

**VILLAGE OF HILLSIDE, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
April 30, 2011

Prepared By:

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

VILLAGE OF HILLSIDE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

April 30, 2011

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**INTRODUCTORY SECTION**  
**(Unaudited)**



## 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)

November 30, 2011

**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, 2011, 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 8,157 according to the 2010 census. The Village government is comprised of a Mayor (President) and six at large trustees. All serve four-year terms. The Village has a fulltime Administrative Officer in charge of the day-to-day operations.

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

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

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

## ECONOMIC CONDITION AND OUTLOOK

Hillside and Cook County have been impacted by the economic conditions that face the economy as a whole. Sales tax revenue for the Village increased as a result of the overall economic conditions. FY 10-11 totaled \$3,498,080 which is up from FY 09-10 totaled \$3,372,381 by 3.7 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 on 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 2011 and a comparison, where available, to performance in 2010, a description of significant capital asset and long-term debt activity during the year and analysis of resources available for the future.

## SIGNIFICANT FINANCIAL POLICIES

During fiscal year 2011, the Village adopted a change in the capital asset threshold policy to increase the dollar amount threshold for depreciable assets from an individual cost of more than \$1,000 to an individual cost of more than \$10,000. The cumulative effect of this change in accounting principle is \$441,241 (\$433,336 for governmental activities and \$7,905 for business-type activities) and is reported as an adjustment to beginning fiscal year 2011 net assets.

## 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, 2010. 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-six of twenty-eight 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, 2010

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.



A stylized, handwritten signature in black ink.

President

A stylized, handwritten signature in black ink.

Executive Director

**VILLAGE OF HILLSIDE, ILLINOIS**

Village Officials

April 30, 2011

**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. Deadly

**TREASURER**

John T. Flood, Jr.

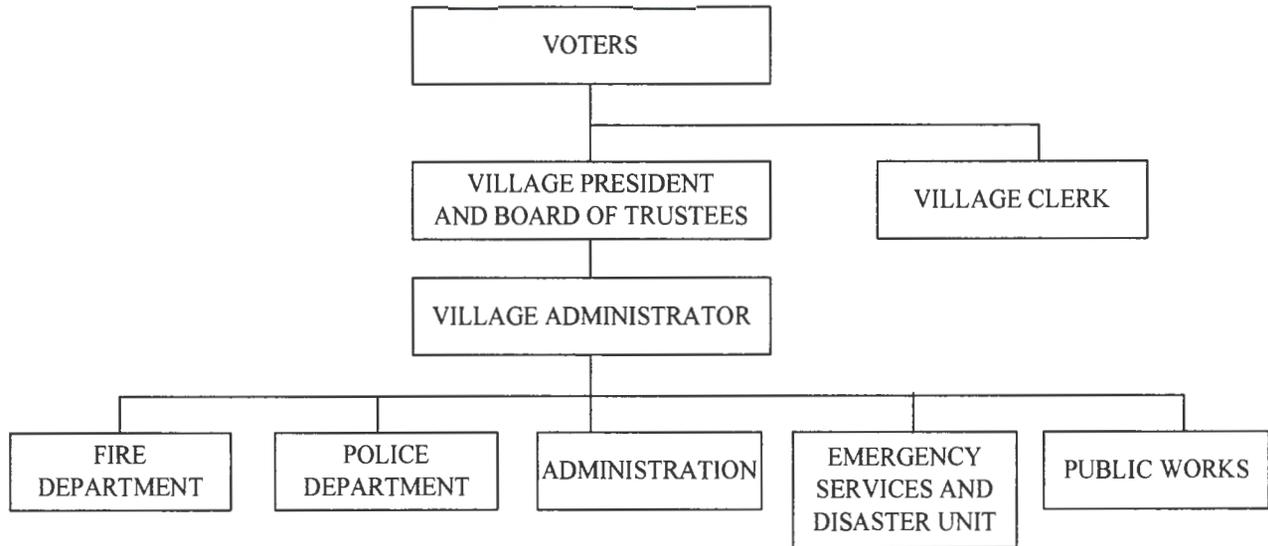
**ENGINEER**

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, 2011, which collectively along with the discretely presented component unit, comprise the Village's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Hillside Public Library, which is included as a discretely presented component unit. These financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such component unit, is based solely on the report of other auditors.

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

In our opinion, based on our audit and the 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, 2011, 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, 2011, 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, 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.

A handwritten signature in cursive script that reads "Crowe Horwath LLP".

Crowe Horwath LLP

Oak Brook, Illinois  
November 30, 2011

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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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, 2011 (FY11). 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 \$27,434,572 (net assets).

The government's total net assets increased by \$2,751,648 (or 11.1%) during FY11. The governmental net assets increased by \$3,086,042 or 20.2% from the year ended April 30, 2010 (FY10) and the business-type activities net assets decreased by \$334,394 or 3.6% from FY10.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$6,490,449, an increase of \$1,710,873 in comparison with the prior year.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$281,883.

### **Overview of the Financial Statements**

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

### **Government-Wide Financial Statements**

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

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

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village 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 seven other governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

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

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

### **Notes to the Financial Statements**

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

### **Other Information**

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

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Assets**

The following chart reflects the condensed Statement of Net Assets for fiscal years 2010 and 2011 (in millions):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
<b>Assets:</b>						
Current & other assets	\$ 10.7	\$ 13.4	\$ 4.4	\$ 4.5	\$ 15.1	\$ 17.9
Capital assets	<u>23.7</u>	<u>22.5</u>	<u>5.1</u>	<u>5.0</u>	<u>28.8</u>	<u>27.5</u>
<b>Total assets</b>	<b>34.4</b>	<b>35.9</b>	<b>9.5</b>	<b>9.5</b>	<b>43.9</b>	<b>45.4</b>
<b>Liabilities:</b>						
Other liabilities	5.7	6.6	0.1	0.4	5.8	7.0
Long-term liabilities	<u>13.0</u>	<u>10.9</u>	<u>0.1</u>	<u>0.1</u>	<u>13.1</u>	<u>11.0</u>
<b>Total liabilities</b>	<b>18.7</b>	<b>17.5</b>	<b>0.2</b>	<b>0.5</b>	<b>18.9</b>	<b>18.0</b>
<b>Net Assets:</b>						
Invested in capital assets, net,	17.0	18.4	5.1	4.9	22.1	23.3
Restricted	2.5	4.2	0.0	-	2.5	4.2
Unrestricted	<u>(3.8)</u>	<u>(4.2)</u>	<u>4.3</u>	<u>4.1</u>	<u>0.5</u>	<u>(0.1)</u>
<b>Total net assets</b>	<b><u>\$ 15.7</u></b>	<b><u>\$ 18.4</u></b>	<b><u>\$ 9.4</u></b>	<b><u>\$ 9.0</u></b>	<b><u>\$ 25.1</u></b>	<b><u>\$ 27.4</u></b>

The largest portion of the Village of Hillside's net assets (85.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Village of Hillside uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Hillside's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village of Hillside's net assets (15.3%) represents resources that are subject to external restrictions on how they may be used

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

The following chart reflects the condensed Statement of Activities for fiscal years 2010 and 2011 (in millions):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Government</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$ 2.2	\$ 1.8	\$ 1.9	\$ 2.0	\$ 4.1	\$ 3.8
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	12.5	12.6	0.1	0.1	12.6	12.7
Other taxes	5.8	6.1	0.0	0.0	5.8	6.1
Other	0.4	0.4	0.0	0.0	0.4	0.4
<b>Total Revenues</b>	<b>21.1</b>	<b>21.1</b>	<b>2.0</b>	<b>2.1</b>	<b>23.1</b>	<b>23.2</b>
<b>EXPENSES</b>						
General government	8.9	5.8	0.0	0.0	8.9	5.8
Public safety	10.2	9.5	0.0	0.0	10.2	9.5
Highways and streets	1.9	1.9	0.0	0.0	1.9	1.9
Culture and recreation	0.1	0.1	0.0	0.0	0.1	0.1
Sanitation	0.5	0.5	0.0	0.0	0.5	0.5
Interest long-term debt	0.4	0.3	0.0	0.0	0.4	0.3
Water	0.0	0.0	2.2	2.4	2.2	2.4
Sewer	0.0	0.0	0.1	0.1	0.1	0.1
<b>Total Expenses</b>	<b>22.0</b>	<b>18.1</b>	<b>2.3</b>	<b>2.5</b>	<b>24.3</b>	<b>20.6</b>
<b>Change in net assets</b>	<b>(0.9)</b>	<b>3.0</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(1.2)</b>	<b>(2.6)</b>
<b>Ending net assets</b>	<b>\$ 15.7</b>	<b>\$ 18.4</b>	<b>\$ 9.4</b>	<b>\$ 9.0</b>	<b>\$ 25.1</b>	<b>\$ 27.4</b>

Governmental Activities: Governmental activities increased the Village of Hillside's net assets in FY11 by \$3.0 million. This was due mainly in part to the reduction in general government expenditures in FY11 compared to FY10, while the total revenues remained consistent from FY10 to FY11.

Business-Type Activities: Business-Type activities decreased the Village of Hillside's net assets in FY11 by \$0.4 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 \$6,490,449 an increase of \$1,710,873 in comparison with the prior year. Approximately 96.4% of this amount, \$6,259,889, 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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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is not available for new spending because it has already been committed to insurance commitments of \$56,192, prepaid expenses of \$160,915, and inventory of \$13,453.

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 \$281,883, while the total fund balance was \$512,443. The fund balance of the Village of Hillside's general fund decreased by \$60,893 during the current fiscal year.

The fund balance of the Village of Hillside's TIF Shopping Center Fund decreased by \$4,901 during the current fiscal year. This is a result of the debt service expenditures for the year exceeding the property tax revenue and investment income earned in the fund during fiscal year 2011.

The fund balance of the Village of Hillside's Motor Fuel Tax Fund increased by \$315,807 during the current fiscal year. This was mainly due to a transfer from the General Fund for debt service payments.

The fund balance of the Debt Service Fund decreased by \$3,397 during the current fiscal year. This was mainly due to the debt service payments due exceeding the amount of property taxes collected.

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 \$5,111,982, and those for the Sewer Fund amounted to \$3,921,405. The Water Fund had a decline in net assets of \$429,511. The Sewer Fund had growth in net assets of \$95,117.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

<b>General Fund:</b>	<u>Adopted Budget</u>	<u>Actual</u>
Revenues:		
Taxes	\$ 12.5	\$ 12.0
Intergovernmental	1.0	0.8
Other	1.7	1.7
<u>Total</u>	<u>15.2</u>	<u>14.5</u>
Expenditures:		
Current expenditures	15.6	14.6
Debt service	0.1	0.1
<u>Total</u>	<u>15.7</u>	<u>14.7</u>
Other Financing Sources	<u>0.3</u>	<u>0.1</u>
Net Change in Fund Balance	<u>\$ (0.2)</u>	<u>\$ (0.1)</u>

There was a General fund budget amendment in fiscal year 2011; 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. Sales tax revenue was \$571,970 below the budgeted revenues. Public safety expenditures were under budget by \$229,049, as were streets expenditures by \$340,873 and culture and recreation by \$80,736. General administration expenditures were under budget by \$360,172.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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

**CAPITAL ASSET AND DEBT ADMINISTRATION**

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

	<u>Restated Balance May 1, 2010</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2011</u>
<b>Non-Depreciable Assets:</b>			
Land/CIP	\$ 5.5	\$ 0.0	\$ 5.5
<b>Other Capital Assets:</b>			
Infrastructure	11.6	0.0	11.6
Buildings	10.7	0.0	10.7
Improvements	1.2	0.0	1.2
Vehicles/furniture/fixtures	5.3	0.1	5.4
Accum. depreciation on capital assets	<u>(11.1)</u>	<u>(0.9)</u>	<u>(12.0)</u>
<b>Totals</b>	<b><u>\$ 23.2</u></b>	<b><u>\$ (0.8)</u></b>	<b><u>\$ 22.4</u></b>

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

	<u>Restated Balance May 1, 2010</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2011</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	0.8	0.0	0.8
Accum. Depreciation on Capital Assets	<u>(4.4)</u>	<u>(0.1)</u>	<u>(4.5)</u>
<b>Totals</b>	<b><u>\$ 5.1</u></b>	<b><u>\$ (0.1)</u></b>	<b><u>\$ 5.0</u></b>

During fiscal year 2011, the Village adopted a change in the capital asset threshold policy to increase the dollar amount threshold for depreciable assets from an individual cost of more than \$1,000 to an individual cost of more than \$10,000. The cumulative effect of this change in accounting principle is \$441,241 (\$433,336 for governmental activities and \$7,905 for business-type activities) and is reported as an adjustment to beginning fiscal year 2011 net assets.

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

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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**Debt Administration:** At April 30, 2011, the Village had outstanding debt as follows:

General Obligation Bonds Series 2002	\$ 925,000
General Obligation Bonds Series 2005A	985,000
General Obligation Bonds Series 2005B	1,845,000
Add deferred amounts	<u>14,388</u>
Total General Obligation Bonds	<u>\$ 3,769,388</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 declined three 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).

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.

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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

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

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

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

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

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

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

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

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

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VILLAGE OF HILLSIDE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011

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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, 2011

STATEMENT 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash & Investments	\$ 7,718,192	\$ 3,128,946	\$ 10,847,138	\$ 1,306,594
Receivables				
Property Taxes	5,031,985	27,781	5,059,766	477,497
Intergovernmental	1,416,931	-	1,416,931	-
Interest	465	-	465	-
Accounts (Net of Allowance of \$23,373)	-	389,072	389,072	-
Internal Balances	(988,146)	988,146	-	-
Deferred Charges	70,320	-	70,320	-
Inventory	-	12,700	12,700	-
Other Assets	174,368	7,175	181,543	-
Capital Assets not Being Depreciated	5,523,011	14,914	5,537,925	624,680
Capital Assets Being Depreciated, Net	16,953,899	4,949,431	21,903,330	378,532
<b>Total Assets</b>	<b>\$ 35,901,025</b>	<b>\$ 9,518,165</b>	<b>\$ 45,419,190</b>	<b>\$ 2,787,303</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 1,008,932	\$ 282,371	\$ 1,291,303	\$ 19,407
Accrued Payroll	103,349	18,597	121,946	11,233
Interest Payable	66,894	-	66,894	-
Unearned Revenue	5,120,628	27,781	5,148,409	-
Deposits Payable	67,474	107,366	174,840	-
Due to Fiduciary Funds	241,174	-	241,174	-
Long-term Obligations, Due Within One Year				
Bonds Payable	2,455,000	-	2,455,000	-
Promissory Note Payable	83,702	-	83,702	-
Compensated Absences	493,296	20,376	513,672	24,410
Early Retirement Benefit Obligation	168,834	-	168,834	-
Long-term Obligations, Due in More Than One Year				
Bonds Payable	1,314,388	-	1,314,388	-
Promissory Note Payable	219,839	-	219,839	-
Compensated Absences	808,035	26,177	834,212	-
Net Pension Obligation	3,952,732	-	3,952,732	-
Early Retirement Benefit Obligation	1,151,157	-	1,151,157	-
Other Post Employment Benefits Obligation	244,406	2,110	246,516	-
<b>Total Liabilities</b>	<b>17,499,840</b>	<b>484,778</b>	<b>17,984,618</b>	<b>55,050</b>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	18,403,981	4,964,345	23,368,326	1,003,212
Restricted for Capital Projects	3,544,782	-	3,544,782	-
Restricted for Debt Service	648,104	-	648,104	-
Unrestricted Net Assets	(4,195,682)	4,069,042	(126,640)	1,729,041
<b>Total Net Assets</b>	<b>18,401,185</b>	<b>9,033,387</b>	<b>27,434,572</b>	<b>2,732,253</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 35,901,025</b>	<b>\$ 9,518,165</b>	<b>\$ 45,419,190</b>	<b>\$ 2,787,303</b>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF ACTIVITIES  
Year Ended April 30, 2011

