	294,483	499,058	563,617	805,224
	<u>16,867,582</u>	<u>15,963,123</u>	<u>13,371,872</u>	<u>12,438,849</u>	<u>12,280,085</u>	<u>11,040,747</u>
	4,523,117	7,460,066	6,550,652	3,585,243	2,731,594	3,067,677
	6,799,112	6,168,900	5,859,382	5,428,969	5,105,274	4,149,806
	2,515,411	1,909,980	2,088,067	1,239,650	1,524,052	2,306,891
	502,545	498,559	477,690	476,067	398,400	423,710
	102,087	153,365	122,966	98,715	149,403	65,060
	1,866,978	1,642,732	1,569,547	2,731,385	1,393,017	1,300,567
	691,821	663,059	743,756	-	622,852	704,621
	<u>17,001,071</u>	<u>18,496,661</u>	<u>17,412,060</u>	<u>13,560,029</u>	<u>11,924,592</u>	<u>12,018,332</u>
	(133,489)	(2,533,538)	(4,040,188)	(1,121,180)	355,493	(977,585)
	9,965,000	-	620,000	749,338	7,690,662	-
	63,464	-	-	-	-	-
	-	-	-	-	9,969	-
	34,900	-	-	-	-	-
	(5,728,582)	-	(603,829)	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>4,334,782</u>	<u>-</u>	<u>16,171</u>	<u>749,338</u>	<u>7,700,631</u>	<u>-</u>
\$	<u>4,201,293</u>	<u>\$ (2,533,538)</u>	<u>\$ (4,024,017)</u>	<u>\$ (371,842)</u>	<u>\$ 8,056,124</u>	<u>\$ (977,585)</u>
	15.9%	17.3%	16.5%	20.1%	16.9%	16.7%

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

Fiscal Year	Property <sup>a</sup>	Sales & Use <sup>b</sup>	Utility	Franchise	Property Transfer	Hotel Motel	Other	Total
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
2002	6,472,040	1,673,662	1,178,099	74,494	284,754	71,170	49,266	9,803,485
2001	4,424,813	1,510,980	1,301,915	58,562	369,569	100,326	44,652	7,810,817
Change 2001-2010	182.5%	129.7%	-16.4%	22.6%	-40.1%	140.1%	11.6%	125.9%

## Notes:

<sup>a</sup> 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.

<sup>b</sup> 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	Equalized Assessed Value	Equalized Assessed Value	Equalized Assessed Value	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of total equalized assessed value to total estimated actual value
		Residential Property	Commercial Property	Industrial Property	Railroad Property				
2010	2009	(1)	(1)	(1)	(1)	\$ 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%
2002	2001	60,073,562	53,930,465	81,322,684	41,153	195,367,864	2.690	586,103,592	33.33%
2001	2000	58,655,316	52,650,400	77,793,576	56,913	189,156,205	2.671	567,468,615	33.33%

Source: Office of the Cook County Clerk

(1) Final tax levy year 2009 Tax Levy information was not available at the time of printing.

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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Village Direct Rates</u>				
Village of Hillside	(1)	2.874	2.945	3.028
Village of Hillside Library Fund	(1)	0.273	0.278	0.285
Suburban TB Sanitarium	(1)	0.000	0.000	0.005
County of Cook	(1)	0.415	0.446	0.500
Consolidated Elections	(1)	0.000	0.012	0.000
Forest Preserve District of Cook County	(1)	0.051	0.053	0.057
Proviso Township	(1)	0.057	0.059	0.062
General Assistance - Proviso Township	(1)	0.033	0.034	0.036
Metropolitan Water Reclamation District	(1)	0.252	0.263	0.284
Community College District #504	(1)	0.212	0.224	0.240
Proviso Township High School #209	(1)	1.752	1.839	1.878
School District #93	(1)	1.433	1.486	1.525
Proviso Mental Health District	(1)	0.113	0.117	0.115
Des Plaines Valley Mosquito Abatement	(1)	0.012	0.012	0.012
<b>Total Direct Rate</b>	<b>(1)</b>	<b>7.477</b>	<b>7.768</b>	<b>8.027</b>
<u>Additional Overlapping Tax Rates</u>				
School District #87	(1)	2.901	2.963	3.131
School District #88	(1)	2.664	2.741	2.765
School District #92 1/2	(1)	2.116	2.230	2.317
School District #93	(1)	1.433	1.486	1.525
Memorial Park District	(1)	0.395	0.411	0.420
Westchester Park District	(1)	0.219	0.318	0.279

