

VILLAGE OF HILLSIDE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2018

Prepared By:

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

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INTRODUCTORY SECTION
(Unaudited)



President

Joseph T. Tamburino

Village Clerk

Linda L. Gould

Trustees

Lytton H. Andersen

David V. Delgado

Valerie Farries

John N. Kramer

Frank J. Lomeli, Sr.

Marvin A. Watson

October 31, 2018

Village Administrator

Russell F. Wajda

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

**Assistant Village
Administrator**

Village Treasurer

John T. Flood, Jr.

Village Attorney

Patrick E. Deady

Village Engineer

Hanson Professional
Services

The Comprehensive Annual Financial Report of the Village of Hillside, Illinois, for the fiscal year ending April 30, 2018, 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 decreased slightly as a result of the overall economic conditions. FY 17-18 totaled \$4,474,991 which is down from FY 16-17 which totaled \$4,545,874 by 1.6 percent. State shared income tax increased along with Motor Fuel Tax receipts from the prior year. The Village Board voted July 22, 2002 to implement a new 1% home rule sales tax. It became effective January 1, 2003, with our first receipt coming to the Village in March, 2003. This tax has gone a long way in providing and replacing lost revenue to the Village.

BUDGETARY SYSTEM

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

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

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

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

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

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

The concept of reasonable assurance recognizes that:

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

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

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

FINANCIAL INFORMATION

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

BRIEF OVERVIEW OF VILLAGE FUNDS

Funds are arranged as follows:

- I. MAJOR GOVERNMENTAL FUNDS
 - A. General Fund
 - B. TIF – Mannheim Road
 - C. Hillside 2017 Project Fund
- II. NON-MAJOR GOVERNMENTAL FUNDS
 - A. Special Revenue Funds
 - B. Debt Service Fund
 - C. Capital Projects Funds
- III. MAJOR PROPRIETARY FUNDS
 - A. Water Fund
 - B. Sewer Fund
- IV. NON-MAJOR PROPRIETARY FUNDS
- V. FIDUCIARY FUNDS
- VI. COMPONENT UNIT
 - A. Library

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

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

Management is responsible for preparing a Management's Discussion and Analysis of the Village. This discussion follows the Independent Auditor's Report, providing an assessment of the Village finances for 2018 and a comparison, where available, to performance in 2017, a description of significant capital asset and long-term debt activity during the year and analysis of resources available for the future.

SIGNIFICANT FINANCIAL POLICIES

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

During fiscal year 2015 the Village implemented Governmental Accounting Standards Board Statement Number 67 which improves financial reporting for governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

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, 2017. 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.

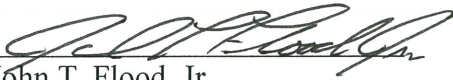
The Village of Hillside has received the Certificate of Achievement for Excellence in Financial Reporting thirty-three of thirty-five years since 1982.

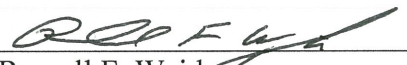
ACKNOWLEDGMENTS

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



Government Finance Officers Association

**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, 2017

Christopher P. Morill

Executive Director/CEO

VILLAGE OF HILLSIDE, ILLINOIS

Village Officials

April 30, 2018

PRESIDENT

Joseph T. Tamburino

TRUSTEES

Lytton H. Andersen
Valerie J. Farries
John N. Kramer
Frank J. Lomeli, Sr.
Marvin A. Watson
David V. Delgado

CLERK

Linda L. Gould

ATTORNEY

Patrick E. Deady

TREASURER

John T. Flood, Jr.

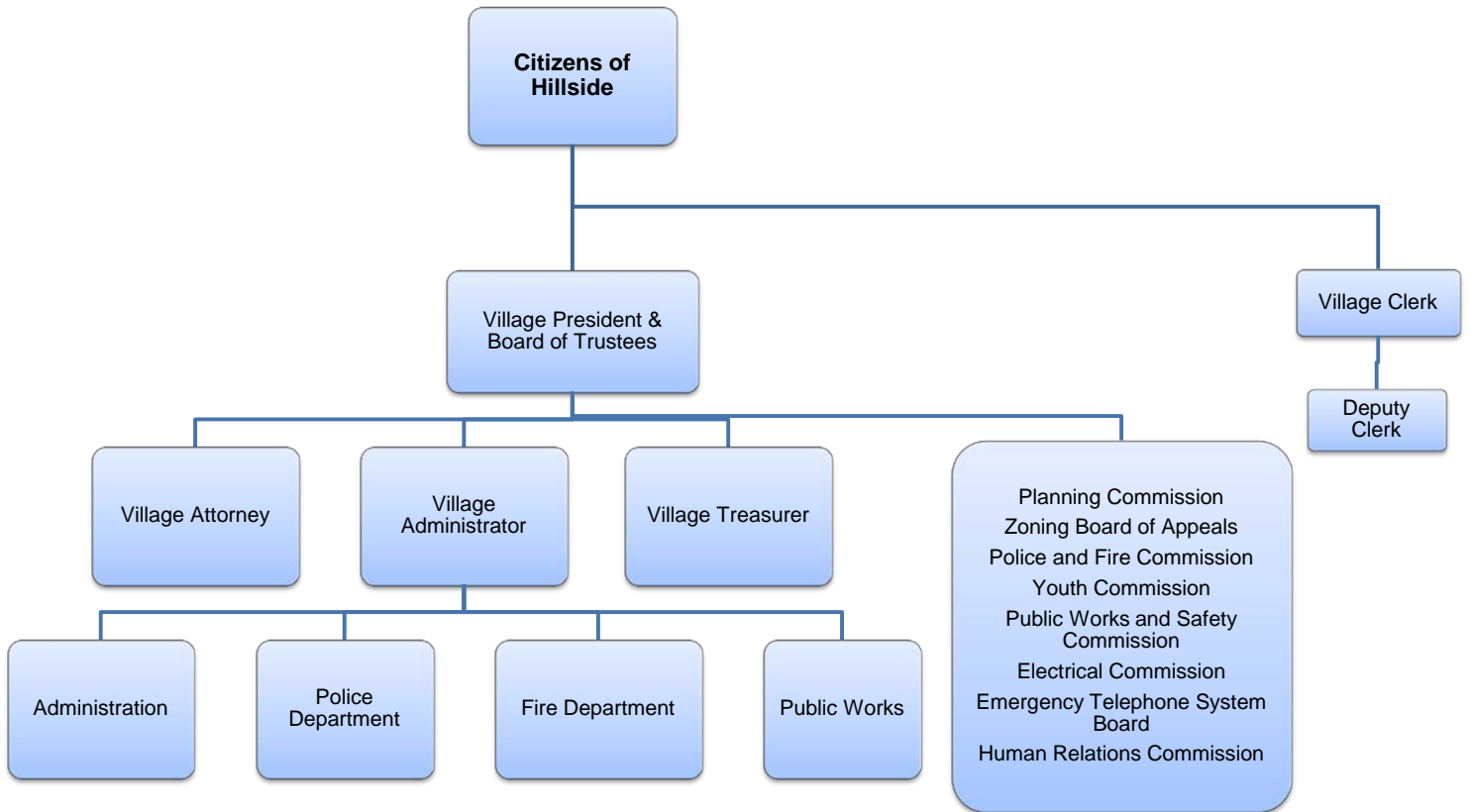
ENGINEER

Hanson Professional Services

VILLAGE ADMINISTRATOR

Russell F. Wajda

Village of Hillside, Illinois Organizational Chart



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
And the Members of the Board of Trustees
Village of Hillside, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements 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 of Hillside, Illinois (the Village), as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hillside Public Library (the Library), which represents the entire discretely presented component unit. Those 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 the Library, is based solely on the report of the 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of the other auditors, the 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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



Crowe LLP

Oak Brook, Illinois
October 31, 2018

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

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, 2018 (FY18). 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 liabilities and deferred inflows of the Village of Hillside exceeded its assets and deferred outflows at the close of the fiscal year by \$9,593,193 (net position).

The government's total net position decreased by \$4,213,346 (or 78.3%) during FY18. The governmental net position decreased by \$3,816,875 (or 24.3%) from the year ended April 30, 2017 (FY17) and the business-type activities net position decreased by \$396,471 (or 3.8%) from FY17.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$14,923,696, an increase of \$1,678,535 in comparison with the prior year.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,692,569.

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 position presents information on all of the Village's (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources with the difference between (a) and (b) reported as net position. Over time increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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.

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.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

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

The Village maintains three individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Mannheim Road TIF fund, and 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, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following chart reflects the condensed Statement of Net Position for fiscal years 2017 and 2018 (in millions).