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			Component Unit
		Fees, Fines & Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary Government</b>							
Governmental Activities							
General Government	\$ 5,799,059	\$ 1,024,132	\$ -	\$ (4,774,927)		\$ (4,774,927)	
Public Safety	9,529,806	636,135	658	(8,893,013)		(8,893,013)	
Streets	1,896,922	-	205,704	(1,691,218)		(1,691,218)	
Culture and Recreation	41,318	-	-	(41,318)		(41,318)	
Sanitation	528,911	92,980	-	(435,931)		(435,931)	
Interest on Debt	255,539	-	-	(255,539)		(255,539)	
Total Governmental Activities	<u>18,051,555</u>	<u>1,753,247</u>	<u>206,362</u>	<u>(16,091,946)</u>		<u>(16,091,946)</u>	
Business-type Activities							
Water	2,396,050	1,918,302	-	-	\$ (477,748)	(477,748)	
Sewer	35,786	130,903	-	-	95,117	95,117	
Business-type Activities	<u>2,431,836</u>	<u>2,049,205</u>	<u>-</u>	<u>-</u>	<u>(382,631)</u>	<u>(382,631)</u>	
<b>Total Primary Government</b>	<u>\$ 20,483,391</u>	<u>\$ 3,802,452</u>	<u>\$ 206,362</u>	<u>(16,091,946)</u>	<u>(382,631)</u>	<u>(16,474,577)</u>	
<b>Component Unit</b>							
Library	<u>\$ 772,177</u>	<u>\$ 24,177</u>	<u>\$ -</u>				<u>\$ (748,000)</u>
		General revenues					
		Taxes					
			Property	12,636,469	48,237	12,684,706	855,992
			Income	631,091	-	631,091	-
			Sales	3,747,764	-	3,747,764	-
			Utility	1,050,973	-	1,050,973	-
			Replacement	175,161	-	175,161	56,332
			Other	523,052	-	523,052	-
			Investment Earnings	9,386	-	9,386	1,454
			Other General Revenues	404,092	-	404,092	1,394
			Total General Revenues	<u>19,177,988</u>	<u>48,237</u>	<u>19,226,225</u>	<u>915,172</u>
			Change in Net Assets	3,086,042	(334,394)	2,751,648	167,172
			Net Assets, May 1, 2010, restated	<u>15,315,143</u>	<u>9,367,781</u>	<u>24,682,924</u>	<u>2,565,081</u>
			Net Assets, April 30, 2011	<u>\$ 18,401,185</u>	<u>\$ 9,033,387</u>	<u>\$ 27,434,572</u>	<u>\$ 2,732,253</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2011

	Major Funds		
	General Fund	Motor Fuel Tax Fund	Debt Service Fund
<b>ASSETS</b>			
Cash & Investments	\$ 1,682,239	\$ 334,982	\$ 714,998
Receivables			
Property Taxes	4,065,472	-	705,376
Intergovernmental	1,383,587	33,344	-
Interest	465	-	-
Due from Other Funds	-	-	-
Other Assets	174,368	-	-
<b>Total Assets</b>	<b>\$ 7,306,131</b>	<b>\$ 368,326</b>	<b>\$ 1,420,374</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 1,010,910	\$ -	\$ -
Deferred Revenue	4,475,904	-	705,376
Due to Other Funds	998,226	-	-
Due to Fiduciary Funds	241,174	-	-
Deposits Payable	67,474	-	-
<b>Total Liabilities</b>	<b>6,793,688</b>	<b>-</b>	<b>705,376</b>
<b>Fund Balances</b>			
Reserved for			
Insurance	56,192	-	-
Prepays	160,915	-	-
Inventory	13,453	-	-
Unreserved, As Reported in			
General Fund	281,883	-	-
Special Revenue Funds	-	368,326	-
Debt Service Funds	-	-	714,998
Capital Projects Funds	-	-	-
<b>Total Fund Balances</b>	<b>512,443</b>	<b>368,326</b>	<b>714,998</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,306,131</b>	<b>\$ 368,326</b>	<b>\$ 1,420,374</b>

See accompanying notes to financial statements.

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<u>Major Funds</u>		
TIF Shopping Center Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,056,429	\$ 3,929,544	\$ 7,718,192
-	261,137	5,031,985
-	-	1,416,931
-	-	465
-	10,080	10,080
-	-	174,368
<u>\$ 1,056,429</u>	<u>\$ 4,200,761</u>	<u>\$ 14,352,021</u>
\$ -	\$ 101,371	\$ 1,112,281
-	261,137	5,442,417
-	-	998,226
-	-	241,174
-	-	67,474
<u>-</u>	<u>362,508</u>	<u>7,861,572</u>
-	-	56,192
-	-	160,915
-	-	13,453
-	-	281,883
-	1,718,226	2,086,552
-	-	714,998
<u>1,056,429</u>	<u>2,120,027</u>	<u>3,176,456</u>
<u>1,056,429</u>	<u>3,838,253</u>	<u>6,490,449</u>
<u>\$ 1,056,429</u>	<u>\$ 4,200,761</u>	<u>\$ 14,352,021</u>

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VILLAGE OF HILLSIDE, ILLINOIS  
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
 TO STATEMENT OF NET ASSETS  
 April 30, 2011

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Total fund balances - governmental funds	\$	6,490,449
Amounts reported for governmental activities in the net assets are different because:		
Capital assets net of accumulated depreciation of \$11,987,813 used in governmental activities are not financial resources and therefore are not reported in the funds.		22,476,910
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Intergovernmental Receivables		321,789
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.		70,320
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:		
Interest Payable on Long-term Debt		(66,894)
Bonds Payable		(3,769,388)
Promissory Note Payable		(303,541)
Compensated Absences		(1,301,331)
Net Pension Obligation		(3,952,732)
Other Post Employment Benefits Obligation		(244,406)
Early Retirement Benefit Obligation		<u>(1,319,991)</u>
Net assets of governmental activities	\$	<u>18,401,185</u>

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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, 2011

	Major Funds		
	General Fund	Motor Fuel Tax Fund	Debt Service Fund
<b>Revenues</b>			
Property Taxes	\$ 6,764,770	\$ -	\$ 1,275,426
Taxes	5,220,373	-	-
Intergovernmental Revenues	808,410	205,704	-
Licenses and Permits	256,680	-	-
Charges for Services	40,470	-	-
Fines and Forfeitures	681,685	-	-
Investment Income	4,342	314	-
Miscellaneous	715,030	-	-
<b>Total Revenues</b>	<u>14,491,760</u>	<u>206,018</u>	<u>1,275,426</u>
<b>Expenditures</b>			
Current			
General Administration	4,144,478	-	-
Public Safety	8,800,539	-	-
Highway and Streets	1,554,377	82,165	-
Sanitation	-	-	-
Culture and Recreation	23,514	-	-
Debt Service - Principal	79,207	257,250	1,152,750
Debt Service - Interest and Fees	19,764	51,209	126,073
<b>Total Expenditures</b>	<u>14,621,879</u>	<u>390,624</u>	<u>1,278,823</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(130,119)</u>	<u>(184,606)</u>	<u>(3,397)</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	6,263	-	-
Transfers In	563,376	500,413	-
Transfers Out	(500,413)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>69,226</u>	<u>500,413</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(60,893)	315,807	(3,397)
<b>Fund Balances at Beginning of Year</b>	<u>573,336</u>	<u>52,519</u>	<u>718,395</u>
<b>Fund Balances at End of Year</b>	<u>\$ 512,443</u>	<u>\$ 368,326</u>	<u>\$ 714,998</u>

See accompanying notes to financial statements.

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<u>Major Funds</u>		
TIF Shopping Center Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,180,884	\$ 3,415,389	\$ 12,636,469
-	96,068	5,316,441
-	-	1,014,114
-	-	256,680
-	359,387	399,857
-	102,587	784,272
4,458	272	9,386
-	-	715,030
<u>1,185,342</u>	<u>3,973,703</u>	<u>21,132,249</u>
661	1,161,006	5,306,145
-	256,528	9,057,067
-	-	1,636,542
-	528,911	528,911
-	-	23,514
1,105,000	-	2,594,207
84,207	-	281,253
<u>1,189,868</u>	<u>1,946,445</u>	<u>19,427,639</u>
<u>(4,526)</u>	<u>2,027,258</u>	<u>1,704,610</u>
-	-	6,263
-	-	1,063,789
<u>(375)</u>	<u>(563,001)</u>	<u>(1,063,789)</u>
<u>(375)</u>	<u>(563,001)</u>	<u>6,263</u>
(4,901)	1,464,257	1,710,873
<u>1,061,330</u>	<u>2,373,996</u>	<u>4,779,576</u>
<u>\$ 1,056,429</u>	<u>\$ 3,838,253</u>	<u>\$ 6,490,449</u>

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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, 2011

Net change in total fund balances		\$ 1,710,873
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p>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:</p>		
Intergovernmental Revenues		5,348
<p>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:</p>		
Change in Compensated Absences	\$ (17,264)	
Change in Net Pension Obligation	(454,671)	
Change in Other Post Employment Benefits	(82,890)	
Change in Early Retirement Benefit Obligation	94,127	
Amortization of Deferred Amount on Refunding	(23,773)	
Amortization of Deferred Bond Issuance Costs	(26,492)	
Amortization of Premium	6,175	
Change in Accrued Interest on Debt	<u>43,312</u>	
Total Expenses of Non-current Resources		(461,476)
<p>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:</p>		
Capital Outlay Expenses	263,913	
Depreciation Expense	<u>(1,014,472)</u>	
Excess of Capital Outlay over Depreciation		(750,559)
<p>The proceeds from the sale of land and equipment are reported as revenues in the governmental funds. However, when disposed, the cost of the land and equipment is removed from the capital assets account in the statements of net assets and offset against sale proceeds resulting in gain or (loss) in the statements of activities.</p>		
Net effect of sales, trade-ins and disposals of assets		(12,351)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:</p>		
Bonds Payable	2,515,000	
Promissory Note Payable	<u>79,207</u>	
		<u>2,594,207</u>
Change in net assets of governmental activities		<u>\$ 3,086,042</u>

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
April 30, 2011

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Investments	\$ 628,907	\$ 2,500,039	\$ 3,128,946
Receivables			
Property Taxes	27,781	-	27,781
Accounts (Net of Allowance of \$23,373)	366,945	22,127	389,072
Due from Other Funds	-	988,146	988,146
Other Assets	7,175	-	7,175
Inventory	12,700	-	12,700
<b>Total Current Assets</b>	<u>1,043,508</u>	<u>3,510,312</u>	<u>4,553,820</u>
<b>Noncurrent Assets</b>			
Capital Assets Not Being Depreciated	14,914	-	14,914
Capital Assets Being Depreciated, Net	4,538,338	411,093	4,949,431
<b>Total Noncurrent Assets</b>	<u>4,553,252</u>	<u>411,093</u>	<u>4,964,345</u>
<b>Total Assets</b>	<u>\$ 5,596,760</u>	<u>\$ 3,921,405</u>	<u>\$ 9,518,165</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 300,968	\$ -	\$ 300,968
Unearned Revenue	27,781	-	27,781
Deposits Payable	107,366	-	107,366
Compensated Absences Payable	20,376	-	20,376
<b>Total Current Liabilities</b>	<u>456,491</u>	<u>-</u>	<u>456,491</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences Payable	26,177	-	26,177
Other Post Employment Benefits Obligation	2,110	-	2,110
<b>Total Noncurrent Liabilities</b>	<u>28,287</u>	<u>-</u>	<u>28,287</u>
<b>Total Liabilities</b>	<u>484,778</u>	<u>-</u>	<u>484,778</u>
<b>Net Assets</b>			
Invested in capital assets	4,553,252	411,093	4,964,345
Unrestricted	558,730	3,510,312	4,069,042
<b>Total Net Assets</b>	<u>5,111,982</u>	<u>3,921,405</u>	<u>9,033,387</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 5,596,760</u>	<u>\$ 3,921,405</u>	<u>\$ 9,518,165</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, 2011

	Enterprise Funds		Total
	<u>Water Fund</u>	<u>Sewer Fund</u>	
<b>Operating Revenues</b>			
Charges for Services	\$ 1,840,036	\$ 130,903	\$ 1,970,939
Penalties	<u>78,266</u>	<u>-</u>	<u>78,266</u>
<b>Total Operating Revenues</b>	<u>1,918,302</u>	<u>130,903</u>	<u>2,049,205</u>
<b>Operating Expenses</b>			
Water Operations	522,082	-	522,082
Sewer Operations	-	17,971	17,971
Cost of Sales	1,756,565	-	1,756,565
Depreciation	<u>117,403</u>	<u>17,815</u>	<u>135,218</u>
<b>Total Operating Expenses</b>	<u>2,396,050</u>	<u>35,786</u>	<u>2,431,836</u>
<b>Operating Income (Loss)</b>	<u>(477,748)</u>	<u>95,117</u>	<u>(382,631)</u>
<b>Nonoperating Revenues (Expenses)</b>			
Property Taxes	<u>48,237</u>	<u>-</u>	<u>48,237</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<u>48,237</u>	<u>-</u>	<u>48,237</u>
<b>Change in Net Assets</b>	(429,511)	95,117	(334,394)
<b>Net Assets at Beginning of Year, Restated</b>	<u>5,541,493</u>	<u>3,826,288</u>	<u>9,367,781</u>
<b>Net Assets at End of Year</b>	<u>\$ 5,111,982</u>	<u>\$ 3,921,405</u>	<u>\$ 9,033,387</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended April 30, 2011

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,900,404	\$ 130,583	\$ 2,030,987
Cash payments for goods and services	(1,728,475)	(17,971)	(1,746,446)
Cash payments to employees	(236,184)	-	(236,184)
<b>Net cash provided by/(used in) operating activities</b>	<u>(64,255)</u>	<u>112,612</u>	<u>48,357</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Interfund Borrowing	-	541,165	541,165
Property Taxes	48,237	-	48,237
<b>Net cash provided by/(used in) noncapital financing activities</b>	<u>48,237</u>	<u>541,165</u>	<u>589,402</u>
<b>Net increase/(decrease) in cash</b>	(16,018)	653,777	637,759
<b>Cash &amp; Investments, Beginning of Year</b>	<u>644,925</u>	<u>1,846,262</u>	<u>2,491,187</u>
<b>Cash &amp; Investments, End of Year</b>	<u>\$ 628,907</u>	<u>\$ 2,500,039</u>	<u>\$ 3,128,946</u>
<b>Reconciliation of operating income to net cash provided by/(used in) operating activities</b>			
Operating income/(loss)	\$ (477,748)	\$ 95,117	\$ (382,631)
Adjustments to reconcile operating income/(loss) to net cash provided by/(used in) operating activities:			
Depreciation	117,403	17,815	135,218
Decrease (increase) in accounts receivable	(17,898)	(320)	(18,218)
Decrease (increase) in other assets	(1,715)	-	(1,715)
Decrease (increase) in inventory	242	-	242
Increase (decrease) in accounts payable	294,857	-	294,857
Increase (decrease) in compensated absences	8,020	-	8,020
Increase (decrease) in other post-employment benefits obligation	716	-	716
Increase (decrease) in deposits payable	11,868	-	11,868
Total Adjustments	<u>413,493</u>	<u>17,495</u>	<u>430,988</u>
<b>Net cash provided by/(used in) operating activities</b>	<u>\$ (64,255)</u>	<u>\$ 112,612</u>	<u>\$ 48,357</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF FIDUCIARY NET ASSETS  
April 30, 2011

	<u>Pension Trust Funds</u>
<b>ASSETS</b>	
Cash & Investments	
Money Markets	\$ 949,800
U.S. Government and Agency Obligations	13,624,620
Mutual Funds	6,317,932
Stocks	535,402
State and Local Obligations	<u>690,605</u>
Total Cash & Investments	<u>22,118,359</u>
Receivables	
Interest Receivable	95,555
Due from Primary Government	<u>241,174</u>
Total Receivables	<u>336,729</u>
Prepaid Expenses	<u>10,410</u>
<b>Total Assets</b>	<b>\$ <u>22,465,498</u></b>
<b>LIABILITIES</b>	
Accounts Payable	<u>\$ 7,320</u>
<b>Total Liabilities</b>	<b><u>7,320</u></b>
<b>NET ASSETS</b>	
Held for Employees' pension benefits	<u>22,458,178</u>
<b>Total Net Assets</b>	<b><u>22,458,178</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>22,465,498</u></b>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
Year ended April 30, 2011

STATEMENT 11

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	<u>Pension Trust Funds</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 1,850,535
Plan Members	<u>395,255</u>
Total Contributions	<u>2,245,790</u>
Investment Income	
Net appreciation in fair value of investments	1,744,355
Less investment expense	<u>(84,308)</u>
Net Investment Income	<u>1,660,047</u>
<b>Total Additions</b>	<u>3,905,837</u>
<b>DEDUCTIONS</b>	
Benefits	2,109,013
Administrative Expenses	<u>70,111</u>
<b>Total Deductions</b>	<u>2,179,124</u>
<b>Change in Net Assets</b>	1,726,713
<b>Net assets at Beginning of Year</b>	<u>20,731,465</u>
<b>Net assets at End of Year</b>	<u>\$ 22,458,178</u>

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See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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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.

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

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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

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

Measurement Focus and Basis of Accounting:

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

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

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

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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

For the year ended April 30, 2011, 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 \$169,763 in order to properly present 12 months of revenue on the financial statements.

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

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

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

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

The Village reports the following major governmental funds:

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

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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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.

**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.

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

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

shares. State statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act.