Source: Cook County Clerk's Office

(1) Final tax levy year 2009 Tax Rate information was not available at the time of printing.

Table 7

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<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
2.827	2.854	2.640	2.367	2.690	2.671
0.266	0.290	0.276	0.257	0.233	0.230
0.005	0.001	0.004	0.006	0.007	0.008
0.533	0.593	0.630	0.690	0.746	0.824
0.014	0.000	0.029	0.000	0.032	0.000
0.060	0.060	0.059	0.061	0.067	0.069
0.056	0.063	0.063	0.060	0.072	0.072
0.033	0.037	0.037	0.035	0.041	0.041
0.315	0.347	0.361	0.371	0.401	0.415
0.233	0.259	0.269	0.257	0.306	0.332
1.810	2.046	2.061	1.971	2.340	2.339
1.457	1.561	1.570	1.496	1.677	1.672
0.114	0.129	0.129	0.123	0.146	0.146
0.011	0.012	0.012	0.011	0.013	0.013
7.734	8.252	8.140	7.705	8.771	8.832
3.061	3.321	3.498	3.343	3.710	3.770
2.616	2.962	2.998	2.900	3.548	3.400
2.270	2.573	2.614	2.537	2.308	2.413
1.457	1.561	1.570	1.496	1.677	1.672
0.396	0.431	0.434	0.405	0.471	0.478
0.266	0.294	0.305	0.270	0.323	0.328

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

Taxpayer	Tax Levy Year 2008*			Tax Levy Year 1999		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Newcastle Partners	\$ 8,519,892	1	3.00%	\$ 12,082,475	1	6.01%
Carmax	8,347,911	2	2.94%	-	-	-
Marc Realty	8,143,987	3	2.87%	-	-	-
Central Transport	7,873,593	4	2.77%	4,455,988	6	2.21%
Realty Assoc Fund VI	7,680,022	5	2.71%	-	-	-
Cambridge Realty	7,378,671	6	2.60%	-	-	-
Partipilo Fam Prtns	7,172,400	7	2.53%	-	-	-
Markwell Hillside LLC	6,926,675	8	2.44%	-	-	-
MooreWallace & RRD Co.	5,980,353	9	2.11%	-	-	-
Congress Development	5,150,854	10	1.82%	3,373,578	9	1.68%
Richard Lyke	-	-	-	6,383,575	2	3.17%
Columbia Sussex Corp	-	-	-	5,726,345	3	2.85%
Wallace Comp Tax Dept	-	-	-	4,637,734	4	2.31%
Hillside OW Partnership	-	-	-	4,460,709	5	2.22%
Hillside LTD Partnership	-	-	-	4,314,787	7	2.14%
Levy Home Entertainment	-	-	-	3,593,632	8	1.79%
US Equities Agent Mutu	-	-	-	3,341,923	10	1.66%
Total	<u>\$ 73,174,358</u>		<u>25.79%</u>	<u>\$ 52,370,746</u>		<u>26.03%</u>
Total City Taxable Assessed Value	<u>\$ 283,759,545</u>			<u>\$ 201,185,639</u>		

Source: Cook County Clerks Office

\*Tax levy year 2009 information not available. Tax levy year 2008 information was used for comparison purposes.