	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Assets:						
Current & Other	\$ 19.9	\$ 21.8	\$ 6.1	\$ 5.9	\$ 26.0	\$ 27.7
Capital Assets	<u>22.2</u>	<u>23.7</u>	<u>4.8</u>	<u>4.7</u>	<u>27.0</u>	<u>28.4</u>
Total Assets	42.1	45.5	10.9	10.6	53.0	56.1
 Deferred Outflows of Resources	 6.9	 5.9	 -	 -	 6.9	 5.9
 Liabilities:						
Other Liabilities	2.3	2.4	0.5	0.5	2.8	2.9
Long-term Liabilities	<u>57.0</u>	<u>60.8</u>	<u>0.1</u>	<u>0.1</u>	<u>57.1</u>	<u>60.9</u>
Total Liabilities	59.3	63.2	0.6	0.6	59.9	63.8
 Deferred Inflows of Resources	 5.4	 7.7	 -	 0.1	 5.4	 7.8
 Net Position:						
Net Investment						
in Capital Assets	19.1	16.2	4.8	4.7	23.9	20.9
Restricted	4.5	8.2	-	-	4.5	8.2
Unrestricted	<u>(39.3)</u>	<u>(43.9)</u>	<u>5.5</u>	<u>5.2</u>	<u>(33.8)</u>	<u>(38.7)</u>
Total Net Position	\$ (15.7)	\$ (19.5)	\$ 10.3	\$ 9.9	\$ (5.4)	\$ (9.6)

The largest portion of the Village of Hillside's net position 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 position 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 has a negative balance for government-wide net position and a positive balance in business-type net position.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

The following chart reflects the condensed Statement of Activities for fiscal years 2017 and 2018 (in millions).

	Governmental Activities		Business-type Activities		Total Government	
	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 3.1	\$ 2.7	\$ 3.0	\$ 3.0	\$ 6.1	\$ 5.7
Oper. Grants/Contrib.	1.9	0.2	-	-	1.9	0.2
Capital Grants/Contrib.	-	-	-	-	-	-
General Revenues						
Property Taxes	11.0	11.8	-	-	11.0	11.8
Sales & Utility	5.7	5.9	-	-	5.7	5.9
Other	1.9	2.7	-	-	1.9	2.7
Total Revenues	<u>23.6</u>	<u>23.3</u>	<u>3.0</u>	<u>3.0</u>	<u>26.6</u>	<u>26.3</u>
Expenses						
Gen Gov't	7.4	8.7	-	-	7.4	8.7
Public Safety	14.1	14.3	-	-	14.1	14.3
Highway & Streets	3.9	3.3	-	-	3.9	3.3
Culture & Rec	-	-	-	-	-	-
Sanitation	0.6	0.6	-	-	0.6	0.6
Interest LT Debt	0.1	0.2	-	-	0.1	0.2
Water	-	-	3.0	3.0	3.0	3.0
Sewer	-	-	0.1	0.4	0.1	0.4
Total Expenses	<u>26.1</u>	<u>27.1</u>	<u>3.1</u>	<u>3.4</u>	<u>29.2</u>	<u>30.5</u>
Increase(Decrease) in Net Position before Transfers	<u>(2.5)</u>	<u>(3.8)</u>	<u>(0.1)</u>	<u>(0.4)</u>	<u>(2.6)</u>	<u>(4.2)</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(2.5)</u>	<u>(3.8)</u>	<u>(0.1)</u>	<u>(0.4)</u>	<u>(2.6)</u>	<u>(4.2)</u>
Beginning Net Position	<u>(13.2)</u>	<u>(15.7)</u>	<u>10.4</u>	<u>10.3</u>	<u>32.2</u>	<u>(5.4)</u>
Ending Net Posiiton	<u>\$ (15.7)</u>	<u>\$ (19.5)</u>	<u>\$ 10.3</u>	<u>\$ 9.9</u>	<u>\$ (5.4)</u>	<u>\$ (9.6)</u>

Governmental Activities: Governmental activities decreased the Village of Hillside's net position in FY18 by \$3.8 million. Property taxes and sales taxes increased in FY18 compared to FY17. General government, public safety, highway and streets, and culture and recreation expenses increased from FY17 to FY18.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

Business-Type Activities: Business-Type activities did affect the Village of Hillside's net position in FY18 by \$0.4 million. This was the result of the user fees generated exceeding the costs of operating the water and sewer operations of the Village.

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 \$14,923,696 an increase of \$1,678,535 in comparison with the prior year. Approximately 37.7% of this amount, \$5,629,992, constitutes unassigned fund balance, which is available for spending at the government's discretion. 7.3% of fund balance is considered nonspendable. The remaining 55.0% of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted to capital projects of \$2.5 million, economic development of \$2.5 million and other purposes of \$3.3 million.

The general fund is the chief operating fund of the Village of Hillside. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,692,569, while the total fund balance was \$7,560,416. The fund balance of the Village of Hillside's general fund decreased by \$1,714,362 during the current fiscal year. The decrease is due to an increase in all expenditures.

The fund balance of the Village of Hillside's Mannheim Road TIF Fund totaled \$2,272,095 as of April 30, 2018. This is a result of the property tax revenue earned exceeding the development expenditures incurred in the fund in prior years.

The fund balance of the Village of Hillside's Hillside 2017 Project Fund totaled \$2,468,314 as of April 30, 2018. This fund accounts for the costs associated with future expansion of the Village Hall into an adjacent building through proceeds of the 2017B General Obligation Bond Issue. The fund balance for this fund increased by \$2,468,314 as a result of the Village issuing General Obligation Bonds 2017B.

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 position of the Water Fund at the end of the year amounted to \$5,959,605, and those for the Sewer Fund amounted to \$3,977,154. The Water Fund had a decrease in net position of \$113,194. The Sewer Fund had a decrease in net position of \$283,277.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

GENERAL FUND BUDGETARY HIGHLIGHTS

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

General Fund:	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 14.2	\$ 14.2	\$ 14.3
Intergovernmental	1.4	1.4	1.4
Other	4.2	4.2	2.7
Total	19.8	19.8	18.4
Expenditures:			
Current Expenditures	20.3	20.3	19.8
Total	20.3	20.3	19.8
Other Financing Sources	0.1	0.1	0.1
Net Change in Fund Balance	<u>\$ (0.4)</u>	<u>\$ (0.4)</u>	<u>\$ (1.3)</u>

There were General Fund budget amendments in fiscal year 2018. Property tax revenues were over budget by \$420,273 and fines and forfeitures were under budget by \$769,306. General administration expenditures were over budget by \$965,485, while highway and streets were under budget by \$794,079.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

CAPITAL ASSET AND DEBT ADMINISTRATION

Governmental Activities
Change in Capital Assets
(in millions)

	Balance May 1, 2017	Net Additions / Deletions	Balance April 30, 2018
Non-Depreciable Assets:			
Land / CIP	\$ 7.7	\$ 1.2	\$ 8.9
Other Capital Assets:			
Infrastructure	12.4	0.9	13.3
Buildings & Improvements	11.7	-	11.7
Vehicles, Furniture, & Fixtures	8.1	(0.5)	7.6
Accum. Depreciation on Capital Assets	(17.7)	(0.1)	(17.8)
Total	<u>\$ 22.0</u>	<u>\$ 1.5</u>	<u>\$ 23.7</u>

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

	Balance May 1, 2017	Net Additions / Deletions	Balance April 30, 2018
Non-Depreciable Assets:			
Land / CIP	\$ -	\$ -	\$ -
Other Capital Assets:			
Infrastructure	9.4	-	9.4
Buildings & Improvements	-	-	-
Vehicles, Furniture, & Fixtures	0.8	-	0.8
Accum. Depreciation on Capital Assets	(5.4)	(0.1)	(5.5)
Total	<u>\$ 4.8</u>	<u>\$ (0.1)</u>	<u>\$ 4.7</u>

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

Debt Administration: At April 30, 2018, the Village had outstanding debt as follows:

General Obligation Bonds Series 2005B	\$ 200,000
General Obligation Bonds Series 2012A	2,160,000
General Obligation Bonds Series 2017A	1,635,000
General Obligation Bonds Series 2017B	3,075,000
Add unamortized amounts	445,535
Total General Obligation Bonds	<u>\$ 7,515,535</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.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

ECONOMIC FACTORS

Sales tax revenues continue to increased year to year as a result of overall economic conditions. The Village expects revenues to increase as economic conditions continue to improve. 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.

The Village completed a study of the Roosevelt Road corridor from Mannheim Road on the east to Wolf Road on the west to improve the overall conditions of the area. The study should be complete in the fall on 2017 with implementation to follow as developers come on line.

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.

CarMax Auto Superstore occupies approximately 20 acres, which is a retail facility selling quality previously owned motor vehicles on a 33 acre site located along the Eisenhower Expressway. The 13 acres adjacent to CarMax Auto Superstore is mostly vacant land. The Village is working to attract senior housing to occupy the vacant parcel.

This same area also hosts a 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.

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

To help provide a further boost to the economics of Hillside, the Village has embarked on an extensive beautification plan. Martin and Associates developed a master plan for the Village. Improvements have been made over the last several years and will continue into this fiscal year. Construction was completed on 42 sections of Village streets. Sewers were repaired or replaced. Curbs and gutters were replaced and the streets were repaved. The Village is committed to infrastructure improvements, and plans to complete 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.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2018

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

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

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

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

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

Site development for the Hillside Town Center began in December 2007. The Super Target opened in March 2009. Along with Super Target, Petco, Michaels, Panda Express, T Mobile, Wing Stop, Vision Works, Game Stop, GNC, Home Goods, Chase Bank, Home Run Inn Pizza, Jimmy Johns, Sally Beauty, and Ross Dress for Less, have opened. Krispy Kreme is opening a store in the Town Center in October 2018. Krispy Kreme is expected to attract additional traffic to the Town Center. The Developer commenced vertical construction of the development including the Hotel in June 2008. The development is currently 93% leased.