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

Capital Assets: Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, alleys, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. During fiscal year 2011, the Village adopted a change in the capital asset threshold policy to increase the dollar amount threshold for depreciable assets from an individual cost of more than \$1,000 to an individual cost of more than \$10,000 in order to obtain an improved balance between ensuring that all material capital assets, collectively, are capitalized and that the cost of record keeping for capital assets is minimized. The cumulative effect of this change in accounting principle is \$441,241 and is reported as an adjustment to beginning fiscal year 2011 net assets. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

Property Tax Revenue Recognition: Property taxes attach as an enforceable lien on January 1. They are levied in September by passage of a Tax Levy Ordinance; a separate levy is made for the Public Library. Tax bills are prepared by the County and issued on or about March 1 and August 1 the following year. They are payable in two installments on or about April 1 and on or about September 1 the following year. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available. The Village deferred recognition of the second installment of the 2010 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, 2011, of \$1,301,331 is recorded in the government-wide financial statements. The General Fund has typically been used in prior years to liquidate the liability for compensated absences.

The accumulated vacation time liability of employees charged to business-type activities of \$46,553 is reported as an expense and as a liability of those funds as the benefits accrue to the employees.

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

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

Fund Equity/Net Assets: 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, 2011.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

Long-Term Debt: In the government-wide financial statements and in the proprietary fund financial statements, long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

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

**NOTE 2 – CASH AND INVESTMENTS**

Cash: The carrying amount of cash, excluding the Pension Trust Funds, was \$7,943,572 at April 30, 2011, while the bank balances were \$8,302,897. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

Certificates of Deposit: Certificates of Deposit amounted to \$86,629 at April 30, 2011. Certificates of deposit were collateralized with securities of the U.S. Government in an amount equal to 100% of the funds on deposit. All investment collateral is held in safekeeping in the Village's name by financial institutions acting as the Village's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

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

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2011.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less than One Year</u>
State Treasurer Illinois Funds	\$ 2,816,937	\$ 2,816,937
Total	<u>\$ 2,816,937</u>	<u>\$ 2,816,937</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

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

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

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

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

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

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Pension Funds' investments at April 30, 2011.

Investment Type	Fair Value	Maturities			
		Less than One Year	One to Five Years	Six to Ten Years	Greater than Ten Years
U.S. Government Securities	\$ 13,624,620	\$ 535,457	\$ 5,198,236	\$ 5,351,085	\$ 2,539,842
Stocks	535,402	535,402	-	-	-
Money Market					
Mutual Funds	949,800	949,800	-	-	-
Mutual Funds	6,317,932	6,317,932	-	-	-
Municipal Bonds	<u>690,605</u>	<u>102,186</u>	<u>255,326</u>	<u>160,893</u>	<u>172,200</u>
Total	<u>\$ 22,118,359</u>	<u>\$ 8,440,777</u>	<u>\$ 5,453,562</u>	<u>\$ 5,511,978</u>	<u>\$ 2,712,042</u>

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

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

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

Credit ratings for the Pension Funds' investments in debt securities at April 30, 2011 (excluding investments in U.S. Treasuries and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government, which are not considered to have credit risk) are as follows:

<u>Investment Type</u>	<u>Moody's Investors Service</u>				
	<u>Total</u>	<u>Aaa</u>	<u>Aa</u>	<u>Baa</u>	<u>N/R</u>
U.S. Govt. and Agency Obligations	\$ 9,676,788	\$ 8,747,323	\$ -	\$ -	\$ 929,465
Municipal Bonds	690,605	203,184	261,181	102,186	124,054

<u>Investment Type</u>	<u>Standard and Poor's</u>				
	<u>Total</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>N/R</u>
U.S. Govt. and Agency Obligations	\$ 9,676,788	\$ 8,747,323	\$ -	\$ -	\$ 929,465
Municipal Bonds	690,605	-	154,328	71,912	464,365

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Funds' investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Pension Fund investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Pension Funds are fully collateralized as of April 30, 2011.

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

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

<u>Investment</u>	<u>Percentage</u>
Federal Home Loan Banks	18.2%

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

<u>Investment</u>	<u>Percentage</u>
Federal National Mortgage Association	31.2%
Federal Home Loan Banks	16.2%
Federal Farm Credit Banks	12.9%
Federal Home Loan Mortgage Corporation	10.5%

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

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**NOTE 2 - CASH AND INVESTMENTS (Continued)**

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

Note 2		
Carrying Amount of Deposits		\$ 7,943,572
Certificates of Deposits		86,629
Village Investments at Fair Value		2,816,937
Pension Investments at Fair Value		<u>22,118,359</u>
Total Deposits and Investments per Note 2		<u>\$ 32,965,497</u>
Financial Statements		
Statement of Net Assets – Statement 1		
Cash and Investments		\$ 10,847,138
Statement of Fiduciary Net Assets – Statement 10		
Cash and Investments		<u>22,118,359</u>
Total per Financial Statements		<u>\$ 32,965,497</u>

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

**NOTE 3 - INTERFUND ACTIVITY**

Interfund receivables and payables as of April 30, 2011 are summarized as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major governmental funds:		
General	\$ -	\$ 998,226
Nonmajor governmental funds	10,080	-
Major proprietary funds:		
Sewer	<u>988,146</u>	<u>-</u>
Total interfunds	<u>\$ 998,226</u>	<u>\$ 998,226</u>

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

Interfund receivables and payables totaling \$143,392 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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

**NOTE 3 - INTERFUND ACTIVITY (Continued)**

Interfund transfers in and transfers out for the year ending April 30, 2011 are summarized as follows:

<u>Fund</u>	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>
Major governmental funds:		
General	\$ 500,413	\$ 563,376
Motor Fuel Tax	-	500,413
TIF Shopping Center	375	-
Nonmajor governmental funds	<u>563,001</u>	-
Total interfunds	<u>\$ 1,063,789</u>	<u>\$ 1,063,789</u>

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

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2011 was as follows:

Primary Government

	<u>Restated Balance at May 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2011</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,523,011	\$ -	\$ -	\$ 5,523,011
Capital assets being depreciated:				
Infrastructure	11,580,910	-	-	11,580,910
Buildings and improvements	10,714,461	-	-	10,714,461
Vehicles	3,093,037	199,811	(174,425)	3,118,423
Site improvements	1,223,852	-	-	1,223,852
Equipment	<u>2,239,964</u>	<u>64,102</u>	-	<u>2,304,066</u>
Subtotal	<u>28,852,224</u>	<u>263,913</u>	<u>(174,425)</u>	<u>28,941,712</u>
Less accumulated depreciation for:				
Infrastructure	(4,521,927)	(229,391)	-	(4,751,318)
Buildings and improvements	(2,660,878)	(396,256)	-	(3,057,134)
Vehicles	(2,359,120)	(218,746)	162,074	(2,415,792)
Site improvements	(25,064)	(586)	-	(25,650)
Equipment	<u>(1,568,426)</u>	<u>(169,493)</u>	-	<u>(1,737,919)</u>
Total accumulated depreciation	<u>(11,135,415)</u>	<u>(1,014,472)</u>	<u>162,074</u>	<u>(11,987,813)</u>
Total capital assets being depreciated, net	<u>17,716,809</u>	<u>(750,559)</u>	<u>(12,351)</u>	<u>16,953,899</u>
Governmental activities capital assets, net	<u>\$23,239,820</u>	<u>\$ (750,559)</u>	<u>\$ (12,351)</u>	<u>\$22,476,910</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

	<u>Restated Balance at May 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2011</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 14,914	\$ -	\$ -	\$ 14,914
Capital assets being depreciated:				
Infrastructure	8,681,128	-	-	8,681,128
Buildings and improvements	14,603	-	-	14,603
Water network	796,950	-	-	796,950
Subtotal	<u>9,492,681</u>	<u>-</u>	<u>-</u>	<u>9,492,681</u>
Less accumulated depreciation for:				
Infrastructure	(3,809,677)	(113,555)	-	(3,923,232)
Buildings and improvements	(13,269)	(365)	-	(13,634)
Water network	<u>(585,086)</u>	<u>(21,298)</u>	<u>-</u>	<u>(606,384)</u>
Total accumulated depreciation	<u>(4,408,032)</u>	<u>(135,218)</u>	<u>-</u>	<u>(4,543,250)</u>
Total capital assets being depreciated, net	<u>5,084,649</u>	<u>(135,218)</u>	<u>-</u>	<u>4,949,431</u>
Business-type activities capital assets, net	<u>\$ 5,099,563</u>	<u>\$ (135,218)</u>	<u>\$ -</u>	<u>\$ 4,964,345</u>

Depreciation expense of \$1,014,472 and \$135,218 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	\$ 448,780	Water	\$ 117,403
Public safety	284,627	Sewer	17,815
Public works	263,261	Total	<u>\$ 135,218</u>
Culture and recreation	17,804		
Total	<u>\$ 1,014,472</u>		

The governmental activities and business-type activities net capital assets as of May 1, 2010 were restated by \$433,336 and \$7,905, respectively, due to a change in the Village's capitalization policy (see Note 14).

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

**NOTE 5 – RECEIVABLES**

The following is a summary of the various components of significant receivables at April 30, 2011.

	<u>Governmental Funds</u>		<u>Proprietary</u>		<u>Total Statement of Net Assets</u>
	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Water</u>	<u>Sewer</u>	
Intergovernmental					
Local use tax	\$ 29,878	\$ -	\$ -	\$ -	\$ 29,878
Sales tax	831,553	-	-	-	831,553
Court fines	43,379	-	-	-	43,379
Utility tax	200,272	-	-	-	200,272
State income tax	238,968	-	-	-	238,968
Motor fuel tax	-	33,344	-	-	33,344
Franchise fees	18,796	-	-	-	18,796
State replacement tax	20,741	-	-	-	20,741
Total intergovernmental	<u>\$1,383,587</u>	<u>\$ 33,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,416,931</u>
Accounts receivable					
Water billings	\$ -	\$ -	\$ 388,916	\$ -	\$ 388,916
Sewer billings	-	-	-	23,529	23,529
Total accounts receivable	-	-	388,916	23,529	412,445
Allowance for uncollectible amounts	-	-	(21,971)	(1,402)	(23,373)
Net Accounts receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 366,945</u>	<u>\$ 22,127</u>	<u>\$ 389,072</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, 2010</u>	<u>Debt Additions</u>	<u>Debt Retirement</u>	<u>Balances April 30, 2011</u>	<u>Due within one year</u>
Governmental activities:					
General Obligation Bonds:					
Series of 2002	\$ 1,810,000	\$ -	\$ 885,000	\$ 925,000	\$ 925,000
Series of 2005A	2,090,000	-	1,105,000	985,000	985,000
Series of 2005B	2,370,000	-	525,000	1,845,000	545,000
Less deferred amounts:					
For issuance premiums	38,393	-	6,175	32,218	-
On refunding	(41,603)	-	(23,773)	(17,830)	-
Total General Obligation Bonds	<u>6,266,790</u>	<u>-</u>	<u>2,497,402</u>	<u>3,769,388</u>	<u>2,455,000</u>
Promissory note - 1999	382,748	-	79,207	303,541	83,702
Compensated absences	1,284,067	454,383	437,119	1,301,331	493,296
Early retirement benefit obligation	1,414,118	-	94,127	1,319,991	168,834
Other post-employment benefits obligation	161,516	82,890	-	244,406	-
Net pension obligation	<u>3,498,061</u>	<u>454,671</u>	<u>-</u>	<u>3,952,732</u>	<u>-</u>
Total governmental activities	<u>\$13,007,300</u>	<u>\$ 991,944</u>	<u>\$ 3,107,855</u>	<u>\$10,891,389</u>	<u>\$ 3,200,832</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

	<u>Balances</u> <u>May 1, 210</u>	<u>Debt</u> <u>Additions</u>	<u>Debt</u> <u>Retirement</u>	<u>Balances</u> <u>April 30, 2011</u>	<u>Due within</u> <u>one year</u>
Business-type activities:					
Compensated absences	\$ 38,533	\$ 27,225	\$ 19,205	\$ 46,553	\$ 20,376
Other post employment benefits obligation	<u>1,394</u>	<u>716</u>	<u>-</u>	<u>2,110</u>	<u>-</u>
<b>Total Business-type activities</b>	<b><u>\$ 39,927</u></b>	<b><u>\$ 27,941</u></b>	<b><u>\$ 19,205</u></b>	<b><u>\$ 48,663</u></b>	<b><u>\$ 20,376</u></b>

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	\$ 2,455,000	\$ -	\$ 2,455,000
Promissory note payable	83,702	-	83,702
Compensated absences	493,296	20,376	513,672
Early retirement benefit obligation	168,834	-	168,834
Long-term obligations, due in more than one year:			
Bonds payable	1,314,388	-	1,314,388
Promissory note payable	219,839	-	219,839
Compensated absences	808,035	26,177	834,212
Net pension obligation	3,952,732	-	3,952,732
Early retirement benefit obligation	1,151,157	-	1,151,157
Other post-employment benefits obligation	<u>244,406</u>	<u>2,110</u>	<u>246,516</u>
<b>Total debt</b>	<b><u>\$ 10,891,389</u></b>	<b><u>\$ 48,663</u></b>	<b><u>\$ 10,940,052</u></b>

Long Term obligations outstanding at April 30, 2011 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>
2012	\$ 925,000	\$ 37,000	\$ 962,000
	<u>\$ 925,000</u>	<u>\$ 37,000</u>	<u>\$ 962,000</u>

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).

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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>
2012	\$ 985,000	\$ 39,400	\$ 1,024,400
	<u>\$ 985,000</u>	<u>\$ 39,400</u>	<u>\$ 1,024,400</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 \$1,024,400, payable through December 2011. For the current year, principal and interest paid and total incremental property tax revenues were \$1,188,600 and \$1,180,884, 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>
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	185,000	34,058	219,058
2017-2019	<u>600,000</u>	<u>52,620</u>	<u>652,620</u>
	<u>\$ 1,845,000</u>	<u>\$ 314,560</u>	<u>\$ 2,159,560</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 \$1,752,008, payable through December 2018. Principal and interest paid for the current year for the street and highway portion of the bonds and total motor fuel tax revenue were \$308,459 and \$205,704, respectively.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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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>
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>\$ 303,541</u>	<u>\$ 30,363</u>	<u>\$ 333,904</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, 2011, 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, 2011 was \$1,319,991. The Village considers \$168,834 of this liability current as of April 30, 2011.

**NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS**

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
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 April 30, 2011

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

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 rates for calendar years 2011 and 2010 were 14.26% and 13.9%, respectively. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: For fiscal year 2011, the Village's annual pension cost of \$266,797 for the Regular plan was equal to the Village's required and actual contributions.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/2011	\$ 266,797	100%	\$ -
4/30/2010	280,709	100%	-
4/30/2009	266,797	100%	-

The required contribution for calendar year 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.50% investment rate of return (net of administrative and direct investment expenses); (b) projected salary increases of 4.00% a year, attributable to inflation; (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit; and (d) post-retirement benefit increases of 3.00% annually. The actuarial value of Village plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20.00% corridor between the actuarial and market value of assets. The Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress: As of December 31, 2010, the most recent actuarial valuation date, the plan was 69.53% funded. The actuarial accrued liability for benefits was \$6,521,773 and the actuarial value of assets was \$4,534,582 resulting in an underfunded actuarial accrued liability (UAAL) of \$1,987,191. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$2,124,153 and the ratio of the UAAL to the covered payroll was 94 percent.

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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

At May 1, 2010 (the most recent actuarial valuation date), the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	32
Current employees	
Vested and nonvested	<u>27</u>
	<u>59</u>

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

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
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**NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS (Continued)**

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan.

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

At April 30, 2011, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	16
Current employees	
Vested and nonvested	<u>22</u>
	<u>38</u>

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

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

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

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan.

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, 2011, the Police and Firefighters' Pension Plans held investments (other than U.S. government and U.S. government guaranteed obligations) in any one organization that represented 5% or more of net assets available for benefits in the Police and Firefighters' Pension Plans. Information for IMRF is not available.