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		Collections in Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 8,638,052	\$ 4,083,415	47.27%	\$ -	\$ 4,083,415	47.27%
2009	8,234,902	3,456,818	41.98%	4,792,641	8,249,459	100.18%
2008	7,902,403	2,893,197	36.61%	4,700,424	7,593,621	96.09%
2007	7,552,680	3,335,250	44.16%	4,380,875	7,716,125	102.16%
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%
2002	5,131,948	2,258,462	44.01%	2,792,623	5,051,085	98.42%
2001	5,042,245	1,568,815	31.11%	2,998,096	4,566,911	90.57%

Sources: Cook County Clerks Office

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

Fiscal Year	Governmental Activities		Per Capita	Governmental Activities		Total Debt Primary Government	Percentage of Personal Income	Per Capita
	Bonded Debt			Other Debt				
	General Obligation Bonds	Percentage of Actual Taxable Value of Property		Promissory Note	Installment Note			
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
2002	16,335,000	2.79%	1,281	879,919	460,662	11,377,936	8.3%	1,395
2001	10,450,000	1.84%	1,435	927,936	-	12,678,503	9.2%	1,555

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  
 April 30, 2010  
 (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	\$ 6,270,000	100.00%	\$ 6,270,000
Total Direct	<u>6,270,000</u>		<u>6,270,000</u>
<u>Overlapping (4):</u>			
County of Cook	3,184,830,000	0.17%	5,435,127
Forest Preserve District of Cook County	108,665,000	0.17%	185,444
Metropolitan Water Reclamation of Greater Chicago	1,960,541,202 (2)	0.17%	3,415,445
Memorial Park District	535,000 (3)	15.81%	84,599
Westchester Park District	469,880 (3)	1.90%	8,940
School District #87	18,120,000	9.10%	1,648,046
School District #88	36,147,165 (4)	6.63%	2,398,126
School District #92 1/2	10,450,000	1.69%	176,980
School District #93	2,960,000	49.87%	1,476,021
High School District 209	52,317,202 (3)	9.63%	<u>5,039,566</u>
Total Overlapping Bonded Debt			<u>19,868,294</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 26,138,294</u>

## Notes:

- (1) Tax levy year 2008 information was used in the calculations of this statement. Tax Year 2009 information was not available at time of printing.
- (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.

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)*

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	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt limit	\$ 24,474,261	\$ 25,537,544	\$ 23,926,122	\$ 22,241,632
Total net debt applicable to limit	<u>6,270,000</u>	<u>8,675,000</u>	<u>10,900,000</u>	<u>13,035,000</u>
Legal debt margin	<u>\$ 18,204,261</u>	<u>\$ 16,862,544</u>	<u>\$ 13,026,122</u>	<u>\$ 9,206,632</u>
Total net debt applicable to the limit as a percentage of debt limit	25.62%	33.97%	45.56%	58.61%

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 2010

Assessed value	\$ 283,759,545
Debt limit (8.625% of assessed value)	24,474,261
Debt applicable to limit:	<u>6,270,000</u>
Legal debt margin	<u><u>\$ 18,204,261</u></u>

Fiscal Year					
<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 22,747,325	\$ 19,951,735	\$ 19,419,657	\$ 19,901,986	\$ 16,850,478	\$ 16,314,723
<u>15,050,000</u>	<u>12,345,000</u>	<u>13,720,000</u>	<u>15,145,000</u>	<u>16,335,000</u>	<u>10,450,000</u>
<u><u>\$ 7,697,325</u></u>	<u><u>\$ 7,606,735</u></u>	<u><u>\$ 5,699,657</u></u>	<u><u>\$ 4,756,986</u></u>	<u><u>\$ 515,478</u></u>	<u><u>\$ 5,864,723</u></u>
66.16%	61.87%	70.65%	76.10%	96.94%	64.05%

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

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Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
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%
2002	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2001	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%