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

In December 2014, the Village of Hillside created a Tax Increment Financing (TIF) District in an effort to revitalize the areas along Roosevelt Road from Mannheim Road on the east to Wolf Road on the west. The Roosevelt Road Redevelopment Project Plan is approximately 105 acres, including street and alley rights-of-way (net of rights-of-way, 89 acres). The Village plans to renovate or redevelop underperforming and obsolete parcels along Roosevelt Road commercial corridor and ultimately enhance the tax base of the community.

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 POSITION
April 30, 2018

STATEMENT 1

	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		
ASSETS				
Cash & Investments	\$ 13,566,725	\$ 5,304,306	\$ 18,871,031	\$ 1,909,729
Receivables				
Property Taxes	5,258,171	52,053	5,310,224	643,960
Intergovernmental	1,722,624	-	1,722,624	10,196
Due from Others	14,479	-	14,479	-
Accounts (Net of Allowance of \$40,046)	-	549,809	549,809	-
Prepays	924,057	10,015	934,072	15,620
Insurance deposit	278,784	-	278,784	-
Inventory	2,847	39,007	41,854	-
Capital Assets not Being Depreciated	8,897,073	14,914	8,911,987	624,680
Capital Assets Being Depreciated, Net	14,794,549	4,670,698	19,465,247	805,608
Total Assets	<u>45,459,309</u>	<u>10,640,802</u>	<u>56,100,111</u>	<u>4,009,793</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	5,894,443	8,394	5,902,837	15,963
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 51,353,752</u>	<u>\$ 10,649,196</u>	<u>\$ 62,002,948</u>	<u>\$ 4,025,756</u>
LIABILITIES				
Accounts Payable	\$ 512,086	\$ 334,292	\$ 846,378	\$ 25,541
Accrued Payroll	26,914	807	27,721	6,618
Interest Payable	30,667	-	30,667	-
Deposits Payable	11,500	179,533	191,033	-
Due to Others	203,435	-	203,435	-
Long-term Obligations, Due Within One Year				
Bonds Payable	725,000	-	725,000	-
Compensated Absences	828,016	25,002	853,018	24,042
Early Retirement Benefit Obligation	90,225	-	90,225	-
Long-term Obligations, Due in More Than One Year				
Bonds Payable	6,790,535	-	6,790,535	-
Compensated Absences	1,243,247	39,493	1,282,740	-
Early Retirement Benefit Obligation	301,955	-	301,955	-
Other Post Employment Benefits Obligation	1,137,026	26,886	1,163,912	-
Net Pension Liability	51,303,530	5,738	51,309,268	22,135
Total Liabilities	<u>63,204,136</u>	<u>611,751</u>	<u>63,815,887</u>	<u>78,336</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	2,421,397	48,633	2,470,030	311,022
Property Taxes	5,258,171	52,053	5,310,224	-
Total Deferred Inflows of Resources	<u>7,679,568</u>	<u>100,686</u>	<u>7,780,254</u>	<u>311,022</u>
NET POSITION				
Net Investment in Capital Assets	16,176,087	4,685,612	20,861,699	1,430,288
Restricted for Capital Projects	2,468,314	-	2,468,314	80,776
Restricted for Debt Service	262,128	-	262,128	-
Restricted for Economic Development	2,462,149	-	2,462,149	-
Restricted for Streets and Highway	1,820,290	-	1,820,290	-
Restricted for Public Safety	382,309	-	382,309	-
Restricted for Other	771,768	-	771,768	117,464
Unrestricted Net Position	(43,872,997)	5,251,147	(38,621,850)	2,007,870
Total Net Position	<u>(19,529,952)</u>	<u>9,936,759</u>	<u>(9,593,193)</u>	<u>3,636,398</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 51,353,752</u>	<u>\$ 10,649,196</u>	<u>\$ 62,002,948</u>	<u>\$ 4,025,756</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended April 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General Government	\$ 8,734,415	\$ 1,571,217	\$ -	\$ -	\$ (7,163,198)		\$ (7,163,198)	
Public Safety	14,338,416	1,121,360	-	-	(13,217,056)		(13,217,056)	
Highway and Streets	3,135,971	-	235,605	-	(2,900,366)		(2,900,366)	
Culture and Recreation	52,687	-	-	-	(52,687)		(52,687)	
Sanitation	639,330	-	-	-	(639,330)		(639,330)	
Interest on Debt	241,591	-	-	-	(241,591)		(241,591)	
Total Governmental Activities	<u>27,142,410</u>	<u>2,692,577</u>	<u>235,605</u>	<u>-</u>	<u>(24,214,228)</u>		<u>(24,214,228)</u>	
Business-type Activities								
Water	3,034,019	2,825,488	-	-	-	\$ (208,531)	(208,531)	
Sewer	403,704	120,427	-	-	-	(283,277)	(283,277)	
Business-type Activities	<u>3,437,723</u>	<u>2,945,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(491,808)</u>	<u>(491,808)</u>	
Total Primary Government	<u>\$ 30,580,133</u>	<u>\$ 5,638,492</u>	<u>\$ 235,605</u>	<u>\$ -</u>	<u>(24,214,228)</u>	<u>(491,808)</u>	<u>(24,706,036)</u>	
Component Unit								
Library	<u>\$ 962,027</u>	<u>\$ 16,263</u>	<u>\$ 10,196</u>	<u>\$ -</u>				<u>\$ (935,568)</u>
General revenues								
Taxes								
Property					11,808,713	95,337	11,904,050	1,147,787
Sales					5,042,520	-	5,042,520	-
Utility					805,123	-	805,123	-
Other					1,041,604	-	1,041,604	-
Unrestricted Intergovernmental Revenue					1,127,387	-	1,127,387	24,191
Investment Earnings					129,579	-	129,579	15,248
Gain on Sale of Assets					87,369	-	87,369	-
Other General Revenues					355,058	-	355,058	6,511
Total General Revenues					<u>20,397,353</u>	<u>95,337</u>	<u>20,492,690</u>	<u>1,193,737</u>
Change in Net Position					(3,816,875)	(396,471)	(4,213,346)	258,169
Net Position, May 1, 2017					<u>(15,713,077)</u>	<u>10,333,230</u>	<u>(5,379,847)</u>	<u>3,378,229</u>
Net Position, April 30, 2018					<u>\$ (19,529,952)</u>	<u>\$ 9,936,759</u>	<u>\$ (9,593,193)</u>	<u>\$ 3,636,398</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2018

STATEMENT 3

	Major Funds			Nonmajor	Total
	General	Mannheim	Hillside 2017	Governmental	Governmental
	Fund	Road TIF	Project	Funds	Funds
		Fund	Fund		
ASSETS					
Cash & Investments	\$ 6,258,213	\$ 2,272,095	\$ 2,417,036	\$ 2,619,381	\$ 13,566,725
Receivables					
Property Taxes	4,596,313	-	-	661,858	5,258,171
Intergovernmental	1,686,760	-	-	35,864	1,722,624
Due from Other Funds	14,479	-	-	-	14,479
Prepays	814,448	-	71,465	38,144	924,057
Insurance deposit	278,784	-	-	-	278,784
Inventory	2,847	-	-	-	2,847
Total Assets	<u>\$ 13,651,844</u>	<u>\$ 2,272,095</u>	<u>\$ 2,488,501</u>	<u>\$ 3,355,247</u>	<u>\$ 21,767,687</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 462,774	\$ -	\$ 20,187	\$ 56,039	\$ 539,000
Due to Other Funds	-	-	-	14,479	14,479
Unearned Revenue	-	-	-	-	-
Due to Fiduciary Funds	188,956	-	-	-	188,956
Deposits Payable	11,500	-	-	-	11,500
Total Liabilities	<u>663,230</u>	<u>-</u>	<u>20,187</u>	<u>70,518</u>	<u>753,935</u>
Deferred Inflows of Resources					
Property Taxes	4,596,313	-	-	661,858	5,258,171
Unavailable Other Revenue	831,885	-	-	-	831,885
Total Deferred Inflows of Resources	<u>5,428,198</u>	<u>-</u>	<u>-</u>	<u>661,858</u>	<u>6,090,056</u>
Fund Balances					
Nonspendable					
Prepays	814,448	-	-	-	814,448
Insurance deposit	278,784	-	-	-	278,784
Inventory	2,847	-	-	-	2,847
Restricted					
Insurance	771,768	-	-	-	771,768
Capital Projects	-	-	2,468,314	-	2,468,314
Streets and Highways	-	-	-	1,820,290	1,820,290
Public Safety	-	-	-	382,309	382,309
Debt Service	-	-	-	292,795	292,795
Economic Development	-	2,272,095	-	190,054	2,462,149
Unassigned	5,692,569	-	-	(62,577)	5,629,992
Total Fund Balances	<u>7,560,416</u>	<u>2,272,095</u>	<u>2,468,314</u>	<u>2,622,871</u>	<u>14,923,696</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 13,651,844</u>	<u>\$ 2,272,095</u>	<u>\$ 2,488,501</u>	<u>\$ 3,355,247</u>	<u>\$ 21,767,687</u>

VILLAGE OF HILLSIDE, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
April 30, 2018