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

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

Annual Pension Cost and Net Pension Obligation: The Pension liability 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	\$ 1,304,156	\$ 728,817
Interest on net pension obligation	231,656	13,208
Adjustment to annual required contribution	<u>(204,129)</u>	<u>(9,676)</u>
Annual pension cost	1,331,683	732,349
Annual contributions made	<u>1,034,533</u>	<u>574,828</u>
Increase (decrease) in net pension obligation	297,150	157,521
Net pension obligation beginning of year	<u>3,309,376</u>	<u>188,685</u>
Net pension obligation end of year	<u>\$ 3,606,526</u>	<u>\$ 346,206</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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

	Year April 30,	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2009	\$ 254,379	\$ 1,425,510	\$ 597,431
	2010	280,709	1,659,988	732,612
	2011	266,797	1,331,683	732,349
Actual contributions	2009	\$ 254,379	\$ 1,034,915	\$ 574,834
	2010	280,709	1,283,080	728,817
	2011	266,797	1,034,533	574,828
Percentage of APC contributed	2009	100.0%	72.6%	96.2%
	2010	100.0	77.3	99.5
	2011	100.0	77.7	78.5
Net pension obligation	2009	\$ -	\$ 2,932,468	\$ 184,890
	2010	-	3,309,376	188,685
	2011	-	3,606,526	346,206

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

	Police Pension	Firefighters' Pension
<b>ASSETS</b>		
Cash and investments	\$ 13,398,152	\$ 8,720,207
Interest receivable	77,213	18,342
Due from primary government	121,343	119,831
Other assets	4,712	5,698
<b>Total assets</b>	<b><u>\$ 13,601,420</u></b>	<b><u>\$ 8,864,078</u></b>
<b>LIABILITIES</b>		
Accounts payable	\$ 4,695	\$ 2,625
<b>NET ASSETS</b>		
Held for employee pension benefits	13,596,725	8,861,453
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 13,601,420</u></b>	<b><u>\$ 8,864,078</u></b>
<b>ADDITIONS</b>		
Contributions	\$ 1,364,566	\$ 881,224
Net investment income	1,296,247	363,800
<b>Total additions</b>	<b><u>2,660,813</u></b>	<b><u>1,245,024</u></b>
<b>DEDUCTIONS</b>		
Benefits	1,419,020	689,993
Administration expenses	34,950	35,161
<b>Total deductions</b>	<b><u>1,453,970</u></b>	<b><u>725,154</u></b>
<b>Change in net assets</b>	<b>1,206,843</b>	<b>519,870</b>
<b>Net assets held for employee pension benefits</b>		
<b>Beginning of year</b>	<b><u>12,389,882</u></b>	<b><u>8,341,583</u></b>
<b>End of year</b>	<b><u>\$ 13,596,725</u></b>	<b><u>\$ 8,861,453</u></b>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

**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 - Employee	9.91%	9.455%
Annual pension cost	\$1,331,683	\$ 732,612
Contributions made	1,034,533	574,828
Actuarial valuation date	5/1/2010	4/30/11
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level % of Payroll Closed Basis	Level % of Payroll Closed Basis
Remaining amortization period	22 Years 2 months	23 Years
Asset valuation method	Market	Market
Actuarial assumptions:		
Investment rate of return	7.00 % Compounded Annually	7.00% Compounded Annually
Projected salary increases	4.00%	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, 2010 and April 30, 2011, the most recent actuarial valuation dates for the Police Pension and Firefighters' Pension Plans respectively, the plans were 43.78% and 47.63% funded. The actuarial accrued liability for Police Pension Plan benefits was \$27,787,260 and the actuarial value of assets was \$12,165,319 resulting in an underfunded actuarial accrued liability (UAAL) of \$15,621,941. The covered payroll (annual payroll of active employees covered by the plan) was \$2,000,913 and the ratio of the UAAL to the covered payroll was 780.74 percent. The actuarial accrued liability for Firefighters' Pension Plan benefits was \$18,353,395 and the actuarial value of assets was \$8,741,623 resulting in an underfunded actuarial accrued liability (UAAL) of \$9,611,772. The covered payroll (annual payroll of active employees covered by the plan) was \$1,827,200 and the ratio of the UAAL to the covered payroll was 526.04 percent.

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

**NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY**

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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, 2010, the most recent financial information available:

**BALANCE SHEET**  
(Unaudited)

Assets:	
Cash and investments	\$ 130,788,083
Receivables	7,213,499
Equipment net of accumulated depreciation	38,423
Prepaid expenses	<u>1,692,940</u>
Total Assets	<u>\$ 139,732,945</u>
Liabilities and member balances:	
Deferred contributions	\$ 1,845,346
Unpaid losses	75,243,450
Members' reserve	34,788,730
Amounts due to members	15,022,391
Excess surplus fund	12,580,732
Accounts payable	175,587
Other	<u>76,709</u>
Total Liabilities and Member Balances	<u>\$ 139,732,945</u>

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (Continued)**

STATEMENT OF REVENUES AND EXPENSES  
(Unaudited)

Revenues:	
Member contributions	\$ 34,859,981
Interest income and other	2,599,092
Net increase(decrease) in the fair value of investments	<u>11,777,081</u>
Total revenues	<u>\$ 49,236,154</u>
Expenses:	
Losses and loss adjustments	\$ 25,300,094
Unallocated loss adjustments	(94,630)
Excess insurance premiums	2,776,782
Estimated unrecoverable excess insurance recoveries	874,000
General and Administrative	2,756,393
Depreciation	24,006
Members' balances	<u>17,599,509</u>
Total expenses	<u>\$ 49,236,154</u>

The Village of Hillside represents 1.41% 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, 2011 management knows of no claim, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial statements of the various funds of the Village at April 30, 2011.

**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 2011.

*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 2011, 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  
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**NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)**

Annual OPEB Cost and Net OPEB Obligation	April 30, 2011	April 30, 2010
Annual required contribution	\$ 80,890	\$ 80,890
Interest on Net OPEB Obligation	8,146	4,034
Adjustment to annual required contribution	<u>(5,430)</u>	<u>(2,689)</u>
Annual OPEB cost	83,606	82,235
Contributions made	<u>-</u>	<u>-</u>
Increase in Net OPEB Obligation	83,606	82,235
Net OPEB Obligation, beginning of year	<u>162,910</u>	<u>80,675</u>
Net OPEB Obligation, end of year	<u>\$ 246,516</u>	<u>\$ 162,910</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 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
04/30/11	\$ 83,606	0.0%	\$ 246,516
04/30/10	82,235	0.0%	162,910
04/30/09	80,675	0.0%	80,675

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.

*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.

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VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)**

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 three 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, 2011 the carrying amount of the Library's deposits was \$1,306,384 not including a petty cash fund of \$210 and the bank balance was \$1,289,714.

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.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

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

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

**Capital Assets:** Depreciation expense for the year ended April 30, 2011 was \$94,804. The following is a summary of the changes in the capital assets for the year ended April 30, 2011:

	<u>Balance at May 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2011</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	246,408	11,417	-	257,825
Library materials	307,945	59,795	(60,011)	307,729
Subtotal	1,283,190	71,212	(60,011)	1,294,391
Less accumulated depreciation	(881,066)	(94,804)	60,011	(915,859)
Total capital assets being depreciated, net	<u>402,124</u>	<u>(23,592)</u>	<u>-</u>	<u>378,532</u>
Net capital assets	<u>\$ 1,026,804</u>	<u>\$ (23,592)</u>	<u>\$ -</u>	<u>\$ 1,003,212</u>

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

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

TIF Shopping Center	\$ 1,168
Mannheim Road TIF	254,797

**NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS**

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. This statement is effective for the Village's financial periods beginning after June 15, 2010.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2011

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

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. 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 Village's financial periods beginning after June 15, 2011.

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The Statement improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This statement is effective for periods beginning after December 31, 2011.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This Statement is effective for fiscal years beginning after June 15, 2012, with earlier application encouraged.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for fiscal years beginning after December 15, 2011 with earlier application encouraged.

In June 2011, the GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This Statement is effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged.

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(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2011

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

In June 2011, the GASB issued GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53). This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. The conditions specified in this Statement are:

- Collectability of swap payments is considered to be probable;
- Replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in GASB 64; and
- The counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event.

When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied. This Statement is effective for periods beginning after June 15, 2011, 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.

**NOTE 14 – CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE**

The Village has restated net assets as of May 1, 2010 to account for a change in the capitalization threshold policy. The Village increased the capitalization amount from \$1,000 to \$10,000.

The effects of the change in accounting principle on net assets are as follows:

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	Water <u>Fund</u>
Beginning net assets May 1, 2010, as previously reported	\$ 15,748,479	\$ 9,375,686	\$ 5,549,398
Adjustments due to change in capital asset policy	<u>(433,336)</u>	<u>(7,905)</u>	<u>(7,905)</u>
Beginning net assets May 1, 2010, as restated	<u>\$ 15,315,143</u>	<u>\$ 9,367,781</u>	<u>\$ 5,541,493</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 April 30, 2011

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>						
12/31/2005	\$ 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%
12/31/2010	4,534,582	6,521,773	1,987,191	69.53%	2,124,153	93.55%
<b>Police Pension</b>						
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%
5/1/2010	12,165,319	27,787,260	15,621,941	43.78%	2,000,913	780.74%
<b>Fire Pension</b>						
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%
4/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2010	8,341,584	17,179,067	8,837,483	48.56%	1,872,576	471.94%
4/30/2011	8,741,623	18,353,395	9,611,772	47.63%	1,827,200	526.04%

N/A - Comparative information not available.

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 April 30, 2011

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>
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
2011	1,304,156	79.3	728,817	78.9

Year Ended <u>April 30</u>	Employer Contributions	
	IMRF	
	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2006	\$ 221,206	100 %
2007	214,369	100
2008	239,207	100
2009	254,379	100
2010	280,709	100
2011	266,797	100

VILLAGE OF HILLSIDE, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES  
 SCHEDULE OF FUNDING PROGRESS  
 April 30, 2011

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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%

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\* April 30, 2009 was the first and most recent 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, 2011

	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	\$ 6,797,227	\$ 6,797,227	\$ 6,764,770	\$ (32,457)	\$ -	\$ -	\$ -	\$ -
Taxes	5,670,000	5,670,000	5,220,373	(449,627)	-	-	-	-
Intergovernmental Revenues	969,500	969,500	808,410	(161,090)	215,000	215,000	205,704	(9,296)
Licenses and Permits	278,500	278,500	256,680	(21,820)	-	-	-	-
Charges for Services	167,200	167,200	40,470	(126,730)	-	-	-	-
Fines and Forfeitures	652,000	652,000	681,685	29,685	-	-	-	-
Investment Income	10,000	10,000	4,342	(5,658)	5,000	5,000	314	(4,686)
Miscellaneous	619,600	619,600	715,030	95,430	-	-	-	-
<b>Total Revenues</b>	<u>15,164,027</u>	<u>15,164,027</u>	<u>14,491,760</u>	<u>(672,267)</u>	<u>220,000</u>	<u>220,000</u>	<u>206,018</u>	<u>(13,982)</u>
<b>Expenditures</b>								
Current								
General Administration	4,504,650	4,504,650	4,144,478	360,172	-	-	-	-
Public Safety	9,029,588	9,029,588	8,800,539	229,049	-	-	-	-
Streets	1,895,250	1,895,250	1,554,377	340,873	100,000	100,000	82,165	17,835
Culture and Recreation	104,250	104,250	23,514	80,736	-	-	-	-
Debt Service - Principal	79,207	79,207	79,207	-	250,000	258,000	257,250	750
Debt Service - Interest and Fees	19,793	19,793	19,764	29	75,500	67,500	51,209	16,291
<b>Total Expenditures</b>	<u>15,632,738</u>	<u>15,632,738</u>	<u>14,621,879</u>	<u>1,010,859</u>	<u>425,500</u>	<u>425,500</u>	<u>390,624</u>	<u>34,876</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(468,711)</u>	<u>(468,711)</u>	<u>(130,119)</u>	<u>338,592</u>	<u>(205,500)</u>	<u>(205,500)</u>	<u>(184,606)</u>	<u>20,894</u>
<b>Other Financing Sources (Uses)</b>								
Sale of Capital Assets	-	-	6,263	6,263	-	-	-	-
Transfers Out	-	-	(500,413)	(500,413)	-	-	-	-
Transfers In	275,000	275,000	563,376	288,376	-	-	500,413	500,413
<b>Total Other Financing Sources (Uses)</b>	<u>275,000</u>	<u>275,000</u>	<u>69,226</u>	<u>(205,774)</u>	<u>-</u>	<u>-</u>	<u>500,413</u>	<u>500,413</u>
<b>Net Change in Fund Balances</b>	<u>\$ (193,711)</u>	<u>\$ (193,711)</u>	<u>(60,893)</u>	<u>\$ 132,818</u>	<u>\$ (205,500)</u>	<u>\$ (205,500)</u>	<u>315,807</u>	<u>\$ 521,307</u>
<b>Fund Balances at Beginning of Year</b>			<u>573,336</u>				<u>52,519</u>	
<b>Fund Balances at End of Year</b>			<u>\$ 512,443</u>				<u>\$ 368,326</u>	

See accompanying notes to required supplementary information.

VILLAGE OF HILLSIDE, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
April 30, 2011

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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
Debt Service Fund	Equipment Replacement Fund	Motor Fuel Tax Fund
Mannheim Road TIF Fund	Disposal Service Fund	E911

VILLAGE OF HILLSIDE, ILLINOIS  
GENERAL FUND  
BALANCE SHEET  
April 30, 2011

	Corporate Account	Liability Insurance Account	Workmen's Compensation Account	Unemployment Compensation Account	Total Current Year
<b>ASSETS</b>					
Cash & Investments	\$ 1,592,794	\$ 29,859	\$ 27,560	\$ 32,026	\$ 1,682,239
Receivables					
Property Taxes	3,809,891	125,012	130,569	-	4,065,472
Intergovernmental	1,383,587	-	-	-	1,383,587
Interest	465	-	-	-	465
Due from Other Funds	143,392	-	-	-	143,392
Other Assets	174,368	-	-	-	174,368
<b>Total Assets</b>	<b>\$ 7,104,497</b>	<b>\$ 154,871</b>	<b>\$ 158,129</b>	<b>\$ 32,026</b>	<b>\$ 7,449,523</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 1,005,217	\$ 1,621	\$ -	\$ 4,072	\$ 1,010,910
Deferred Revenue	4,220,323	125,012	130,569	-	4,475,904
Due to Other Funds	998,226	-	143,392	-	1,141,618
Due to Fiduciary Funds	241,174	-	-	-	241,174
Deposits Payable	67,474	-	-	-	67,474
<b>Total Liabilities</b>	<b>6,532,414</b>	<b>126,633</b>	<b>273,961</b>	<b>4,072</b>	<b>6,937,080</b>
<b>Fund Balances</b>					
Reserved for					
Insurance	-	28,238	-	27,954	56,192
Prepays	160,915	-	-	-	160,915
Inventory	13,453	-	-	-	13,453
Unreserved	397,715	-	(115,832)	-	281,883
<b>Total Fund Balances</b>	<b>572,083</b>	<b>28,238</b>	<b>(115,832)</b>	<b>27,954</b>	<b>512,443</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,104,497</b>	<b>\$ 154,871</b>	<b>\$ 158,129</b>	<b>\$ 32,026</b>	<b>\$ 7,449,523</b>

VILLAGE OF HILLSIDE, ILLINOIS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2011

EXHIBIT 2

	Corporate Account	Liability Insurance Account	Workmen's Compensation Account	Unemployment Compensation Account	Total Current Year
<b>Revenues</b>					
Property Taxes	\$ 6,320,983	\$ 217,071	\$ 226,716	\$ -	\$ 6,764,770
Taxes	5,220,373	-	-	-	5,220,373
Intergovernmental Revenues	808,410	-	-	-	808,410
Licenses and Permits	256,680	-	-	-	256,680
Charges for Services	40,470	-	-	-	40,470
Fines and Forfeitures	681,685	-	-	-	681,685
Investment Income	4,342	-	-	-	4,342
Miscellaneous	634,454	-	80,576	-	715,030
<b>Total Revenues</b>	<u>13,967,397</u>	<u>217,071</u>	<u>307,292</u>	<u>-</u>	<u>14,491,760</u>
<b>Expenditures</b>					
Current					
General Administration	3,712,593	196,597	216,126	19,162	4,144,478
Public Safety	8,800,539	-	-	-	8,800,539
Streets	1,554,377	-	-	-	1,554,377
Culture and Recreation	23,514	-	-	-	23,514
Debt Service - Principal	79,207	-	-	-	79,207
Debt Service - Interest and Fees	19,764	-	-	-	19,764
<b>Total Expenditures</b>	<u>14,189,994</u>	<u>196,597</u>	<u>216,126</u>	<u>19,162</u>	<u>14,621,879</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(222,597)</u>	<u>20,474</u>	<u>91,166</u>	<u>(19,162)</u>	<u>(130,119)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	6,263	-	-	-	6,263
Transfers Out	(500,413)	-	-	-	(500,413)
Transfers In	563,376	-	-	-	563,376
<b>Total Other Financing Sources (Uses)</b>	<u>69,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,226</u>
<b>Net Change in Fund Balances</b>	(153,371)	20,474	91,166	(19,162)	(60,893)
<b>Fund Balances at Beginning of Year</b>	<u>725,454</u>	<u>7,764</u>	<u>(206,998)</u>	<u>47,116</u>	<u>573,336</u>
<b>Fund Balances at End of Year</b>	<u>\$ 572,083</u>	<u>\$ 28,238</u>	<u>\$ (115,832)</u>	<u>\$ 27,954</u>	<u>\$ 512,443</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, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 6,327,227	\$ 6,320,983	\$ (6,244)
Taxes	5,670,000	5,220,373	(449,627)
Intergovernmental Revenues	969,500	808,410	(161,090)
Licenses and Permits	278,500	256,680	(21,820)
Charges for Services	167,200	40,470	(126,730)
Fines and Forfeitures	652,000	681,685	29,685
Investment Income	10,000	4,342	(5,658)
Miscellaneous	619,600	634,454	14,854
<b>Total Revenues</b>	<u>14,694,027</u>	<u>13,967,397</u>	<u>(726,630)</u>
<b>Expenditures</b>			
Current			
General Administration	3,959,650	3,712,593	247,057
Public Safety	9,029,588	8,800,539	229,049
Streets	1,895,250	1,554,377	340,873
Culture and Recreation	104,250	23,514	80,736
Debt Service - Principal	79,207	79,207	-
Debt Service - Interest and Fees	19,793	19,764	29
<b>Total Expenditures</b>	<u>15,087,738</u>	<u>14,189,994</u>	<u>897,744</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(393,711)</u>	<u>(222,597)</u>	<u>171,114</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	-	6,263	6,263
Transfers out	-	(500,413)	(500,413)
Transfers In	275,000	563,376	288,376
<b>Total Other Financing Sources (Uses)</b>	<u>275,000</u>	<u>69,226</u>	<u>(205,774)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (118,711)</u>	<u>(153,371)</u>	<u>\$ (34,660)</u>
<b>Fund Balance at Beginning of Year</b>		<u>725,454</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 572,083</u>	