Sources: 2000 Federal Census

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

<u>Employer</u>	<u>2010</u>		Percentage of Total City Employment
	<u>Employees</u>	<u>Rank</u>	
Dynamic Manufacturing	393	1	10.8%
Praxair Gas Tech Inc.	364	2	10.0%
Orange Crush	350	3	9.6%
Creative Automation Co.	250	4	6.9%
Bekins Van Lines, LLC.	200	5	5.5%
Admiral Heating & Ventalating Mechanical, Inc.	200	6	5.5%
Glass Services	200	7	5.5%
RR Donnelly	170	9	4.7%
Darwell Press	150	10	4.1%
Total	<u>2,477</u>		<u>68.27%</u>

\*The Illinois Department of Employment Security reports that 3,628 persons were employed in Hillside in 2009.

Source: 2010 Illinois Services Directory  
2010 Illinois Manufacturers' Directory  
2010 Harris Illinois Industrial Directory

Information for 2001 not available

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

<u>Function/Program</u>	<u>Full-time-Equivalent Employees as of April 30</u>									
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General government										
Administration	9	9	9	9	10	10	9	9	9	9
Social Services	-	-	1	1	1	1	1	1	1	1
Public Safety										
Police										
Officers	27	28	28	28	26	30	30	30	30	30
Civilians	8	8	9	9	8	8	9	9	9	9
Fire										
Firefighters	23	25	25	25	25	25	25	14	14	14
Civilians	1	1	1	1	1	1	1	1	1	1
Streets (Public Works)										
Administration	3	3	3	3	3	4	4	4	4	4
Streets	3	3	3	3	6	5	5	5	5	5
Building Services	3	3	3	3	3	3	3	3	3	3
	4									
Water	-	4	5	5	5	5	5	5	5	5
Total	<u>81</u>	<u>84</u>	<u>87</u>	<u>87</u>	<u>88</u>	<u>92</u>	<u>92</u>	<u>81</u>	<u>81</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									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>General government</b>										
Building permits issued	576	657	522	600	561	599	550	546	523	578
Building inspections conducted	1,296	1,993	1,515	1,800	1,683	1,797	1,650	1,638	1,569	1,734
<b>Public Safety</b>										
<b>Police</b>										
Calls for service	16,626	15,744	15,374	8,358	7,166	6,920	7,238	7,176	7,891	8,719
Physical arrests	669	470	646	808	536	454	481	480	271	290
Parking tickets	2,423	2,064	1,671	1,878	1,989	2,635	2,095	2,647	3,261	3,046
Traffic tickets	4,540	3,987	4,014	4,533	2,829	3,092	3,249	3,604	2,394	2,812
<b>Fire</b>										
Fire Calls	718	754	675	646	730	716	653	741	741	695
Ambulance Calls	1,247	1,387	1,351	1,293	1,331	1,338	1,254	1,237	1,200	1,042
ALS	488	531	533	547	565	554	465	363	471	-
BLS	303	292	314	268	266	274	293	331	357	-
Training Hours	5,410	6,155	6,499	4,537	3,775	4,430	5,095	5,087	2,869	2,053
Inspections Initial	99	290	225	354	338	354	351	270	341	246
Inspections Follow-Up	30	118	83	189	128	266	237	92	54	35
<b>Streets (public works)</b>										
Street resurfacing (miles)	-	-	-	-	4	2	-	-	3	-
Sewer Inspections Conducted	105	81	85	156	175	181	130	130	163	-
<b>Library</b>										
Volumes in collection	57,641	56,635	51,800	47,954	48,613	47,191	46,364	47,763	47,501	50,818
Total volumes borrowed	92,212	92,258	88,987	82,096	106,063	82,266	85,056	76,020	79,766	72,471
<b>Water</b>										
Meters Installed	27	16	22	16	56	57	58	55	55	57
Water main breaks	19	11	2	28	40	31	31	18	22	23
Average daily consumption (thousands of gallons)	981	730	1,180	1,148	1,150	1,149	1,130	1,120	1,065	1,119

Sources: Various Village departments.

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

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	29	30	30	29	29	31	31	31	32	32
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.