STATEMENT 4

Total fund balances - governmental funds	\$ 14,923,696
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of accumulated depreciation of \$17,851,081 used in governmental activities are not financial resources and therefore are not reported in the funds.	23,691,622
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds: Intergovernmental Receivables	831,885
Deferred outflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements	5,894,443
Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements	(2,421,397)
Some liabilities reported in the statement of net position 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	(30,667)
Bonds Payable	(7,515,535)
Compensated Absences	(2,071,263)
Net Pension Liability	(51,303,530)
Other Post Employment Benefits Obligation	(1,137,026)
Early Retirement Benefit Obligation	<u>(392,180)</u>
Net position of governmental activities	<u>\$ (19,529,952)</u>

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, 2018

STATEMENT 5

	Major Funds			Nonmajor	Total
	General	Mannheim	Hillside 2017	Governmental	Governmental
	<u>Fund</u>	<u>Road TIF</u>	<u>Project</u>	<u>Funds</u>	<u>Funds</u>
Revenues					
Property Taxes	\$ 8,285,497	\$ 2,313,226	\$ -	\$ 1,209,990	\$ 11,808,713
Taxes	6,475,437	-	-	102,351	6,577,788
Intergovernmental Revenues	1,443,494	-	-	207,356	1,650,850
Licenses and Permits	381,879	-	-	-	381,879
Charges for Services	501,337	-	-	-	501,337
Fines and Forfeitures	1,268,151	-	-	-	1,268,151
Investment Income	122,725	65	103	6,686	129,579
Miscellaneous	896,268	-	-	-	896,268
Total Revenues	<u>19,374,788</u>	<u>2,313,291</u>	<u>103</u>	<u>1,526,383</u>	<u>23,214,565</u>
Expenditures					
Current:					
General Administration	5,506,070	2,172,320	797,793	980,566	9,456,749
Public Safety	11,762,450	-	-	40,612	11,803,062
Highway and Streets	3,872,973	-	-	-	3,872,973
Sanitation	50	-	-	639,280	639,330
Culture and Recreation	34,976	-	-	-	34,976
Debt Service - Principal	-	-	-	715,000	715,000
Debt Service - Interest and Fees	-	-	111,262	153,804	265,066
Total Expenditures	<u>21,176,519</u>	<u>2,172,320</u>	<u>909,055</u>	<u>2,529,262</u>	<u>26,787,156</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(1,801,731)</u>	<u>140,971</u>	<u>(908,952)</u>	<u>(1,002,879)</u>	<u>(3,572,591)</u>
Other Financing Sources (Uses)					
Bond Proceeds	-	-	3,075,000	1,635,000	4,710,000
Bond Premium	-	-	302,266	151,491	453,757
Sale of Capital Assets	87,369	-	-	-	87,369
Transfers In	-	1,000	-	-	1,000
Transfers Out	-	-	-	(1,000)	(1,000)
Total Other Financing Sources (Uses)	<u>87,369</u>	<u>1,000</u>	<u>3,377,266</u>	<u>1,785,491</u>	<u>5,251,126</u>
Net Change in Fund Balances	<u>(1,714,362)</u>	<u>141,971</u>	<u>2,468,314</u>	<u>782,612</u>	<u>1,678,535</u>
Fund Balances at Beginning of Year	<u>9,274,778</u>	<u>2,130,124</u>	<u>-</u>	<u>1,840,259</u>	<u>13,245,161</u>
Fund Balances at End of Year	<u>\$ 7,560,416</u>	<u>\$ 2,272,095</u>	<u>\$ 2,468,314</u>	<u>\$ 2,622,871</u>	<u>\$ 14,923,696</u>

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, 2018

STATEMENT 6

Net change in total fund balances	\$ 1,678,535
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Amounts reported for governmental activities in the Statement of Activities are different because:

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from the prior year is:

Intergovernmental Revenues	23,601
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds:

Change in Compensated Absences	\$ (112,710)	
Change in Net Pension Liability and Deferred Items	(2,441,263)	
Change in Other Post Employment Benefits	(161,050)	
Change in Early Retirement Benefit Obligation	122,543	
Amortization of Premium	15,510	
Change in Accrued Interest on Debt	<u>7,965</u>	
Total Expenses of Non-current Resources		(2,569,005)

Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital Outlay Expenses	2,561,409	
Depreciation Expense	<u>(1,062,658)</u>	
Excess of Capital Outlay over Depreciation		1,498,751

In governmental funds, long-term debt is considered an other financing source, but in the statement of net assets, debt is reported as a liability. In the current period, proceeds were received from:

General Obligation Bonds	<u>(4,710,000)</u>	
		(4,710,000)

Bond premiums were reported in the governmental funds as an other financing source. However, these amounts have been amortized in the statement of net position:

Bond Premium	<u>(453,757)</u>	
		(453,757)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:

Bonds Payable	<u>715,000</u>	
		<u>715,000</u>

Change in net position of governmental activities	<u>\$ (3,816,875)</u>
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VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
April 30, 2018

STATEMENT 7

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash & Investments	\$ 1,501,117	\$ 3,803,189	\$ 5,304,306
Receivables			
Property Taxes	52,053	-	52,053
Accounts (Net of Allowance of \$40,046)	531,553	18,256	549,809
Prepays	10,015	-	10,015
Inventory	39,007	-	39,007
Total Current Assets	<u>2,133,745</u>	<u>3,821,445</u>	<u>5,955,190</u>
Noncurrent Assets			
Capital Assets Not Being Depreciated	14,914	-	14,914
Capital Assets Being Depreciated, Net	4,384,310	286,388	4,670,698
Total Noncurrent Assets	<u>4,399,224</u>	<u>286,388</u>	<u>4,685,612</u>
Total Assets	<u>6,532,969</u>	<u>4,107,833</u>	<u>10,640,802</u>
Deferred Outflows of Resources			
Deferred Pension Outflows	8,394	-	8,394
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,541,363</u>	<u>\$ 4,107,833</u>	<u>\$ 10,649,196</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Current Liabilities			
Accounts Payable	\$ 203,613	\$ 130,679	\$ 334,292
Deposits Payable	179,533	-	179,533
Compensated Absences	25,002	-	25,002
Total Current Liabilities	<u>408,955</u>	<u>130,679</u>	<u>539,634</u>
Noncurrent Liabilities			
Compensated Absences	39,493	-	39,493
Other Post Employment Benefits Obligation	26,886	-	26,886
Net Pension Liability	5,738	-	5,738
Total Noncurrent Liabilities	<u>72,117</u>	<u>-</u>	<u>72,117</u>
Total Liabilities	<u>481,072</u>	<u>130,679</u>	<u>611,751</u>
Deferred Inflows of Resources			
Deferred Pension Inflows	48,633	-	48,633
Property Taxes	52,053	-	52,053
Total Deferred Inflows of Resources	<u>100,686</u>	<u>-</u>	<u>100,686</u>
Net Position			
Net Investment in Capital Assets	4,399,224	286,388	4,685,612
Unrestricted	1,560,381	3,690,766	5,251,147
Total Net Position	<u>5,959,605</u>	<u>3,977,154</u>	<u>9,936,759</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 6,541,363</u>	<u>\$ 4,107,833</u>	<u>\$ 10,649,196</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended April 30, 2018

STATEMENT 8

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating Revenues			
Charges for Services	\$ 2,744,327	\$ 120,427	\$ 2,864,754
Penalties	81,161	-	81,161
Total Operating Revenues	<u>2,825,488</u>	<u>120,427</u>	<u>2,945,915</u>
Operating Expenses			
Water Operations	820,375	-	820,375
Sewer Operations	-	385,889	385,889
Cost of Sales	2,086,167	-	2,086,167
Depreciation	127,477	17,815	145,292
Total Operating Expenses	<u>3,034,019</u>	<u>403,704</u>	<u>3,437,723</u>
Operating Income (Loss)	<u>(208,531)</u>	<u>(283,277)</u>	<u>(491,808)</u>
Nonoperating Revenues (Expenses)			
Property Taxes	95,337	-	95,337
Total Nonoperating Revenues (Expenses)	<u>95,337</u>	<u>-</u>	<u>95,337</u>
Change in Net Position	(113,194)	(283,277)	(396,471)
Net Position at Beginning of Year	<u>6,072,799</u>	<u>4,260,431</u>	<u>10,333,230</u>
Net Position at End of Year	<u>\$ 5,959,605</u>	<u>\$ 3,977,154</u>	<u>\$ 9,936,759</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2018