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

Revenues	Final Budget	Actual	Variance Positive (Negative)
Property Taxes	\$ 6,327,227	\$ 6,320,983	\$ (6,244)
Taxes			
Sales Tax	2,800,000	2,228,030	(571,970)
Municipal Utility Tax	1,200,000	1,050,973	(149,027)
Local Use Tax	120,000	116,210	(3,790)
Hotel/Motel Tax	250,000	292,412	42,412
Storage Facility Tax	50,000	52,454	2,454
Franchise Fees	75,000	75,599	599
Amusement Tax	-	1,171	1,171
Real Estate Transfer Tax	175,000	133,474	(41,526)
Sales Tax - Hillside Town Center	1,000,000	1,270,050	270,050
Total Taxes	5,670,000	5,220,373	(449,627)
Intergovernmental Revenues			
Income Tax	738,000	631,091	(106,909)
Replacement Tax	180,000	175,161	(4,839)
Village of Berkley	1,500	1,500	-
Police Dept Grant	50,000	658	(49,342)
Total Intergovernmental Revenues	969,500	808,410	(161,090)
Licenses and Permits			
Business Licenses	120,000	114,514	(5,486)
Liquor Licenses	30,000	4,775	(25,225)
Contractors Licenses	15,000	17,280	2,280
Other Licenses	1,500	10	(1,490)
Alarm Permits	30,000	33,133	3,133
Building Permits	50,000	52,874	2,874
Sewer Permits	3,000	265	(2,735)
Sign Permits	3,000	2,229	(771)
Apartment License / Inspection	25,000	30,900	5,900
Fence Permits	1,000	700	(300)
Total Licenses and Permits	278,500	256,680	(21,820)
Charges for Services			
Home Inspections	7,000	9,100	2,100
Sewer Connections	2,000	565	(1,435)
Postage	200	82	(118)
Plumbing Inspections	15,000	10,708	(4,292)
Electrical Inspections	20,000	11,410	(8,590)
Heating & A/C Inspections	1,000	270	(730)
Elevator Inspections	15,000	3,650	(11,350)
Miscellaneous Fees	1,000	30	(970)
Sidewalk Replacement	2,500	3,895	1,395

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Senior Taxi Cab	\$ 3,000	\$ 760	\$ (2,240)
Tipping Fees	100,000	-	(100,000)
CPR Classes	500	-	(500)
<b>Total Charges for Services</b>	<u>167,200</u>	<u>40,470</u>	<u>(126,730)</u>
<b>Fines and Forfeitures</b>			
Zoning Hearing Fees	2,000	2,200	200
Youth Commission Fees	-	240	240
Village Fines	115,000	145,727	30,727
Circuit Court Fines	100,000	78,851	(21,149)
Adjudication Court Fines	15,000	47,306	32,306
Municipal Ordinance Tickets	5,000	-	(5,000)
Police Towing Violation Fee	120,000	95,580	(24,420)
Police Department Processing Fee	40,000	20,800	(19,200)
Police Finger Printing Fee	1,000	100	(900)
Red Light Camera Violations	250,000	284,629	34,629
DUI Fines	4,000	6,252	2,252
<b>Total Fines and Forfeitures</b>	<u>652,000</u>	<u>681,685</u>	<u>29,685</u>
Investment Income	10,000	4,342	(5,658)
<b>Miscellaneous</b>			
Police & Fire Reports	5,000	2,515	(2,485)
Other Insurance Claims	2,000	1,485	(515)
Antenna Rental	40,000	36,227	(3,773)
Zoning Certificates	2,000	1,000	(1,000)
Employee Health Contributions	150,000	123,480	(26,520)
Reimbursements-Other Agencies	50,000	105,697	55,697
Other Revenues	307,600	326,301	18,701
Proviso High Reimbursement	60,000	35,250	(24,750)
Forfeiture Collections	500	-	(500)
MLK Breakfast	2,500	2,499	(1)
<b>Total Miscellaneous</b>	<u>619,600</u>	<u>634,454</u>	<u>14,854</u>
<b>Total Revenues</b>	<u>\$ 14,694,027</u>	<u>\$ 13,967,397</u>	<u>\$ (726,630)</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

Expenditures	Final Budget	Actual	Variance Positive (Negative)
General Administration			
Mayor & Village Board			
Salaries Full-Time	\$ 66,200	\$ 66,026	\$ 174
Salaries Part-Time	31,500	31,430	70
Sick Pay	3,100	3,047	53
Medicare	2,000	1,460	540
Social Security	7,000	6,241	759
IMRF	12,000	3,657	8,343
Health Insurance Costs	36,000	34,957	1,043
Dental Insurance Costs	2,800	2,744	56
Vision Insurance Costs	500	315	185
Life Insurance Costs	300	260	40
Employee Assistance Program	60	53	7
Travel & Conference Expense	6,190	2,867	3,323
Office Supplies	2,500	804	1,696
Membership Fees	10,000	8,575	1,425
Publications	5,000	1,312	3,688
Awards & Recognitions	10,000	10,210	(210)
Postage	3,000	1,205	1,795
Telephone	1,000	5,843	(4,843)
Cellular Telephones	9,000	7,007	1,993
Printing	3,500	3,191	309
Total Mayor & Village Board	<u>211,650</u>	<u>191,204</u>	<u>20,446</u>
Administration			
Salaries Full-Time	429,000	417,026	11,974
Salaries Part-Time	67,000	53,202	13,798
Overtime	7,000	2,839	4,161
Holiday and Vacation	18,000	17,076	924
Medicare	10,000	7,107	2,893
Social Security	31,000	27,536	3,464
IMRF	75,000	19,662	55,338
Health Insurance Costs	112,000	111,444	556
Dental Insurance Costs	7,000	6,663	337
Vision Insurance Costs	1,200	1,109	91
Life Insurance Costs	2,500	2,398	102
Employee Assistance Program	150	131	19
Village Attorney	255,000	121,136	133,864
Village Prosecutor	10,000	9,165	835
Contractual Legal Services	430,000	398,534	31,466
Payroll Service	10,000	8,237	1,763
Exterminating Services	6,000	4,920	1,080
Maintenance Contracts	71,500	43,258	28,242
Maintenance of Computer Equipment	13,000	12,875	125
Maintenance of Automotive Equipment	2,500	2,405	95
Reception & Entertainment	1,000	454	546
Travel & Conference Expense	3,000	969	2,031
Office Supplies	7,000	2,690	4,310
Stationery & Forms	3,000	250	2,750

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Office Furniture/Equipment	\$ 5,000	\$ -	\$ 5,000
Minor Equipment & Hardware	500	306	194
Food & Beverage Supplies	2,250	1,394	856
Gasoline & Diesel Fuel	3,500	2,354	1,146
Licensing Supplies	2,000	1,082	918
Membership Fees	6,000	4,870	1,130
Publications	4,500	4,118	382
Postage	20,000	2,576	17,424
Telephone	12,000	6,764	5,236
Cellular Telephones	3,500	2,524	976
Printing	2,000	304	1,696
Advertising	100	-	100
<b>Total Administration</b>	<b>1,633,200</b>	<b>1,297,378</b>	<b>335,822</b>
<b>Village Hall &amp; Grounds</b>			
Maintenance Contracts	13,500	13,407	93
Maintenance of Building	29,000	29,207	(207)
Maintenance of Cells	3,500	-	3,500
Cleaning Contract	49,000	41,600	7,400
Minor Equipment & Hardware	1,000	63	937
Janitorial Supplies	3,500	3,318	182
Horticultural Supplies	250	-	250
<b>Total Village Hall &amp; Grounds</b>	<b>99,750</b>	<b>87,595</b>	<b>12,155</b>
<b>Planning Commission</b>			
Salaries Part-Time	400	-	400
Advertising	500	-	500
<b>Total Planning Commission</b>	<b>900</b>	<b>-</b>	<b>900</b>
<b>Zoning Board of Appeals</b>			
Salaries Part-Time	1,165	315	850
Medicare	10	5	5
Social Security	25	20	5
Advertising	3,000	684	2,316
<b>Total Zoning Board of Appeals</b>	<b>4,200</b>	<b>1,024</b>	<b>3,176</b>
<b>Inspection Services</b>			
Salaries Full-Time	116,500	116,582	(82)
Salaries Part-Time	39,000	38,196	804
Medicare	4,000	2,140	1,860
Social Security	10,000	9,144	856
IMRF	24,000	5,245	18,755
Health Insurance Costs	8,800	8,570	230
Dental Insurance Costs	500	479	21
Vision Insurance Costs	100	81	19
Life Insurance Costs	550	496	54

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Employee Assistance Program	\$ 50	\$ 26	\$ 24
Maintenance Contracts	250	-	250
Maintenance of Automotive Equipment	1,000	644	356
Adjudication Hearing Officer	8,500	8,040	460
Elevator Inspection Services	8,000	7,993	7
Animal Control - Skunk Trap	3,000	2,700	300
Travel & Conference Expense	500	100	400
Training School Expense	500	75	425
Office Supplies	500	44	456
Stationery & Forms	1,500	858	642
Clothing	200	73	127
Telephone	700	670	30
Membership Fees	250	100	150
Publications	750	447	303
Postage	1,200	816	384
Cellular Telephones	2,500	2,232	268
Advertising	100	-	100
Adjudication Court Software	4,500	5,030	(530)
<b>Total Inspection Services</b>	<b>237,450</b>	<b>210,781</b>	<b>26,669</b>
<b>General Expenses</b>			
Awards & Recognitions	6,000	5,114	886
Youth Athletic Parade	800	1,418	(618)
Tuition Reimbursement	60,000	58,760	1,240
Banking Charges	22,000	22,532	(532)
Hotel Tax Expense	55,000	54,265	735
Sales Tax Rebate	10,000	-	10,000
Auditing Fees	52,000	51,624	376
Veteran's Day Parade	24,700	14,829	9,871
Maintenance and Repairs	16,000	15,188	812
CarMax Sales Tax	275,000	273,376	1,624
Disability Personnel Insurance	54,000	53,324	676
Retired Personnel Health Insurance	220,000	219,174	826
Retired Personnel Dental Insurance	15,000	14,980	20
Retired Personnel Vision Insurance	3,000	2,012	988
Sales Tax Pledge Hillside Town Center	750,000	849,223	(99,223)
MLK Breakfast	3,000	3,853	(853)
Advertising Annual Report	1,000	975	25
IMRF Employer Contribution	-	184,727	(184,727)
Historical Society Grant	5,000	5,000	-
<b>Total General Expenses</b>	<b>1,572,500</b>	<b>1,830,374</b>	<b>(257,874)</b>
<b>Economic Development</b>			
Economic Development	200,000	94,237	105,763
<b>Total Economic Development Expenses</b>	<b>200,000</b>	<b>94,237</b>	<b>105,763</b>
<b>Total General Administration</b>	<b>3,959,650</b>	<b>3,712,593</b>	<b>247,057</b>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Public Safety			
Police Department			
Salaries Full-Time	\$ 2,498,000	\$ 2,385,291	\$ 112,709
Salaries Part-Time	50,000	22,216	27,784
Salaries Crossing Guards	19,500	16,272	3,228
Overtime	220,000	219,407	593
Holiday & Sickpay	145,800	112,898	32,902
Medicare	45,000	38,599	6,401
Social Security	35,000	23,908	11,092
IMRF	75,000	16,613	58,387
Health Insurance Costs	670,000	650,959	19,041
Dental Insurance Costs	38,000	37,868	132
Vision Insurance Costs	7,000	5,977	1,023
Life Insurance Costs	13,000	11,559	1,441
Employee Assistance Program	1,000	804	196
Maintenance Contracts	45,000	28,338	16,662
Maintenance of Computer Equipment	6,200	392	5,808
Maintenance of Automotive Equipment	60,000	54,544	5,456
Maintenance of Communication Equipment	1,000	324	676
Maintenance of Laptop Computers	1,600	-	1,600
Animal Shelter Services	3,500	2,113	1,387
Towing Services	5,000	3,740	1,260
Travel & Conference Expense	7,000	2,232	4,768
Training School Expense	12,000	6,554	5,446
Office Supplies	6,800	3,012	3,788
Stationery & Forms	5,900	5,748	152
Office Furniture/Equipment	6,000	14,384	(8,384)
Minor Equipment & Hardware	1,250	175	1,075
Food & Beverage Supplies	4,700	3,835	865
Gasoline & Diesel Fuel	65,000	60,856	4,144
Licensing Supplies	1,600	1,213	387
Clothing	21,000	12,771	8,229
Chemicals & Ammunition	9,500	9,240	260
Medical & Lab Supplies	6,000	2,118	3,882
Photographic Supplies	3,200	834	2,366
Copy Machine Supplies	17,000	9,154	7,846
Computer Equipment	5,000	1,282	3,718
Purchase of Evidence Bar-coding	1,000	178	822
Safety Equipment	2,000	1,976	24
Membership Fees	3,000	2,985	15
Publications	2,000	1,948	52
Postage	2,500	648	1,852
Telephone	18,800	20,962	(2,162)
Cellular Telephones	12,100	12,259	(159)
Accreditation Services	8,425	2,913	5,512
Meals & Prov. for Prison	4,500	1,651	2,849
NIPAS Contribution	1,000	-	1,000
Community Policing	14,500	16,651	(2,151)
DUI Expenses	3,500	3,048	452
Image Grant - Seat Belts	5,000	4,985	15
Tobacco Grant	2,000	595	1,405

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND - CORPORATE ACCOUNT  
Year Ended April 30, 2011

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive <u>(Negative)</u>
Red Light Camera Expenses	\$ 4,000	\$ 5,027	\$ (1,027)
Actuarial Requirement	<u>1,047,727</u>	<u>1,155,876</u>	<u>(108,149)</u>
Total Police Department	<u>5,243,602</u>	<u>4,996,932</u>	<u>246,670</u>
Fire Department			
Salaries Full-Time	1,930,000	1,928,188	1,812
Salaries Full-Part Time Fire Prevention	25,000	21,520	3,480
Overtime	160,000	156,003	3,997
Holiday & Sickpay	90,275	87,354	2,921
Medicare	35,000	28,680	6,320
Social Security	5,000	3,600	1,400
IMRF	9,000	2,613	6,387
Health Insurance Costs	522,000	521,888	112
Dental Insurance Costs	31,000	30,590	410
Vision Insurance Costs	5,100	4,595	505
Life Insurance Costs	10,100	9,866	234
Employee Assistance Program	700	683	17
Maintenance Contracts	20,000	20,086	(86)
Maintenance of Computer Equipment	4,500	4,405	95
Maintenance of Office Equipment	1,500	191	1,309
Maintenance of Automotive Equipment	64,052	47,957	16,095
Maintenance of Communication Equipment	6,500	3,200	3,300
Maintenance of Other Equipment	6,000	5,843	157
Maintenance of Building	25,000	15,489	9,511
Travel & Conference Expense	1,200	1,155	45
Training School Expense	7,000	1,870	5,130
Office Supplies	2,500	562	1,938
Stationery & Forms	1,000	300	700
Minor Equipment & Hardware	500	113	387
Gasoline & Diesel Fuel	33,000	31,457	1,543
Clothing	6,500	6,494	6
Janitorial Supplies	3,000	3,054	(54)
Photographic Supplies	500	56	444
Training Supplies	7,300	4,866	2,434
Rental/Equipment-Oxygen	3,500	2,099	1,401
Medical & Lab Supplies	36,865	36,459	406
Safety Equipment	26,500	15,789	10,711
Membership Fees	7,500	7,394	106
Publications	1,565	1,042	523
Awards & Recognitions	800	1,187	(387)
Postage	800	183	617
Telephone	20,000	6,924	13,076
Cellular Telephones	3,600	2,151	1,449
Food & Beverage Supplies	-	90	(90)
Medical & Hospital Services	6,000	5,601	399
Actuarial Requirement	<u>593,829</u>	<u>694,659</u>	<u>(100,830)</u>
Total Fire Department	<u>3,714,186</u>	<u>3,716,256</u>	<u>(2,070)</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>ESDA</b>			
Maintenance of Automotive Equipment	\$ 1,200	\$ 1,357	\$ (157)
Maintenance of Communication Equipment	245	973	(728)
Maintenance of Other Equipment	700	649	51
Office Supplies	100	62	38
Minor Equipment & Hardware	310	589	(279)
Food & Beverage Supplies	-	1,086	(1,086)
Gasoline & Diesel Fuel	1,880	1,880	-
Janitorial Supplies	150	134	16
Maintenance of Computer Equipment	65	60	5
Safety Equipment	500	486	14
Medical & Lab Supplies	-	34	(34)
Membership Fees	75	61	14
Awards & Recognitions	175	160	15
Telephone	1,700	1,158	542
Cellular Telephones	800	685	115
Pagers	100	27	73
<b>Total ESDA</b>	<b>8,000</b>	<b>9,401</b>	<b>(1,401)</b>
<b>Fire &amp; Police Commission</b>			
Salaries- Part Time	1,880	1,013	867
Medicare	20	15	5
Social Security	100	63	37
Testing & Interviewing Expense	10,000	9,315	685
Travel & Conference Expense	1,000	1,015	(15)
Membership Fees	500	375	125
Postage	300	46	254
Legal Fees	49,000	65,173	(16,173)
Physicals	1,000	935	65
<b>Total Fire &amp; Police Commission</b>	<b>63,800</b>	<b>77,950</b>	<b>(14,150)</b>
<b>Total Public Safety</b>	<b>9,029,588</b>	<b>8,800,539</b>	<b>229,049</b>
<b>Streets</b>			
<b>Public Works</b>			
Salaries Full-Time	263,300	262,093	1,207
Overtime	18,000	17,352	648
Medicare	6,000	4,190	1,810
Social Security	18,000	16,857	1,143
IMRF	35,000	13,003	21,997
Health Insurance Costs	71,000	68,274	2,726
Sick and Vacation Pay	9,000	8,970	30
Dental Insurance Costs	4,200	4,115	85
Vision Insurance Costs	1,000	695	305
Life Insurance Costs	1,500	1,288	212
Employee Assistance Program	100	79	21
Archtr/Engineering Services	56,000	55,447	553
Maintenance Contracts	9,000	9,054	(54)
Maintenance of Computer Equipment	-	45	(45)