STATEMENT 9

	Enterprise Funds		Total
	Water Fund	Sewer Fund	
Cash Flows From Operating Activities			
Cash received from customers	\$ 2,771,681	\$ 118,945	\$ 2,890,626
Cash payments for goods and services	(2,747,521)	(255,210)	(3,002,731)
Cash payments to employees	(237,055)	-	(237,055)
Net cash provided by/(used in) operating activities	<u>(212,895)</u>	<u>(136,265)</u>	<u>(349,160)</u>
Cash Flows From Noncapital Financing Activities			
Property Taxes	95,337	-	95,337
Net cash provided by/(used in) noncapital financing activities	<u>95,337</u>	<u>-</u>	<u>95,337</u>
Net increase/(decrease) in cash	(117,558)	(136,265)	(253,823)
Cash & Investments, Beginning of Year	<u>1,618,675</u>	<u>3,939,454</u>	<u>5,558,129</u>
Cash & Investments, End of Year	<u>\$ 1,501,117</u>	<u>\$ 3,803,189</u>	<u>\$ 5,304,306</u>
Reconciliation of operating income to net cash provided by/(used in) operating activities			
Operating income/(loss)	\$ (208,531)	\$ (283,277)	\$ (491,808)
Adjustments to reconcile operating income/(loss) to net cash provided by/(used in) operating activities:			
Depreciation	127,477	17,815	145,292
Decrease (increase) in accounts receivable	(53,807)	(1,482)	(55,289)
Decrease (increase) in other assets	(10,015)	-	(10,015)
Decrease (increase) in inventory	(5,145)	-	(5,145)
Decrease (increase) in deferred outflows - pension	19,794	-	19,794
Increase (decrease) in accounts payable	(125,236)	130,679	5,443
Increase (decrease) in accrued payroll	807	-	807
Increase (decrease) in compensated absences	1,045	-	1,045
Increase (decrease) in other post-employment benefits obligation	5,115	-	5,115
Increase (decrease) in net pension liability	(56,529)	-	(56,529)
Increase (decrease) in deferred inflows - pension	46,110	-	46,110
Increase (decrease) in deposits payable	46,020	-	46,020
Total Adjustments	<u>(4,364)</u>	<u>147,012</u>	<u>142,648</u>
Net cash provided by/(used in) operating activities	<u>\$ (212,895)</u>	<u>\$ (136,265)</u>	<u>\$ (349,160)</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
April 30, 2018

STATEMENT 10

	Pension Trust Funds
ASSETS	
Cash & Investments	
Money Markets	\$ 1,839,905
U.S. Government and Agency Obligations	10,817,884
Mutual Funds	13,664,885
Stocks	893,655
State and Local Obligations	1,462,808
Corporate Fixed Income	1,201,161
Total Cash & Investments	<u>29,880,298</u>
Receivables	
Interest Receivable	97,357
Due from Primary Government	188,956
Total Receivables	<u>286,313</u>
Prepays	<u>14,842</u>
Total Assets	<u>30,181,453</u>
LIABILITIES	
Accounts Payable	<u>9,101</u>
Total Liabilities	<u>9,101</u>
NET POSITION	
Restricted for Pensions	<u>30,172,352</u>
Total Net Position	<u>\$ 30,172,352</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year ended April 30, 2018

STATEMENT 11

	Pension <u>Trust Funds</u>
ADDITIONS	
Contributions	
Employer	\$ 2,496,247
Plan Members	<u>456,224</u>
Total Contributions	<u>2,952,471</u>
Investment Income	
Interest and dividends	533,727
Net increase (decrease) in fair value	1,202,973
Less investment expense	<u>(99,806)</u>
Net Investment Income	<u>1,636,894</u>
Total Additions	<u>4,589,365</u>
DEDUCTIONS	
Benefits	3,095,107
Administrative Expenses	<u>86,574</u>
Total Deductions	<u>3,181,681</u>
Change in Net Position	1,407,684
Net Position at Beginning of Year	<u>28,764,668</u>
Net Position at End of Year	<u><u>\$ 30,172,352</u></u>

See accompanying notes to financial statements.

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: This report includes all of the funds of the Village of Hillside. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14, 39, 61, and 80.

The primary criterion for including a potential component unit within the reporting entity under GASB Statement No. 14, as amended by GASB Statement No. 61, is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of (1) the primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (a) it is able to impose its will on that organization *or* (b) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government; *and* (2) the primary government is financially accountable if the organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Component units that are fiduciary in nature are reported in the primary government's fund financial statements only. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

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. The primary government (Village) is considered financially accountable since the organization (Library) is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government (collection of replacement taxes) regardless of whether the organization has a separately elected governing board. Because of Library's fiscal dependency on

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the Village and the Village's financial accountability over the Library, 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 issues separate financial statements and has an April 30 year end. The Library financial statements can be obtained by contacting the Library at 405 Hillside Avenue, Hillside, Illinois 60162.

Fiduciary Component Units

Police and Firefighters' Pension Funds – The Village's police and fire employees participate in the Police Pension Employees Retirement System (PPERS) and the Firefighters' 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 position 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 position and the statement of activities display information about the Village as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The 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, deferred outflows and inflows of resources, fund balance, 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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, deferred outflows and inflows of resources, 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 position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

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

Eliminations have been made in the statement of net position 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 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.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village reports deferred inflows of resources and unearned revenues on its financial statements. Deferred inflows of resources arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when resources are received before the Village 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, deferred inflows of resources and unearned revenue are removed from the balance sheet or statement of net position and revenue is recognized.

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

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

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

The Village reports the following major governmental funds:

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

Mannheim Road TIF Fund – The Mannheim Road TIF Fund is a capital projects fund of the Village. This fund accounts for redevelopment costs within the Mannheim Road tax increment district.

Hillside 2017 Project Fund – The Hillside 2017 Projects Fund is a capital projects fund of the Village. This fund accounts for the costs associated with future expansion of the Village Hall into an adjacent building through proceeds of the 2017B General Obligation Bond Issue. Certain Motor Fuel Tax Fund projects will be completed through proceeds of the 2017A General Obligation Bond Issue.

Proprietary Funds

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, the Village uses the following fund types:

Governmental Fund Types

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

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

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

Fiduciary Fund Types

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

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

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

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, deferred outflows and inflows of resources, 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.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 2017 property tax levy due to the second installment being intended to fund the next fiscal year's operations.

Pensions: For purposes of measuring the net pension liability, deferred outflows or resources, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the IMRF, Police, and Firefighters' Pension Plans and the additions to/ deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans'. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are recorded at fair value.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village also defers differences between expected and actual experience and changes in pension plan assumptions, which are amortized over the average expected remaining service lives of employees who are provided with benefits through the pension plan. The net difference between projected and actual earnings on investments is amortized over five years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village reports resources associated with imposed nonexchange revenue transactions that are received or reported as a receivable before the period for which property taxes are levied as deferred inflows of resources. The Village also has another type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, certain amounts related to pensions must be deferred. Changes in pension plan assumptions and differences between expected and actual experience are deferred and amortized over the average expected remaining service lives of employees who are provided with benefits through the pension plan. The net difference between projected and actual earnings on investments is amortized over five years.

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, 2018, of \$2,071,263 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 \$64,495 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.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position: Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on its 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 balance as of April 30, 2018, except for the Disposal Service Fund which had a negative fund balance of \$62,577.

Fund Balance - The components of the fund balance section of the balance sheet of the governmental funds include the following line items:

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

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

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

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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 are amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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 expenses/expenditures 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 \$8,610,177 at April 30, 2018, while the bank balances were \$9,701,642. 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 \$87,865 at April 30, 2018. 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, 2018.

Investment Type	Fair Value	Investment Maturity
		Less Than One Year
State Treasurer Illinois Funds	\$ 10,172,989	\$ 10,172,989

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value – The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs and are valued using a matrix pricing model. Level 3 inputs are significant unobservable inputs and are valued using future projected cash flows. The Village had no investments subject to the fair value hierarchy categorization as of April 30, 2018. There were no investments with Level 2 or 3 inputs.

Investment Type	Fair Value
State Treasurer Illinois Funds	\$ 10,172,989

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 AAA 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, 2018.

	Reported Value	Investment Maturities			
		Less Than One Year	One to Five Years	Five to Ten Years	Greater Than Ten Years
US Government & Agency	\$10,817,884	\$ 1,025,752	\$2,734,710	\$6,027,156	\$ 1,030,265
Mutual Funds	13,664,885	13,664,885	-	-	-
Stocks	893,655	893,655	-	-	-
State and Local Obligations	1,462,808	250,863	626,831	476,905	108,219
Corporate Fixed Income	1,201,161	-	197,317	1,003,844	-
Money Market	1,839,905	1,839,905	-	-	-
Total Investments	<u>\$29,880,298</u>	<u>\$17,675,060</u>	<u>\$3,558,858</u>	<u>\$7,507,906</u>	<u>\$ 1,138,484</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value – The Pension Trust Funds categorize their fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs and are valued using a matrix pricing model. Level 3 inputs are significant unobservable inputs and are valued using future projected cash flows. The Pension Trust Funds had the following investments subject to fair value measurements as of April 30, 2018.

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Police Pension				
Money Markets	\$ 160,336	\$ -	\$ 160,336	\$ -
US Government & Agency	8,287,494	-	8,287,494	-
Mutual Funds	8,529,839	8,529,839	-	-
State and Local Obligations	1,462,808	-	1,462,808	-
Police Pension Investment Total	18,440,477	8,529,839	9,910,638	-
Fire Pension				
Money Markets	\$ 1,679,569	\$ -	\$ 1,679,569	\$ -
US Government & Agency	2,530,390	-	2,530,390	-
Mutual Funds	5,135,046	5,135,046	-	-
Stocks	893,655	893,655	-	-
Corporate Fixed Income	1,201,161	-	1,201,161	-
Fire Pension Investment Total	11,439,821	6,028,701	5,411,120	-
Totals	\$ 29,880,298	\$ 14,558,540	\$ 15,321,758	\$ -

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.

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.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

Credit ratings for the Pension Funds' investments in debt securities at April 30, 2018 (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:

Investment Type	Standard and Poor's					
	Total	AAA	AA	A	BBB-	N/R
U.S. Govt. and Agency Obligations	\$10,839,970	\$ -	\$ 8,627,018	\$ -	\$ -	\$ 2,212,952
Municipal Bonds	1,462,808	103,925	389,158	-	-	969,725
Corporate Fixed Income	1,201,161	48,779	349,550	748,581	54,251	-

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, 2018.