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Maintenance of Automotive Equipment	\$ 15,000	\$ 13,804	\$ 1,196
Maintenance of Communication Equipment	4,000	2,797	1,203
Maintenance of Other Equipment	1,000	581	419
Maintenance of Building	15,000	4,195	10,805
Maintenance of Storm Water Facility	12,000	4,511	7,489
Maintenance of Commons	25,000	7,480	17,520
Maintenance of Sidewalks	11,000	10,957	43
Maintenance of Landscape Areas	140,000	124,922	15,078
Tree Removal / Trimming	45,000	44,955	45
Maintenance of Park-N-Ride	5,000	-	5,000
Travel & Conference Expense	1,000	374	626
Training School Expense	1,000	120	880
Office Supplies	2,000	2,241	(241)
Stationery & Forms	1,000	137	863
Office Furniture/Equipment	500	276	224
Minor Equipment & Hardware	3,500	1,919	1,581
Food & Beverage Supplies	2,500	1,674	826
Gasoline & Diesel Fuel	50,000	30,161	19,839
Licensing Supplies	500	119	381
Clothing	10,500	9,827	673
Janitorial Supplies	2,000	1,369	631
Chemicals	1,500	512	988
Electricity	18,000	14,725	3,275
Other Machinery & Equipment	1,500	-	1,500
Telephone System	300	257	43
Safety Equipment	4,000	1,678	2,322
Horticultural Supplies	1,000	160	840
Membership Fees	500	232	268
Postage	3,000	228	2,772
Telephone	40,000	18,437	21,563
Cellular Telephones	5,000	3,596	1,404
Advertising	500	-	500
Alarm Service	600	588	12
Oakridge Creek Work	41,600	15,990	25,610
Tree Planting	5,000	-	5,000
<b>Total Public Works</b>	<b>962,100</b>	<b>780,284</b>	<b>181,816</b>
<b>Streets &amp; Bridges</b>			
Salaries Full-Time	211,000	193,521	17,479
Overtime	30,000	20,401	9,599
Sick Pay	8,000	7,880	120
Medicare	5,000	3,234	1,766
Social Security	15,000	13,830	1,170
IMRF	35,000	10,038	24,962
Health Insurance Costs	65,000	62,563	2,437
Dental Insurance Costs	5,000	4,281	719
Vision Insurance Costs	1,000	568	432
Life Insurance Costs	1,200	990	210
Employee Assistance Program	150	105	45
Maintenance of Automotive Equipment	35,000	28,142	6,858
Maintenance of Other Equipment	1,000	428	572

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - CORPORATE ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Maintenance of Traffic Signals	\$ 11,000	\$ 9,064	\$ 1,936
Maintenance of Streets	180,000	105,894	74,106
Street Sweeping	22,000	18,620	3,380
Maintenance of Street Lights	10,000	4,903	5,097
Street Patching	80,500	80,262	238
Snow Removal	36,000	35,061	939
Minor Equipment & Hardware	1,500	65	1,435
Electricity	154,300	159,135	(4,835)
Printing	500	-	500
Street Signs	25,000	12,988	12,012
Maintenance & Repairs of Butterfield Rd	-	2,120	(2,120)
<b>Total Streets &amp; Bridges</b>	<b>933,150</b>	<b>774,093</b>	<b>159,057</b>
<b>Total Streets</b>	<b>1,895,250</b>	<b>1,554,377</b>	<b>340,873</b>
<b>Culture and Recreation</b>			
Youth Commission			
Clothing	450	-	450
Bowling	300	-	300
Youth Athletic Parade	300	-	300
Easter Expenses	2,300	763	1,537
Halloween Expenses	1,200	1,144	56
Christmas Walk	750	720	30
<b>Total Youth Commission</b>	<b>5,300</b>	<b>2,627</b>	<b>2,673</b>
Community Center			
Maintenance Contracts	2,200	2,166	34
Maintenance of Building	33,000	6,090	26,910
Cleaning Contract	5,700	5,785	(85)
Minor Equipment & Hardware	250	-	250
Roof Repairs	25,000	-	25,000
Telephone	600	615	(15)
Paint Interior	15,000	-	15,000
<b>Total Community Center</b>	<b>81,750</b>	<b>14,656</b>	<b>67,094</b>
Senior Citizen Program			
Reception & Entertainment	5,000	1,466	3,534
Minor Equipment & Hardware	200	-	200
Bus Rental	12,000	4,765	7,235
<b>Total Senior Citizen Program</b>	<b>17,200</b>	<b>6,231</b>	<b>10,969</b>
<b>Total Culture and Recreation</b>	<b>104,250</b>	<b>23,514</b>	<b>80,736</b>
Debt Service - Principal	79,207	79,207	-
Debt Service - Interest and Fees	19,793	19,764	29
<b>Total Expenditures</b>	<b>\$ 15,087,738</b>	<b>\$ 14,189,994</b>	<b>\$ 897,744</b>

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, 2011

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 225,000	\$ 217,071	\$ (7,929)
<b>Total Revenues</b>	<u>225,000</u>	<u>217,071</u>	<u>(7,929)</u>
<b>Expenditures</b>			
Current			
General Administration			
Liability Insurance	<u>250,000</u>	<u>196,597</u>	<u>53,403</u>
<b>Total Expenditures</b>	<u>250,000</u>	<u>196,597</u>	<u>53,403</u>
<b>Net Change in Fund Balance</b>	<u>\$ (25,000)</u>	20,474	<u>\$ 45,474</u>
<b>Fund Balance at Beginning of Year</b>		<u>7,764</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 28,238</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 - WORKMENS' COMPENSATION ACCOUNT  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 235,000	\$ 226,716	\$ (8,284)
Miscellaneous	-	80,576	80,576
<b>Total Revenues</b>	<u>235,000</u>	<u>307,292</u>	<u>72,292</u>
<b>Expenditures</b>			
Current			
General Administration			
Workers Compensation	<u>285,000</u>	<u>216,126</u>	<u>68,874</u>
<b>Total Expenditures</b>	<u>285,000</u>	<u>216,126</u>	<u>68,874</u>
<b>Net Change in Fund Balance</b>	<u>\$ (50,000)</u>	91,166	<u>\$ 141,166</u>
<b>Fund Balance at Beginning of Year</b>		<u>(206,998)</u>	
<b>Fund Balance at End of Year</b>		<u>\$ (115,832)</u>	

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND - UNEMPLOYMENT COMPENSATION ACCOUNT  
 Year Ended April 30, 2011

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<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>19,162</u>	<u>(9,162)</u>
<b>Total Expenditures</b>	<u>10,000</u>	<u>19,162</u>	<u>(9,162)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>(19,162)</u>	<u>\$ (19,162)</u>
<b>Fund Balance at Beginning of Year</b>		<u>47,116</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 27,954</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, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental Revenues	\$ 215,000	\$ 205,704	\$ (9,296)
Investment Income	<u>5,000</u>	<u>314</u>	<u>(4,686)</u>
<b>Total Revenues</b>	<u>220,000</u>	<u>206,018</u>	<u>(13,982)</u>
<b>Expenditures</b>			
Current			
Highways and Streets			
Street Resurfacing Project	100,000	82,165	17,835
Debt Service - Principal	258,000	257,250	750
Debt Service - Interest and Fees	<u>67,500</u>	<u>51,209</u>	<u>16,291</u>
<b>Total Expenditures</b>	<u>425,500</u>	<u>390,624</u>	<u>34,876</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(205,500)</u>	<u>(184,606)</u>	<u>20,894</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	<u>-</u>	<u>500,413</u>	<u>500,413</u>
<b>Net Change in Fund Balance</b>	<u>\$ (205,500)</u>	<u>315,807</u>	<u>\$ 521,307</u>
<b>Fund Balance at Beginning of Year</b>		<u>52,519</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 368,326</u>	

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 DEBT SERVICE FUND  
 Year Ended April 30, 2011

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 1,281,000	\$ 1,275,426	\$ (5,574)
<b>Total Revenues</b>	<u>1,281,000</u>	<u>1,275,426</u>	<u>(5,574)</u>
<b>Expenditures</b>			
Debt Service - Principal	1,175,000	1,152,750	22,250
Debt Service - Interest and Fees	<u>200,500</u>	<u>126,073</u>	<u>74,427</u>
<b>Total Expenditures</b>	<u>1,375,500</u>	<u>1,278,823</u>	<u>96,677</u>
<b>Net Change in Fund Balance</b>	<u>\$ (94,500)</u>	<u>(3,397)</u>	<u>\$ 91,103</u>
<b>Fund Balance at Beginning of Year</b>		<u>718,395</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 714,998</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, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 1,200,000	\$ 1,180,884	\$ (19,116)
Investment Income	<u>50,000</u>	<u>4,458</u>	<u>(45,542)</u>
<b>Total Revenues</b>	<u>1,250,000</u>	<u>1,185,342</u>	<u>(64,658)</u>
<b>Expenditures</b>			
Current			
General Administration	-	661	(661)
Debt Service - Principal	1,146,800	1,105,000	41,800
Debt Service - Interest and Fees	<u>41,900</u>	<u>84,207</u>	<u>(42,307)</u>
<b>Total Expenditures</b>	<u>1,188,700</u>	<u>1,189,868</u>	<u>(1,168)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>61,300</u>	<u>(4,526)</u>	<u>(65,826)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	<u>-</u>	<u>(375)</u>	<u>(375)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 61,300</u>	<u>(4,901)</u>	<u>\$ (66,201)</u>
<b>Fund Balance at Beginning of Year</b>		<u>1,061,330</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 1,056,429</u>	

## NONMAJOR GOVERNMENTAL FUNDS

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

The I.M.R.F. (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, 2011

Special Revenue Funds

	<u>I.M.R.F. Fund</u>	<u>F.I.C.A. Fund</u>	<u>Disposal Service Fund</u>	<u>E 911 Fund</u>
<b>ASSETS</b>				
Cash & Investments	\$ -	\$ -	\$ 355,408	\$ 316,140
Receivables				
Property Taxes	-	-	261,137	-
Due from Other Funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 616,545</b>	<b>\$ 316,140</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ -	\$ 41,595	\$ 1,529
Deferred Revenue	-	-	261,137	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>302,732</b>	<b>1,529</b>
<b>Fund Balances</b>				
Unreserved				
Special Revenue Funds	-	-	313,813	314,611
Capital Project Fund	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>313,813</b>	<b>314,611</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 616,545</b>	<b>\$ 316,140</b>

Special Revenue Funds		Capital Project Funds			Total
Equipment Replacement Fund	Total Nonmajor Special Revenue Funds	Business Park TIF Fund	Mannheim Road TIF Fund	Total Capital Project Funds	Nonmajor Governmental Funds
\$ 1,105,975	\$ 1,777,523	\$ 66,425	\$ 2,085,596	\$ 2,152,021	\$ 3,929,544
-	261,137	-	-	-	261,137
-	-	-	10,080	10,080	10,080
<u>\$ 1,105,975</u>	<u>\$ 2,038,660</u>	<u>\$ 66,425</u>	<u>\$ 2,095,676</u>	<u>\$ 2,162,101</u>	<u>\$ 4,200,761</u>
\$ 16,173	\$ 59,297	\$ 41,485	\$ 589	\$ 42,074	\$ 101,371
-	261,137	-	-	-	261,137
<u>16,173</u>	<u>320,434</u>	<u>41,485</u>	<u>589</u>	<u>42,074</u>	<u>362,508</u>
1,089,802	1,718,226	-	-	-	1,718,226
-	-	24,940	2,095,087	2,120,027	2,120,027
<u>1,089,802</u>	<u>1,718,226</u>	<u>24,940</u>	<u>2,095,087</u>	<u>2,120,027</u>	<u>3,838,253</u>
<u>\$ 1,105,975</u>	<u>\$ 2,038,660</u>	<u>\$ 66,425</u>	<u>\$ 2,095,676</u>	<u>\$ 2,162,101</u>	<u>\$ 4,200,761</u>

VILLAGE OF HILLSIDE, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Year Ended April 30, 2011

Special Revenue Funds

	I.M.R.F. Fund	F.I.C.A. Fund	Disposal Service Fund	E 911 Fund
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ 453,436	\$ -
Taxes	-	-	-	96,068
Charges for Services	-	-	92,980	-
Fines and Fees	-	-	-	-
Investment Income	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>546,416</u>	<u>96,068</u>
<b>Expenditures</b>				
Current				
General Administration	-	-	-	-
Public Safety	-	-	-	40,691
Sanitation	-	-	528,911	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>528,911</u>	<u>40,691</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>17,505</u>	<u>55,377</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(36,765)</u>	<u>(21,371)</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(36,765)</u>	<u>(21,371)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(36,765)	(21,371)	17,505	55,377
<b>Fund Balance at Beginning of Year</b>	<u>36,765</u>	<u>21,371</u>	<u>296,308</u>	<u>259,234</u>
<b>Fund Balance at End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 313,813</u>	<u>\$ 314,611</u>

Special Revenue Funds		Capital Project Funds			Total Nonmajor Governmental Funds
Equipment Replacement Fund	Total Nonmajor Special Revenue Funds	Business Park TIF Fund	Mannheim Road TIF Fund	Total Capital Project Funds	
\$ -	\$ 453,436	\$ 107,628	\$ 2,854,325	\$ 2,961,953	\$ 3,415,389
-	96,068	-	-	-	96,068
266,407	359,387	-	-	-	359,387
102,587	102,587	-	-	-	102,587
-	-	272	-	272	272
<u>368,994</u>	<u>1,011,478</u>	<u>107,900</u>	<u>2,854,325</u>	<u>2,962,225</u>	<u>3,973,703</u>
-	-	81,209	1,079,797	1,161,006	1,161,006
215,837	256,528	-	-	-	256,528
-	528,911	-	-	-	528,911
<u>215,837</u>	<u>785,439</u>	<u>81,209</u>	<u>1,079,797</u>	<u>1,161,006</u>	<u>1,946,445</u>
<u>153,157</u>	<u>226,039</u>	<u>26,691</u>	<u>1,774,528</u>	<u>1,801,219</u>	<u>2,027,258</u>
-	(58,136)	(27,567)	(477,298)	(504,865)	(563,001)
-	(58,136)	(27,567)	(477,298)	(504,865)	(563,001)
153,157	167,903	(876)	1,297,230	1,296,354	1,464,257
<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>\$ 1,089,802</u>	<u>\$ 1,718,226</u>	<u>\$ 24,940</u>	<u>\$ 2,095,087</u>	<u>\$ 2,120,027</u>	<u>\$ 3,838,253</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 DISPOSAL SERVICE FUND  
 Year Ended April 30, 2011

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	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 470,000	\$ 453,436	\$ (16,564)
Charges for Services	<u>-</u>	<u>92,980</u>	<u>92,980</u>
<b>Total Revenues</b>	<u>470,000</u>	<u>546,416</u>	<u>76,416</u>
<b>Expenditures</b>			
Current			
Sanitation	<u>580,000</u>	<u>528,911</u>	<u>51,089</u>
<b>Total Expenditures</b>	<u>580,000</u>	<u>528,911</u>	<u>51,089</u>
<b>Net Change in Fund Balance</b>	<u>\$ (110,000)</u>	17,505	<u>\$ 127,505</u>
<b>Fund Balance at Beginning of Year</b>		<u>296,308</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 313,813</u>	

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VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 E 911 FUND  
 Year Ended April 30, 2011

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Taxes	\$ 200,000	\$ 96,068	\$ (103,932)
Investment Income	<u>100</u>	<u>-</u>	<u>(100)</u>
<b>Total Revenues</b>	<u>200,100</u>	<u>96,068</u>	<u>(104,032)</u>
<b>Expenditures</b>			
Current			
Public Safety	<u>185,100</u>	<u>40,691</u>	<u>144,409</u>
<b>Total Expenditures</b>	<u>185,100</u>	<u>40,691</u>	<u>144,409</u>
<b>Net Change in Fund Balance</b>	<u>\$ 15,000</u>	<u>55,377</u>	<u>\$ 40,377</u>
<b>Fund Balance at Beginning of Year</b>		<u>259,234</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 314,611</u>	

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VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 EQUIPMENT REPLACEMENT FUND  
 Year Ended April 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Charges for Services	\$ 320,000	\$ 266,407	\$ (53,593)
Fines and Fees	<u>250,000</u>	<u>102,587</u>	<u>(147,413)</u>
<b>Total Revenues</b>	<u>570,000</u>	<u>368,994</u>	<u>(201,006)</u>
<b>Expenditures</b>			
Current			
Public Safety	216,000	215,837	163
Highway and Streets	<u>125,000</u>	<u>-</u>	<u>125,000</u>
<b>Total Expenditures</b>	<u>341,000</u>	<u>215,837</u>	<u>125,163</u>
<b>Net Change in Fund Balance</b>	<u>\$ 229,000</u>	153,157	<u>\$ (75,843)</u>
<b>Fund Balance at Beginning of Year</b>		<u>936,645</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 1,089,802</u>	

VILLAGE OF HILLSIDE, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 BUSINESS PARK TIF FUND  
 Year Ended April 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 350,000	\$ 107,628	\$ (242,372)
Investment Income	<u>5,000</u>	<u>272</u>	<u>(4,728)</u>
<b>Total Revenues</b>	<u>355,000</u>	<u>107,900</u>	<u>(247,100)</u>
<b>Expenditures</b>			
Current			
General Administration	<u>699,300</u>	<u>81,209</u>	<u>618,091</u>
<b>Total Expenditures</b>	<u>699,300</u>	<u>81,209</u>	<u>618,091</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(344,300)</u>	<u>26,691</u>	<u>370,991</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>(700)</u>	<u>(27,567)</u>	<u>(26,867)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(700)</u>	<u>(27,567)</u>	<u>(26,867)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (345,000)</u>	<u>(876)</u>	<u>\$ 344,124</u>
<b>Fund Balance at Beginning of Year</b>		<u>25,816</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 24,940</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, 2011

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$ 1,000,000	\$ 2,854,325	\$ 1,854,325
Investment Income	1,000	-	(1,000)
<b>Total Revenues</b>	<u>1,001,000</u>	<u>2,854,325</u>	<u>1,853,325</u>
<b>Expenditures</b>			
Current			
General Administration	<u>825,000</u>	<u>1,079,797</u>	<u>(254,797)</u>
<b>Total Expenditures</b>	<u>825,000</u>	<u>1,079,797</u>	<u>(254,797)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>176,000</u>	<u>1,774,528</u>	<u>1,598,528</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>-</u>	<u>(477,298)</u>	<u>(477,298)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(477,298)</u>	<u>(477,298)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 176,000</u>	<u>1,297,230</u>	<u>\$ 1,121,230</u>
<b>Fund Balance at Beginning of Year</b>		<u>797,857</u>	
<b>Fund Balance at End of Year</b>		<u>\$ 2,095,087</u>	

## FIDUCIARY FUNDS

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

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

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

VILLAGE OF HILLSIDE, ILLINOIS  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 PENSION TRUST FUNDS  
 April 30, 2011

EXHIBIT 19

	<u>Police Pension Fund</u>	<u>Fire Pension Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash & Investments			
Money Markets	\$ 671,658	\$ 278,142	\$ 949,800
U.S. Government and Agency Obligations	5,939,809	7,684,811	13,624,620
Mutual Funds	6,096,080	221,852	6,317,932
Stocks	-	535,402	535,402
State and Local Obligations	690,605	-	690,605
<b>Total Cash &amp; Investments</b>	<u>13,398,152</u>	<u>8,720,207</u>	<u>22,118,359</u>
Receivables			
Interest Receivable	77,213	18,342	95,555
Due from Primary Government	121,343	119,831	241,174
<b>Total Receivables</b>	<u>198,556</u>	<u>138,173</u>	<u>336,729</u>
Other Assets	4,712	5,698	10,410
<b>Total Assets</b>	<u>\$ 13,601,420</u>	<u>\$ 8,864,078</u>	<u>\$ 22,465,498</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 4,695	\$ 2,625	\$ 7,320
<b>Total Liabilities</b>	<u>4,695</u>	<u>2,625</u>	<u>7,320</u>
<b>NET ASSETS</b>			
Held for Employees' pension benefits	<u>13,596,725</u>	<u>8,861,453</u>	<u>22,458,178</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 13,601,420</u>	<u>\$ 8,864,078</u>	<u>\$ 22,465,498</u>

VILLAGE OF HILLSIDE, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PENSION TRUST FUNDS  
 Year ended April 30, 2011

	<u>Police Pension Fund</u>	<u>Fire Pension Fund</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,155,876	\$ 694,659	\$ 1,850,535
Plan Members	<u>208,690</u>	<u>186,565</u>	<u>395,255</u>
<b>Total Contributions</b>	<u>1,364,566</u>	<u>881,224</u>	<u>2,245,790</u>
Investment Income			
Net appreciation in fair value of investments	1,345,960	398,395	1,744,355
Less investment expense	<u>(49,713)</u>	<u>(34,595)</u>	<u>(84,308)</u>
<b>Net Investment Income</b>	<u>1,296,247</u>	<u>363,800</u>	<u>1,660,047</u>
<b>Total Additions</b>	<u>2,660,813</u>	<u>1,245,024</u>	<u>3,905,837</u>
<b>DEDUCTIONS</b>			
Benefits	1,419,020	689,993	2,109,013
Administrative Expenses	<u>34,950</u>	<u>35,161</u>	<u>70,111</u>
<b>Total Deductions</b>	<u>1,453,970</u>	<u>725,154</u>	<u>2,179,124</u>
<b>Change in Net Assets</b>	1,206,843	519,870	1,726,713
<b>Net assets at Beginning of Year</b>	<u>12,389,882</u>	<u>8,341,583</u>	<u>20,731,465</u>
<b>Net assets at End of Year</b>	<u>\$ 13,596,725</u>	<u>\$ 8,861,453</u>	<u>\$ 22,458,178</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 Eight Fiscal Years  
 (Unaudited)

	Fiscal Year		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Governmental activities</b>			
Invested in capital assets, net of related debt	\$ 18,403,981	\$ 17,023,618	\$ 15,635,233
Restricted	4,192,886	2,535,631	5,272,339
Unrestricted	<u>(4,195,682)</u>	<u>(3,810,770)</u>	<u>(4,316,639)</u>
<b>Total governmental activities net assets</b>	<u>\$ 18,401,185</u>	<u>\$ 15,748,479</u>	<u>\$ 16,590,933</u>
<b>Business-type activities</b>			
Invested in capital assets, net of related debt	\$ 4,964,345	\$ 5,107,468	\$ 5,242,267
Unrestricted	<u>4,069,042</u>	<u>4,268,218</u>	<u>4,423,902</u>
<b>Total business-type activities net assets</b>	<u>\$ 9,033,387</u>	<u>\$ 9,375,686</u>	<u>\$ 9,666,169</u>
<b>Primary government</b>			
Invested in capital assets, net of related debt	\$ 23,368,326	\$ 22,131,086	\$ 20,877,500
Restricted	4,192,886	2,535,631	5,272,339
Unrestricted	<u>(126,640)</u>	<u>457,448</u>	<u>107,263</u>
<b>Total primary government net assets</b>	<u>\$ 27,434,572</u>	<u>\$ 25,124,165</u>	<u>\$ 26,257,102</u>

Notes: Accrual basis of accounting

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

Table 1

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

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

	Fiscal Year		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenses</b>			
<b>Governmental activities:</b>			
General government	\$ 5,799,059	\$ 8,935,728	\$ 5,742,740
Public Safety	9,529,806	10,157,524	9,320,260
Streets	1,896,922	1,920,586	2,649,025
Culture & Recreation	41,318	105,452	88,411
Sanitation	528,911	523,085	546,400
Interest on Debt	255,539	385,599	477,626
<b>Total governmental activities expenses</b>	<u>18,051,555</u>	<u>22,027,974</u>	<u>18,824,462</u>
<b>Business-type activities:</b>			
Water	2,396,050	2,224,790	2,477,043
Sewer	35,786	47,085	85,886
<b>Total business-type activities expenses</b>	<u>2,431,836</u>	<u>2,271,875</u>	<u>2,562,929</u>
<b>Total primary government expenses</b>	<u>20,483,391</u>	<u>24,299,849</u>	<u>21,387,391</u>
<b>Program Revenues</b>			
<b>Governmental activities:</b>			
Charges for services:			
General government	1,024,132	1,719,423	1,059,454
Public safety	636,135	360,744	443,789
Sanitation	92,980	110,188	1,768
Operating grants and contributions	206,362	240,717	220,678
Capital grants and contributions	-	19,375	19,522
<b>Total governmental activities program revenues</b>	<u>1,959,609</u>	<u>2,450,447</u>	<u>1,745,211</u>
<b>Business-type activities:</b>			
Charges for services:			
Water	1,918,302	1,792,337	1,693,725
Sewer	130,903	129,025	124,885
<b>Total business-type activities program revenues</b>	<u>2,049,205</u>	<u>1,921,362</u>	<u>1,818,610</u>
<b>Total primary government program revenues</b>	<u>4,008,814</u>	<u>4,371,809</u>	<u>3,563,821</u>
<b>Net (Expense)/Revenue</b>			
Governmental activities	(16,091,946)	(19,577,527)	(17,079,251)
Business-type activities	(382,631)	(350,513)	(744,319)
<b>Total primary government net expense</b>	<u>(16,474,577)</u>	<u>(19,928,040)</u>	<u>(17,823,570)</u>
<b>General Revenues and Other Changes in Net Assets</b>			
<b>Governmental activities:</b>			
Property Taxes	12,636,469	12,499,174	9,998,764
Taxes	6,128,041	5,816,527	5,481,425
Investment Income	9,386	105,762	163,648
Gain on sale of fixed assets	-	1,756	180,075
Miscellaneous	404,092	311,854	472,452
<b>Total governmental activities</b>	<u>19,177,988</u>	<u>18,735,073</u>	<u>16,296,364</u>
<b>Business-type activities:</b>			
Property Taxes	48,237	60,030	49,494
Investment earnings	-	-	-
<b>Total business-type activities</b>	<u>48,237</u>	<u>60,030</u>	<u>49,494</u>
<b>Total primary government</b>	<u>19,226,225</u>	<u>18,795,103</u>	<u>16,345,858</u>
<b>Change in Net Assets</b>			
Governmental activities	3,086,042	(842,454)	(782,887)
Business-type activities	(334,394)	(290,483)	(694,825)
<b>Total primary government</b>	<u>\$ 2,751,648</u>	<u>\$ (1,132,937)</u>	<u>\$ (1,477,712)</u>

Notes: Accrual basis of accounting

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

Table 2

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

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

	Fiscal Year			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund				
Reserved	\$ 230,560	\$ 54,880	\$ 120,280	\$ 284,236
Unreserved	<u>281,883</u>	<u>518,456</u>	<u>(799,071)</u>	<u>1,738,489</u>
Total general fund	<u>\$ 512,443</u>	<u>\$ 573,336</u>	<u>\$ (678,791)</u>	<u>\$ 2,022,725</u>
All Other Governmental Funds				
Unreserved, designated	\$ -	\$ -	\$ 202,000	\$ 950,000
Unreserved, reported in:				
Special service funds	2,086,552	1,602,842	1,317,896	1,967,054
Capital projects funds	3,176,456	1,885,003	4,904,919	4,150,364
Debt service funds	<u>714,998</u>	<u>718,395</u>	<u>357,135</u>	<u>281,799</u>
Total all other governmental funds	<u>\$ 5,978,006</u>	<u>\$ 4,206,240</u>	<u>\$ 6,781,950</u>	<u>\$ 7,349,217</u>

Note: Modified accrual basis of accounting

Table 3

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<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 673,492	\$ 934,303	\$ 903,622	\$ 865,610	\$ 839,845	\$ 817,236
633,668	(1,807,196)	(1,910,284)	(2,646,341)	(1,018,489)	(312,563)
<u>\$ 1,307,160</u>	<u>\$ (872,893)</u>	<u>\$ (1,006,662)</u>	<u>\$ (1,780,731)</u>	<u>\$ (178,644)</u>	<u>\$ 504,673</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,684,219	4,572,580	2,928,021	2,523,531	5,557,995	5,022,381
4,511,120	4,442,502	2,031,156	5,871,064	9,046,325	9,309,025
289,364	345,327	333,708	205,897	218,808	180,247
<u>\$ 6,484,703</u>	<u>\$ 9,360,409</u>	<u>\$ 5,292,885</u>	<u>\$ 8,600,492</u>	<u>\$ 14,823,128</u>	<u>\$ 14,511,653</u>

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

	Fiscal Year			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Revenues</b>				
Taxes	\$ 17,952,910	\$ 17,641,771	\$ 14,485,383	\$ 14,494,133
Intergovernmental	1,014,114	1,013,806	1,131,263	1,191,786
Licenses, fees, and permits	256,680	235,762	238,213	219,404
Charges for services	399,857	1,164,084	312,366	1,484,017
Fines and Forfeitures	784,272	485,905	520,318	423,578
Investment earnings	9,386	105,762	163,648	333,399
Other revenues	715,030	614,958	905,066	466,864
<b>Total revenues</b>	<u>21,132,249</u>	<u>21,262,048</u>	<u>17,756,257</u>	<u>18,613,181</u>
<b>Expenditures</b>				
General Administration	5,306,145	8,470,323	5,622,167	4,093,192
Public Safety	9,057,067	9,047,751	9,848,322	8,352,853
Highway and Streets	1,636,542	1,607,170	2,315,738	1,700,770
Sanitation	528,911	523,085	546,400	514,559
Culture and Recreation	23,514	75,692	105,895	102,757
Debt service				
Principal	2,594,207	2,479,921	2,295,867	2,201,953
Interest	281,253	383,445	470,726	554,490
<b>Total expenditures</b>	<u>19,427,639</u>	<u>22,587,387</u>	<u>21,205,115</u>	<u>17,520,574</u>
Excess of revenues over (under) expenditures	1,704,610	(1,325,339)	(3,448,858)	1,092,607
<b>Other Financing Sources (Uses)</b>				
Proceeds from Issuance of Debt	-	-	-	-
Premium on Issuance of Debt	-	-	-	-
Accrued interest on Issuance	-	-	-	-
Sale of Capital Assets	6,263	1,756	180,075	487,472
Payment to Escrow	-	-	-	-
Transfers in	1,063,789	1,015,385	45,525	896,455
Transfers out	(1,063,789)	(1,015,385)	(45,525)	(896,455)
<b>Total other financing sources (uses)</b>	<u>6,263</u>	<u>1,756</u>	<u>180,075</u>	<u>487,472</u>
<b>Net change in fund balances</b>	<u>\$ 1,710,873</u>	<u>\$ (1,323,583)</u>	<u>\$ (3,268,783)</u>	<u>\$ 1,580,079</u>
<b>Debt service as a percentage of noncapital expenditures</b>	14.8%	12.7%	13.9%	17.8%