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>
Pioneer Equity Income	5.0%
US Treasury	6.9%
T Rowe Price Growth Stock	10.3%
Vanguard 500 Index Fund	10.4%
Federal Home Loan Bank	15.4%
Federal Farm Credit Bank	20.7%

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

<u>Investment</u>	<u>Percentage</u>
Freddie Mac	7.9%
Fannie Mae	15.4%

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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	\$ 8,610,177
Certificates of Deposits	87,865
Village Investments at Fair Value	10,172,989
Pension Investments at Fair Value	<u>29,880,298</u>
Total Deposits and Investments per Note 2	<u>\$ 48,751,329</u>
Financial Statements	
Christ	
Statement of Net Position – Statement 1	
Cash and Investments	\$ 18,871,031
Statement of Fiduciary Net Position – Statement 10	
Cash and Investments	<u>29,880,298</u>
Total per Financial Statements	<u>\$ 48,751,329</u>

See Note 12 for information regarding the Public Library's deposits and investments.

NOTE 3 - INTERFUND ACTIVITY

Interfund receivables and payables as of April 30, 2018 are summarized as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major governmental funds:		
General	\$ 14,479	\$ 188,956
Nonmajor governmental funds	-	14,479
Pension Trust Fund – Firefighters'	109,204	-
Pension Trust Fund - Police	<u>79,752</u>	<u>-</u>
Total interfunds	<u>\$ 203,435</u>	<u>\$ 203,435</u>

Interfund receivables and payables include 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 between the general fund and the pension trust funds represent employer pension contributions not yet distributed to the pension funds due to timing and allocation differences based on property tax revenue distributions by the County.

Interfund transfers in and transfers out for the year ending April 30, 2018 are summarized as follows:

<u>Fund</u>	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>
TIF Mannheim Road	\$ 1,000	\$ -
TIF Roosevelt	-	1,000
Total interfunds	<u>\$ 1,000</u>	<u>\$ 1,000</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 3 - INTERFUND ACTIVITY (Continued)

A transfer was made from the TIF Mannheim Road Fund to the TIF Roosevelt to correct a payment.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2018 was as follows:

	Balance at May 1, 2017	Additions	Deletions	Balance at April 30, 2018
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 7,750,998	\$ 1,146,075	\$ -	\$ 8,897,073
Capital assets being depreciated:				
Infrastructure	12,367,811	934,021	-	13,301,832
Buildings and improvements	11,665,730	-	-	11,665,730
Vehicles	5,029,405	481,313	917,721	4,592,997
Site improvements	27,222	-	-	27,222
Equipment	3,084,449	-	26,600	3,057,849
Subtotal	<u>32,174,617</u>	<u>1,415,334</u>	<u>(944,321)</u>	<u>32,645,630</u>
Less accumulated depreciation for:				
Infrastructure	(6,097,961)	(215,284)	-	(6,313,245)
Buildings and improvements	(5,504,649)	(421,870)	-	(5,926,519)
Vehicles	(3,602,021)	(302,426)	917,721	(2,986,726)
Site improvements	(27,222)	-	-	(27,222)
Equipment	<u>(2,500,891)</u>	<u>(123,078)</u>	<u>26,600</u>	<u>(2,597,369)</u>
Total accumulated depreciation	<u>(17,732,744)</u>	<u>(1,062,658)</u>	<u>944,321</u>	<u>(17,851,081)</u>
Total capital assets being depreciated, net	<u>14,441,873</u>	<u>352,676</u>	<u>-</u>	<u>14,794,549</u>
Governmental activities capital assets, net	<u>\$ 22,192,871</u>	<u>\$ 1,498,751</u>	<u>\$ -</u>	<u>\$ 23,691,622</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 4 - CAPITAL ASSETS (Continued)

	Balance at May 1, 2017	Additions	Deletions	Balance at April 30, 2018
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 14,914	\$ -	\$ -	\$ 14,914
Capital assets being depreciated:				
Infrastructure	9,364,572	-	-	9,364,572
Buildings and improvements	14,603	-	-	14,603
Water network	796,950	-	-	796,950
Subtotal	10,176,125	-	-	10,176,125
Less accumulated depreciation for:				
Infrastructure	(4,618,326)	(123,994)	-	(4,742,320)
Buildings and improvements	(14,603)	-	-	(14,603)
Water network	(727,206)	(21,298)	-	(748,504)
Total accumulated depreciation	(5,360,135)	(145,292)	-	(5,505,427)
Total capital assets being depreciated, net	4,815,990	(145,292)	-	4,670,698
Business-type activities capital assets, net	<u>\$ 4,830,904</u>	<u>\$ (145,292)</u>	<u>\$ -</u>	<u>\$ 4,685,612</u>

Depreciation expense of \$1,062,658 and \$145,292 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	\$ 380,622	Water	\$ 127,477
Public safety	416,763	Sewer	17,815
Streets	247,562	Total	<u>\$ 145,292</u>
Culture and recreation	17,711		
Total	<u>\$ 1,062,658</u>		

See Note 12 for information regarding the Public Library's capital assets.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 5 – RECEIVABLES

The following is a summary of the various components of significant receivables at April 30, 2018.

	Governmental Funds		Proprietary Funds		Total
	General	Motor Fuel Tax	Water	Sewer	Statement of Net Position
Intergovernmental					
Local use tax	\$ 87,712	\$ -	\$ -	\$ -	\$ 87,712
Sales tax	1,137,067	-	-	-	1,137,067
Court fines	14,414	-	-	-	14,414
Utility tax	141,713	-	-	-	141,713
State income tax	245,333	-	-	-	245,333
Motor fuel tax	-	35,864	-	-	35,864
Franchise fees	22,270	-	-	-	22,270
State replacement tax	38,251	-	-	-	38,251
Total intergovernmental	<u>\$ 1,686,760</u>	<u>\$ 35,864</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,722,624</u>
Accounts receivable					
Water billings	\$ -	\$ -	\$ 569,596	\$ -	\$ 569,596
Sewer billings	-	-	-	20,259	20,259
Total accounts receivable	-	-	569,596	20,259	589,855
Allowance for uncollectible amounts	-	-	(38,043)	(2,003)	(40,046)
Net Accounts receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 531,553</u>	<u>\$ 18,256</u>	<u>\$ 549,809</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 6 - LONG-TERM DEBT

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

	Balances as of May 1, 2017	Debt Additions	Debt Retirement	Balances April 30, 2018	Due within one year
Governmental activities:					
General obligation bonds:					
Series of 2005B	\$ 405,000	\$ -	\$ (205,000)	\$ 200,000	\$ 200,000
Series of 2012A	2,670,000	-	(510,000)	2,160,000	525,000
Series of 2017A	-	1,635,000	-	1,635,000	-
Series of 2017B	-	3,075,000	-	3,075,000	-
Add unamortized amounts:					
Premiums	7,288	453,757	(15,510)	445,535	-
Total general obligation bonds	<u>3,082,288</u>	<u>5,163,757</u>	<u>(730,510)</u>	<u>7,515,535</u>	<u>725,000</u>
Compensated absences	1,958,553	112,710	-	2,071,263	828,016
Early retirement benefit obligation	514,723	-	(122,543)	392,180	90,225
Other post-employment benefits obligation	975,976	161,050	-	1,137,026	-
Net pension liability - IMRF	1,589,688	-	(1,451,169)	138,519	-
Net pension liability - Pensions	<u>50,430,608</u>	<u>1,061,904</u>	<u>(327,501)</u>	<u>51,165,011</u>	<u>-</u>
Total governmental activities	<u>\$ 58,551,836</u>	<u>\$ 6,499,421</u>	<u>\$ (2,631,723)</u>	<u>\$ 62,419,534</u>	<u>\$ 1,643,241</u>
Business-type activities:					
Compensated absences	\$ 63,450	\$ 1,045	\$ -	\$ 64,495	\$ 25,002
Other post employment benefit obligations	21,771	5,115	-	26,886	-
Net pension liability - IMRF	<u>62,267</u>	<u>-</u>	<u>(56,529)</u>	<u>5,738</u>	<u>-</u>
Total business-type activities	<u>\$ 147,488</u>	<u>\$ 6,160</u>	<u>\$ (56,529)</u>	<u>\$ 97,119</u>	<u>\$ 25,002</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 6 - LONG-TERM DEBT (Continued)

Reconciliation to Statement of Net Position:

	Governmental Activities	Business-type Activities	Total
Long-term obligations, due within one year:			
Bond payable	\$ 725,000	\$ -	\$ 725,000
Compensated absences	828,016	25,002	853,018
Early retirement benefit obligation	90,225	-	90,225
Long-term obligations, due in more than one year:			
Bonds payable	6,790,535	-	6,790,535
Compensated absences	1,243,247	39,493	1,282,740
Early retirement benefit obligation	301,955	-	301,955
Other post-employment benefits obligation	1,137,026	26,886	1,163,912
Net pension liability	51,303,530	5,738	51,309,268
 Total debt	 <u>\$ 62,419,534</u>	 <u>\$ 97,119</u>	 <u>\$ 62,516,653</u>

Long Term obligations outstanding at April 30, 2018 are comprised of the following:

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

Remaining principal and interest payments to maturity are as follows:

Fiscal Year	Principal	Interest	Total Debt Service
2019	\$ 200,000	\$ 8,800	\$ 208,800
	<u>\$ 200,000</u>	<u>\$ 8,800</u>	<u>\$ 208,800</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 \$208,800, 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 \$283,376 and \$207,356, respectively.

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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>
2019	\$ 525,000	\$ 64,800	\$ 589,800
2020	535,000	49,050	584,050
2021	545,000	33,000	578,000
2022	<u>555,000</u>	<u>16,650</u>	<u>571,650</u>
	<u>\$ 2,160,000</u>	<u>\$ 163,500</u>	<u>\$ 2,323,500</u>

General Obligation Bonds, Series 2017A: \$1,635,000 2017A General Obligation Bonds dated November 1, 2017, due December 1, 2028; interest at 3.00% to 5.00% (principal and interest to be serviced by the general revenues of the Village).

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2019	\$ -	\$ 64,738	\$ 64,738
2020	155,000	65,650	220,650
2021	160,000	61,000	221,000
2022	165,000	56,200	221,200
2023	175,000	47,950	222,950
2024 - 2028	<u>980,000</u>	<u>120,600</u>	<u>1,100,600</u>
	<u>\$ 1,635,000</u>	<u>\$ 416,138</u>	<u>\$ 2,051,138</u>

General Obligation Bonds, Series 2017B: \$3,075,000 2017B General Obligation Bonds dated November 1, 2017, due December 1, 2028; interest at 4.00% (principal and interest to be serviced by the general revenues of the Village).

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2019	\$ -	\$ 121,292	\$ 121,292
2020	-	123,000	123,000
2021	-	123,000	123,000
2022	-	123,000	123,000
2023	465,000	123,000	588,000
2024 -2028	<u>2,610,000</u>	<u>321,800</u>	<u>2,931,800</u>
	<u>\$ 3,075,000</u>	<u>\$ 935,092</u>	<u>\$ 4,010,092</u>

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

(Continued)

NOTE 6 - LONG-TERM DEBT (Continued)

Early Retirement Benefit Obligation:

Plan Description. In addition to the retirement benefits provided by the Village described in Notes 7 and 10, 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, 2018, the Village was obligated to pay 3 employees as part of the plan with payments due through fiscal year 2025. The net present value of the Village's liability at April 30, 2018 was \$392,180. The Village considers \$90,225 of this liability current as of April 30, 2018. The liability will be paid from the fund in which the employee is paid.

Net Pension Liability and Other Postemployment Benefit Obligations: The fund where salary is paid from for an employee has typically been used to liquidate the net pension liability and other postemployment benefit obligations. See notes 7 and 10 for more information.

NOTE 7 - EMPLOYEE RETIREMENT SYSTEMS – DEFINED BENEFIT PLANS

IMRF:

Plan Description: The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided: IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date.)

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms: As of December 31, 2017, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Reitees and Beneficiaries currently receiving benfits	47
Inactive Plan Members entitles to but not yet currently receiving benefits	20
Active Plan Members	<u>36</u>
Total	<u>103</u>

Contributions: As set by statute, Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2017 was 13.81%. For the fiscal year ended April 30, 2018, the Village contributed \$358,420 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability: The Village's net pension liability for IMRF was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Actuarial Assumptions: The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.5%
Salary Increases	3.39% to 14.25%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2017 Illinois Municipal Retirement Fund annual actuarial valuation. The price inflation of 2.50% is a decrease of 0.25% from the prior year rate of 2.75%. Salary increases were decreased from the prior year range of 3.75% - 14.50%. Retirement age and mortality assumptions were updated from the previously used MP-2014 scale. There were no other significant changes in assumptions. There were no benefit changes during the year. The Village is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability.

Expected return on pension plan investments: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target	Long-Term
Domestic Equity	37%	19.60%
International Equity	18%	27.53%
Fixed Income	28%	4.67%
Real Estate	7%	9.10%
Alternative Investments	9%	11.97%
Cash Equivalents	1%	1.67%
Total	100%	

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Discount Rate: A single discount rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

- (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
- (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2017 to arrive at the discount rates used to determine the total pension liability. For the purposes of the most recent valuation, the expected rate of return on the plan investments is 7.50%, and the municipal bond rate is 3.31%, therefore the resulting single discount rate is 7.50%. The discount rate was 7.50% in the prior year, and did not increase in the current year.

Changes in the Net Pension Liability for the IMRF Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Primary government:			
Balances at December 31, 2016	<u>\$12,971,263</u>	<u>\$11,289,714</u>	<u>\$1,681,549</u>
Changes for the year:			
Service Cost	260,029	-	260,029
Interest	965,117	-	965,117
Actuarial Experience	(541,637)	-	(541,637)
Assumption Changes	(390,782)	-	(390,782)
Contributions - Employer	-	329,300	(329,300)
Contributions - Employee	-	107,302	(107,302)
Net Investment Income	-	1,948,772	(1,948,772)
Benefit payments, including refunds	(466,103)	(466,103)	-
Administrative Expense	-	(555,355)	555,355
Net Changes	<u>(173,376)</u>	<u>1,363,916</u>	<u>(1,537,292)</u>
Balances at December 31, 2017	<u>\$12,797,887</u>	<u>\$12,653,630</u>	<u>\$ 144,257</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Component unit:	(a)	(b)	(a)-(b)
Balances at December 31, 2016	\$ 1,990,329	\$ 1,732,310	\$ 258,019
Changes for the year:			
Service Cost	39,898	-	39,898
Interest	148,089	-	148,089
Actuarial Experience	(83,109)	-	(83,109)
Assumption Changes	(59,962)	-	(59,962)
Contributions - Employer	-	50,528	(50,528)
Contributions - Employee	-	16,465	(16,465)
Net Investment Income	-	299,022	(299,022)
Benefit payments, including refunds	(71,519)	(71,519)	-
Administrative Expense	-	(85,215)	85,215
Net Changes	(26,603)	209,281	(235,884)
Balances at December 31, 2017	\$ 1,963,726	\$ 1,941,591	\$ 22,135

As reported in:

Village's governmental activities	\$ 138,519
Village's business-type activities	5,738
Library	22,135
	<u>\$ 166,392</u>

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Village, calculated using the discount rate of 7.50%, as well as what the Village's net pension liability for IMRF plan would be if it were calculated using a discount rate that is a 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease 6.50%	1% Discount Rate 7.50%	1% Increase 8.50%
Primary government	\$ 1,744,964	\$ 144,257	\$ (1,184,394)
Component unit	267,750	22,135	(181,735)
Village's Net Pension Liability for the IMRF plan	<u>\$ 2,012,714</u>	<u>\$ 166,392</u>	<u>\$ (1,366,129)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018 the plan recognized pension expense of \$514,704 for the IMRF Plan. At April 30, 2018, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary government:		
Differences between expected and actual experience	\$ -	\$ 385,204
Assumption changes	272	272,272
Net difference between projected and actual earnings on pension plan investments	-	565,186
Change in proportionate share within the Village and Library	123,414	-
Contributions made subsequent to the measurement date	98,978	-
	<u>\$ 222,664</u>	<u>\$ 1,222,662</u>
Component unit:		
Differences between expected and actual experience	\$ -	\$ 59,107
Assumption changes	42	41,777
Net difference between projected and actual earnings on pension plan investments	-	86,724
Change in proportionate share within the Village and Library	-	123,414
Contributions made subsequent to the measurement date	15,921	-
	<u>\$ 15,963</u>	<u>\$ 311,022</u>

In 2018, there was \$114,899 reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending April 30:	Primary Government	Component Unit
2018	\$ (351,030)	\$ (115,183)
2019	(321,004)	(110,576)
2020	(209,546)	(43,329)
2021	(217,396)	(41,892)
Total	<u>\$ (1,098,976)</u>	<u>\$ (310,980)</u>

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 (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The Police Pension Plan finances the administrative costs with current investment income. The Village accounts for the plan as a pension trust fund.

At April 30, 2018 (the most recent actuarial valuation date), the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	34
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>27</u>
Total	<u>62</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Plan Description: The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes. The Police Pension Fund provides retirement benefits as well as death and disability benefits.

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 $\frac{1}{2}$ 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. $\frac{1}{2}\%$ for each month under 55).

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

Contributions: 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. The amount of projected cash flows for contributions from employers and nonemployer contributing entities should be limited to an average of contributions from those sources over the most recent five-year period and may be modified based on consideration of subsequent events.

Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year ended April 30, 2018, the Village's contribution was 64.10% of covered payroll.

Basis of Accounting: The financial statements of the pension fund are prepared using the accrual basis of accounting. Plan members contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: Plan investments are reported at fair value. Short term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair value.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Net Pension Liability: The Village's net pension liability for the Police Pension plan was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	5.65%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O Bond Rate	3.97%
Projected Individual Salary Increases	3.75% - 15.09%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%

Actuarial Assumptions (Demographic)

Mortality Table	L&A 2016 Illinois Police Mortality Rates
Retirement Rates	110% of L&A 2016 Illinois Police Retirement Rates Capped at age 65
Disability Rates	100% of L&A 2016 Illinois Police Disability Rates
Termination Rates	90% of L&A 2016 Illinois Termination Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on assumption study prepared by Lauterbach & Amen, LLP in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date. Other demographic assumption rates are based on a review of assumptions in the L&A 2016 study for Illinois Police Officers.