Note: Modified accrual basis of accounting

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	15,277,712	\$ 14,325,508	\$ 12,762,068	\$ 11,451,796	\$ 10,047,087	\$ 9,803,485
	1,194,623	1,155,971	947,907	813,436	872,835	898,119
	268,766	248,619	214,918	182,804	232,579	238,705
	353,181	325,156	300,819	282,784	366,264	324,552
	251,587	196,398	238,454	242,021	185,756	151,899
	414,415	277,160	97,954	104,548	235,270	299,708
	508,171	338,770	1,401,003	294,483	499,058	563,617
	<u>18,268,455</u>	<u>16,867,582</u>	<u>15,963,123</u>	<u>13,371,872</u>	<u>12,438,849</u>	<u>12,280,085</u>
	4,045,229	4,523,117	7,460,066	6,550,652	3,585,243	2,731,594
	7,861,287	6,799,112	6,168,900	5,859,382	5,428,969	5,105,274
	3,604,018	2,515,411	1,909,980	2,088,067	1,239,650	1,524,052
	503,961	502,545	498,559	477,690	476,067	398,400
	97,641	102,087	153,365	122,966	98,715	149,403
	2,210,409	1,866,978	1,642,732	1,569,547	2,731,385	1,393,017
	<u>658,048</u>	<u>691,821</u>	<u>663,059</u>	<u>743,756</u>	-	<u>622,852</u>
	<u>18,980,593</u>	<u>17,001,071</u>	<u>18,496,661</u>	<u>17,412,060</u>	<u>13,560,029</u>	<u>11,924,592</u>
	(712,138)	(133,489)	(2,533,538)	(4,040,188)	(1,121,180)	355,493
	-	9,965,000	-	620,000	749,338	7,690,662
	-	63,464	-	-	-	-
	-	-	-	-	-	9,969
	16,485	34,900	-	-	-	-
	-	(5,728,582)	-	(603,829)	-	-
	1,444,962	-	-	-	-	-
	<u>(1,444,962)</u>	-	-	-	-	-
	<u>16,485</u>	<u>4,334,782</u>	-	<u>16,171</u>	<u>749,338</u>	<u>7,700,631</u>
\$	<u>(695,653)</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>
	16.9%	15.9%	17.3%	16.5%	20.1%	16.9%

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
2011	\$ 12,636,469	\$ 3,614,290	\$ 1,050,973	\$ 75,599	\$ 229,542	\$ 292,412	\$ 52,454	\$ 17,951,739
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
Change 2002-2011	95.2%	116.0%	-10.8%	1.5%	-19.4%	310.9%	6.5%	83.1%

## 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 Residential Property	Equalized Assessed Value Commercial Property	Equalized Assessed Value Industrial Property	Equalized Assessed Value Railroad Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of total equalized assessed value to total estimated actual value
2011	2010	(1)	(1)	(1)	\$ 110,770	\$ 277,520,397	3.427	\$ 832,561,191	33.33%
2010	2009	\$ 123,866,896	\$ 53,209,711	\$ 106,576,715	106,223	283,759,545	3.146	851,278,635	33.33%
2009	2008	120,669,029	48,679,082	126,652,933	86,420	296,087,464	2.874	888,262,392	33.33%
2008	2007	114,184,953	43,469,869	119,683,412	66,083	277,404,317	2.945	832,212,951	33.33%
2007	2006	96,634,829	44,927,525	116,265,161	46,478	257,873,993	3.028	773,621,979	33.33%
2006	2005	94,933,726	45,927,247	122,844,959	31,171	263,737,103	2.827	791,211,309	33.33%
2005	2004	79,142,241	47,609,352	104,541,001	31,868	231,324,462	2.854	693,973,386	33.33%
2004	2003	76,577,655	50,071,436	98,473,659	32,690	225,155,440	2.640	675,466,320	33.33%
2003	2002	77,564,226	55,751,533	97,389,987	41,912	230,747,658	2.367	692,242,974	33.33%
2002	2001	60,073,562	53,930,465	81,322,684	41,153	195,367,864	2.690	586,103,592	33.33%

Source: Office of the Cook County Clerk

(1) Final tax levy year 2010 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>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Village Direct Rates</u>				
Village of Hillside	3.427	3.146	2.874	2.945
Village of Hillside Library Fund	0.320	0.299	0.273	0.278
Suburban TB Sanitarium	0.000	0.000	0.000	0.000
County of Cook	0.423	0.394	0.415	0.446
Consolidated Elections	0.000	0.021	0.000	0.012
Forest Preserve District of Cook County	0.051	0.049	0.051	0.053
Proviso Township	0.062	0.057	0.057	0.059
General Assistance - Proviso Township	0.031	0.033	0.033	0.034
Metropolitan Water Reclamation District	0.274	0.261	0.252	0.263
Community College District #504	0.225	0.214	0.212	0.224
Proviso Township High School #209	1.813	1.759	1.752	1.839
School District #93	1.643	1.567	1.433	1.486
Proviso Mental Health District	0.117	0.113	0.113	0.117
Des Plaines Valley Mosquito Abatement	0.011	0.011	0.012	0.012
<b>Total Direct Rate</b>	<b><u>8.397</u></b>	<b><u>7.924</u></b>	<b><u>7.477</u></b>	<b><u>7.768</u></b>
<u>Additional Overlapping Tax Rates</u>				
School District #87	3.091	2.975	2.901	2.963
School District #88	2.930	2.813	2.664	2.741
School District #92 1/2	2.048	2.044	2.116	2.230
School District #93	1.643	1.567	1.433	1.486
Memorial Park District	0.413	0.401	0.395	0.411
Westchester Park District	0.264	0.257	0.219	0.318

Source: Cook County Clerk's Office

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<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
3.028	2.827	2.854	2.640	2.367	2.690
0.285	0.266	0.290	0.276	0.257	0.233
0.005	0.005	0.001	0.004	0.006	0.007
0.500	0.533	0.593	0.630	0.690	0.746
0.000	0.014	0.000	0.029	0.000	0.032
0.057	0.060	0.060	0.059	0.061	0.067
0.062	0.056	0.063	0.063	0.060	0.072
0.036	0.033	0.037	0.037	0.035	0.041
0.284	0.315	0.347	0.361	0.371	0.401
0.240	0.233	0.259	0.269	0.257	0.306
1.878	1.810	2.046	2.061	1.971	2.340
1.525	1.457	1.561	1.570	1.496	1.677
0.115	0.114	0.129	0.129	0.123	0.146
0.012	0.011	0.012	0.012	0.011	0.013
<u>8.027</u>	<u>7.734</u>	<u>8.252</u>	<u>8.140</u>	<u>7.705</u>	<u>8.771</u>
3.131	3.061	3.321	3.498	3.343	3.710
2.765	2.616	2.962	2.998	2.900	3.548
2.317	2.270	2.573	2.614	2.537	2.308
1.525	1.457	1.561	1.570	1.496	1.677
0.420	0.396	0.431	0.434	0.405	0.471
0.279	0.266	0.294	0.305	0.270	0.323

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

Taxpayer	Tax Levy Year 2009*			Tax Levy Year 2000		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Par Development	\$ 14,190,082	1	5.00%	-	-	-
Target Corp T 2490	11,646,429	2	4.10%	-	-	-
Central Transport	8,908,495	3	3.14%	\$ 4,402,578	6	2.33%
Cambridge Realty	8,348,506	4	2.94%	-	-	-
Newcastle Partners	7,711,591	5	2.72%	11,699,352	1	6.19%
Marc Realty	6,596,721	6	2.32%	-	-	-
Realty Assoc Fund VI	6,236,785	7	2.20%	-	-	-
Carmax	6,092,278	8	2.15%	-	-	-
Partipilo Fam Prtns	5,774,248	9	2.03%	-	-	-
Warburg Storgemart	4,329,126	10	1.53%	-	-	-
Hillside LTD Partnership	-	-	-	7,895,184	2	4.17%
Richard Lyke	-	-	-	6,307,100	3	3.33%
GE Property Tax	-	-	-	5,969,157	4	3.16%
Columbia Sussex Corp	-	-	-	4,725,238	5	2.50%
Extended Stay America	-	-	-	3,572,224	7	1.89%
Wallace Computer Service	-	-	-	3,469,263	8	1.83%
US Equities	-	-	-	3,301,829	9	1.75%
Levy Home Entertainment	-	-	-	3,241,854	10	1.71%
<b>Total</b>	<b>\$ 79,834,261</b>		<b>28.13%</b>	<b>\$ 54,583,779</b>		<b>28.86%</b>
<b>Total City Taxable Assessed Value</b>	<b>\$ 283,759,545</b>			<b>\$ 189,156,205</b>		

Source: Cook County Clerks Office

\*Tax levy year 2010 information not available. Tax levy year 2009 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 Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 9,510,265	\$ 4,046,908	42.55%	\$ -	\$ 4,046,908	42.55%
2010	8,638,052	4,083,415	47.27%	4,494,963	8,578,378	99.31%
2009	8,234,902	3,420,041	41.53%	4,792,641	8,212,682	99.73%
2008	7,902,403	3,105,529	39.30%	4,700,424	7,805,953	98.78%
2007	7,552,680	3,159,695	41.84%	4,380,875	7,540,570	99.84%
2006	7,313,614	2,891,402	39.53%	4,389,022	7,280,424	99.55%
2005	6,390,123	2,598,654	40.67%	3,727,552	6,326,206	99.00%
2004	5,746,674	2,368,052	41.21%	3,310,292	5,678,344	98.81%
2003	5,337,948	2,388,243	44.74%	2,814,066	5,202,309	97.46%
2002	5,131,948	2,258,462	44.01%	2,792,623	5,051,085	98.42%

Sources: Cook County Clerks Office

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

Fiscal Year	Governmental Activities		Percentage of Actual Taxable Value of Property	Per Capita	Governmental Activities		Total Debt Primary Government	Percentage of Personal Income	Per Capita
	Bonded Debt				Other Debt				
	General Obligation Bonds				Promissory Note	Installment Note			
2011	\$ 3,769,388		0.45%	\$ 462	\$ 303,541	\$ -	\$ 4,072,929	3.0%	\$ 499
2010	6,266,790		0.74%	768	382,748	-	6,649,538	4.8%	815
2009	8,653,957		0.97%	1,061	457,669	-	9,111,626	6.6%	1,117
2008	10,860,898		1.31%	1,591	528,536	-	13,573,111	9.9%	1,664
2007	12,977,622		1.68%	1,836	595,489	-	15,764,556	11.4%	1,933
2006	14,973,658		1.89%	1,512	658,898	132,000	13,307,123	9.7%	1,632
2005	12,329,247		1.78%	1,689	718,876	259,000	14,930,955	10.8%	1,831
2004	13,775,347		2.04%	1,857	775,608	380,000	16,470,155	12.0%	2,020
2003	15,145,000		2.19%	2,003	829,155	496,000	17,675,581	12.8%	2,167
2002	16,335,000		2.79%	1,281	879,919	460,662	11,377,936	8.3%	1,395

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, 2011  
 (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	\$ 3,755,000	100.00%	\$ 3,755,000
Total Direct	<u>3,755,000</u>		<u>3,755,000</u>
<u>Overlapping (4):</u>			
County of Cook	3,499,615,000	0.16%	5,581,549
Forest Preserve District of Cook County	101,935,000	0.16%	162,577
Metropolitan Water Reclamation of Greater Chicago	1,945,659,620 (2)	0.16%	3,167,149
Memorial Park District	550,000 (3)	14.99%	82,456
Westchester Park District	476,275 (3)	1.84%	8,765
School District #87	16,865,000	9.81%	1,654,834
School District #88	34,757,166 (4)	6.12%	2,128,276
School District #92 1/2	10,055,000	1.65%	165,969
School District #93	2,850,000	51.00%	1,453,608
High School District 209	47,772,202 (3)	9.25%	<u>4,417,762</u>
Total Overlapping Bonded Debt			<u>18,822,944</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 22,577,944</u>

## Notes:

- (1) Tax levy year 2009 information was used in the calculations of this statement.
- (2) Includes Revolving Loan Fund Bonds issued with the IEPA.
- (3) Excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.
- (4) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
- (5) Percentage of overlap is based on assessed property values.

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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	Fiscal Year			
	2011	2010	2009	2008
Debt limit	\$ 23,936,134	\$ 23,936,134	\$ 25,537,544	\$ 23,926,122
Total net debt applicable to limit	<u>3,755,000</u>	<u>6,270,000</u>	<u>8,675,000</u>	<u>10,900,000</u>
Legal debt margin	<u>\$ 20,181,134</u>	<u>\$ 17,666,134</u>	<u>\$ 16,862,544</u>	<u>\$ 13,026,122</u>
Total net debt applicable to the limit as a percentage of debt limit	15.69%	26.19%	33.97%	45.56%

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 2011

Assessed value	\$ 277,520,397
Debt limit (8.625% of assessed value)	23,936,134
Debt applicable to limit:	<u>3,755,000</u>
Legal debt margin	<u>\$ 20,181,134</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 22,241,632	\$ 22,747,325	\$ 19,951,735	\$ 19,419,657	\$ 19,901,986	\$ 16,850,478
<u>13,035,000</u>	<u>15,050,000</u>	<u>12,345,000</u>	<u>13,720,000</u>	<u>15,145,000</u>	<u>16,335,000</u>
<u>\$ 9,206,632</u>	<u>\$ 7,697,325</u>	<u>\$ 7,606,735</u>	<u>\$ 5,699,657</u>	<u>\$ 4,756,986</u>	<u>\$ 515,478</u>
58.61%	66.16%	61.87%	70.65%	76.10%	96.94%

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

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2011	8,155	\$ 137,770,570	\$ 16,894	33.0	12.7	2,018	3.2%
2010	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2009	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2008	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2007	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2006	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2005	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2004	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2003	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2002	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>	2011		Percentage of Total City Employment
	<u>Employees</u>	<u>Rank</u>	
V Mark, Inc	770	1	21.3%
Dynamic Manufacturing	400	2	11.1%
Gas Tech Inc.	364	3	10.1%
Orange Crush	350	4	9.7%
Creative Automation Co.	250	5	6.9%
Bekins Van Lines, LLC.	200	6	5.5%
Admiral Heating & Ventilating Mechanical, Inc.	200	7	5.5%
Glass Services	200	8	5.5%
RR Donnelly	170	10	4.7%
<b>Total</b>	<b><u>3,104</u></b>		<b><u>85.84%</u></b>

\*The number of employees listed in the 2011 directories are actually the number employed in 2010.  
The Illinois Department of Employment Security reports that 3,616 persons were employed in Hillside in 2010..

Source: 2011 Illinois Services Directory  
2011 Illinois Manufacturers' Directory  
2011 Harris Illinois Industrial Directory

Information for 2002 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>2011</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>
General government										
Administration	9	9	9	9	9	10	10	9	9	9
Social Services	-	-	-	1	1	1	1	1	1	1
Public Safety										
Police										
Officers	27	27	28	28	28	26	30	30	30	30
Civilians	8	8	8	9	9	8	8	9	9	9
Fire										
Firefighters	22	23	25	25	25	25	25	25	14	14
Civilians	1	1	1	1	1	1	1	1	1	1
Streets (Public Works)										
Administration	3	3	3	3	3	3	4	4	4	4
Streets	3	3	3	3	3	6	5	5	5	5
Building Services	3	3	3	3	3	3	3	3	3	3
	4	4								
Water	-	-	4	5	5	5	5	5	5	5
Total	<u>80</u>	<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>

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									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government										
Building permits issued	589	576	657	522	600	561	599	550	546	523
Building inspections conducted	1,767	1,296	1,993	1,515	1,800	1,683	1,797	1,650	1,638	1,569
Public Safety										
Police										
Calls for service	14,642	16,626	15,744	15,374	8,358	7,166	6,920	7,238	7,176	7,891
Physical arrests	518	669	470	646	808	536	454	481	480	271
Parking tickets	2,406	2,423	2,064	1,671	1,878	1,989	2,635	2,095	2,647	3,261
Traffic tickets	6,087	4,540	3,987	4,014	4,533	2,829	3,092	3,249	3,604	2,394
Fire										
Fire Calls	754	718	754	675	646	730	716	653	741	741
Ambulance Calls	1,382	1,247	1,387	1,351	1,293	1,331	1,338	1,254	1,237	1,200
ALS	559	488	531	533	547	565	554	465	363	471
BLS	329	303	292	314	268	266	274	293	331	357
Training Hours	4,775	5,410	6,155	6,499	4,537	3,775	4,430	5,095	5,087	2,869
Inspections Initial	99	99	290	225	354	338	354	351	270	341
Inspections Follow-Up	78	30	118	83	189	128	266	237	92	54
Streets (public works)										
Street resurfacing (miles)	-	-	-	-	-	4	2	-	-	3
Sewer Inspections Conducted	94	105	81	85	156	175	181	130	130	163
Library										
Volumes in collection	81,610	57,641	56,635	51,800	47,954	48,613	47,191	46,364	47,763	47,501
Total volumes borrowed	88,558	92,212	92,258	88,987	82,096	106,063	82,266	85,056	76,020	79,766
Water										
Meters Installed	16	27	16	22	16	56	57	58	55	55
Water main breaks	28	19	11	2	28	40	31	31	18	22
Average daily consumption (thousands of gallons)	1,061	981	730	1,180	1,148	1,150	1,149	1,130	1,120	1,065

Sources: Various Village departments.

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

Function/Program	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	29	29	30	30	29	29	31	31	31	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.