Assumption Changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

Postemployment Benefit Changes: Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided postemployment benefit increase based on one-half of the Consumer Price Index (Urban) for the prior September. The CPI-U for September, 1985 was 108.3. The CPI-U for September 1985 through September 2015 was 2.66% (on a compounded basis).

Expected Return on Pension Plan Investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by investment professionals that work with the Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	31.50%	9.50%
Small Cap Domestic Equity	9.00%	11.40%
International Equity	4.50%	9.30%
Fixed Income	55.00%	4.30%
	<u>100.00%</u>	

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The expected inflation rate is 3.00% and is included in the total long-term rate of return on investments. The inflation rate is from the same source as the long-term rates of return, and is not necessarily reflective of the inflation measures used for other purposes in the report. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Rate of Return: For the year ended April 30, 2018, the annual money weighted rate of return on the plan's assets, net of plan investment expenses, was 5.26%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Municipal Bond Rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the April 26, 2018 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Discount Rate: The discount rate used to measure the total pension liability was 5.65%. The discount rate in the prior measurement period was 5.47%, this represents an increase of 0.18%. The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate (3.97%). Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent which the plan's future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The municipal bond rate was used for periods after April 30, 2049.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Village, calculated using the discount rate of 5.65%, as well as what the Village's net pension liability for Police Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (4.65%) or 1-percentage-point higher (6.65%) than the current rate:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

	1% Decrease 4.65%	Current Discount Rate 5.65%	1% Increase 6.65%
Village's Net Pension Liability for Police Pension	\$ 39,243,042	\$ 31,380,780	\$ 25,073,450

Changes in the Net Pension Liability for the Police Pension Plan:

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at May 1, 2017	\$ 49,727,720	\$ 18,019,439	\$ 31,708,281
Changes for the year:			
Service cost	867,482	-	867,482
Interest	2,665,732	-	2,665,732
Actuarial experience	(6,728)	-	(6,728)
Assumptions changes	(1,287,730)	-	(1,287,730)
Contributions - employer	-	1,445,650	(1,445,650)
Contributions - employee	-	235,170	(235,170)
Net investment income	-	934,047	(934,047)
Benefit payments, including refunds	(1,988,076)	(1,988,076)	-
Administrative expense	-	(48,610)	48,610
Net changes	250,680	578,181	(327,501)
Balances at April 30, 2018	<u>\$ 49,978,400</u>	<u>\$ 18,597,620</u>	<u>\$ 31,380,780</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018, the Village recognized pension expense of \$2,361,345 for the Police Pension plan. At April 30, 2018, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 1,089,479	\$ 5,543
Changes of assumptions	75,282	1,227,145
Net difference between projected and actual earnings on investments	572,284	-
Total	<u>\$ 1,737,045</u>	<u>\$ 1,232,688</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense follows:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Year Ended April 30	Deferred Outflows of Resources
2019	\$ 263,597
2020	265,870
2021	96,679
2022	33,174
2023	(154,963)
Total	<u>\$ 504,357</u>

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 (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The Firefighters' Pension Plan finances the administrative costs with current investment income. The Village accounts for the plan as a pension trust fund.

At April 30, 2018 (the most recent actuarial valuation date), the Firefighters' Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	23
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>25</u>
Total	<u><u>48</u></u>

Plan Description: The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes. The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits.

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.

(Continued)

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

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 $\frac{1}{2}$ 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. $\frac{1}{2}\%$ for each month under 55).

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

Contributions: Covered employees are required to contribute 9.46% 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. The amount of projected cash flows for contributions from employers and nonemployer contributing entities should be limited to an average of contributions from those sources over the most recent five-year period and may be modified based on consideration of subsequent events.

Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2018, the Village's contribution was 48.80% of covered payroll.

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.

Net Pension Liability: The Village's net pension liability for the Firefighters' Pension plan was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	6.06%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O Bond Rate	3.97%
Projected Individual Salary Increases	3.75% - 24.24%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%

Actuarial Assumptions (Demographic)

Mortality Table	L&A 2016 Illinois Firefighters' Mortality Rates
Retirement Rates	L&A 2016 Illinois Firefighters' Retirement Rates Capped at age 65
Disability Rates	L&A 2016 Illinois Firefighters' Disability Rates
Termination Rates	L&A 2016 Illinois Termination Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on rates developed in the L&A 2016 Mortality Table for Illinois Firefighters. Other demographic assumption rates are based on a review of assumptions in the L&A 2016 study for Illinois Firefighters.

Assumption Changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

Postemployment Benefit Changes: Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided postemployment benefit increase based on one-half of the Consumer Price Index (Urban) for the prior September. The CPI-U for September 1985 was 108.3. The CPI-U for September 1985 through September 2015 was 2.66% (on a compounded basis).

Expected Return on Pension Plan Investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by investment professionals that work with the Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	55%	8.50%
Fixed Income	45%	3.00%
Total	100%	

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The expected inflation rate is 2.50% and is included in the total long-term rate of return on investments. The inflation rate is from the same source as the long-term rates of return, and is not necessarily reflective of the inflation measures used for other purposes in the report. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Rate of Return: For the year ended April 30, 2018, the annual money weighted rate of return on the plan's assets, net of plan investment expenses, was 6.44%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Municipal Bond Rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the April 26, 2018 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Discount Rate: The discount rate used to measure the total pension liability was 6.06%. The discount rate in the prior measurement period was 6.18% this represents a decrease of 0.12%. The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate (3.97%). Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent which the plan's future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The municipal bond rate was used for periods after April 30, 2055.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Village, calculated using the discount rate of 6.06%, as well as what the Village's net pension liability for Firefighters' Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (5.06%) or 1-percentage-point higher (7.06%) than the current rate:

	1% Decrease 5.06%	Current Discount Rate 6.06%	1% Increase 7.06%
Village's Net Pension Liability for Firefighters' Pension	\$ 24,687,339	\$ 19,784,231	\$ 15,828,550

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Changes in the Net Pension Liability for the Firefighters' Pension Plan:

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at May 1, 2017	\$ 29,467,556	\$ 10,745,229	\$ 18,722,327
Changes for the year:			
Service cost	708,796	-	708,796
Interest	1,786,888	-	1,786,888
Actuarial experience	(16,982)	-	(16,982)
Assumptions changes	519,736	-	519,736
Contributions - employer	-	1,050,597	(1,050,597)
Contributions - employee	-	221,054	(221,054)
Net investment income	-	702,847	(702,847)
Benefit payments, including refunds	(1,107,031)	(1,107,031)	-
Administrative expense	-	(37,964)	37,964
Net changes	1,891,407	829,503	1,061,904
Balances at April 30, 2018	<u>\$ 31,358,963</u>	<u>\$ 11,574,732</u>	<u>\$ 19,784,231</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018, the Village recognized pension expense of \$2,412,352 for the Firefighters' Pension plan. At April 30, 2018, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 220,741	\$ 14,680
Changes of assumptions	3,404,203	-
Net difference between projected and actual earnings on investments	318,184	-
Total	<u>\$ 3,943,128</u>	<u>\$ 14,680</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended April 30	Deferred Outflows of Resources
2019	\$ 856,357
2020	856,353
2021	688,690
2022	708,736
2023	554,740
Thereafter	263,572
Total	<u>\$ 3,928,448</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Financial statements for the police and firefighters' pension plans are as follows:

	Police Pension	Firefighters' Pension	Totals
Assets			
Cash & Investments			
Money Markets	\$ 160,336	\$ 1,679,569	\$ 1,839,905
U.S. Government and Agency Obligations	8,287,494	2,530,390	10,817,884
Mutual Funds	8,529,839	5,135,046	13,664,885
Stocks	-	893,655	893,655
State and Local Obligations	1,462,808	-	1,462,808
Corporate Fixed Income	-	1,201,161	1,201,161
Total Cash & Investments	<u>18,440,477</u>	<u>11,439,821</u>	<u>29,880,298</u>
Receivables			
Interest Receivable	80,170	17,187	97,357
Due from Primary Government	79,752	109,204	188,956
Total Receivables	<u>159,922</u>	<u>126,391</u>	<u>286,313</u>
Prepays	<u>4,382</u>	<u>10,460</u>	<u>14,842</u>
Total Assets	<u>18,604,781</u>	<u>11,576,672</u>	<u>30,181,453</u>
Liabilities			
Accounts Payable	<u>7,161</u>	<u>1,940</u>	<u>9,101</u>
Total Liabilities	<u>7,161</u>	<u>1,940</u>	<u>9,101</u>
Net Position Restricted for Pensions	<u>\$18,597,620</u>	<u>\$11,574,732</u>	<u>\$30,172,352</u>
	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions			
Employer	\$ 1,445,650	\$ 1,050,597	\$ 2,496,247
Plan Members	<u>235,170</u>	<u>221,054</u>	<u>456,224</u>
Total Contributions	<u>1,680,820</u>	<u>1,271,651</u>	<u>2,952,471</u>
Investment Income			
Net Increase (Decrease) in Fair Value	738,986	463,987	1,202,973
Interest and Dividends	268,984	264,743	533,727
Less: Investment Expense	<u>(73,923)</u>	<u>(25,883)</u>	<u>(99,806)</u>
Net Investment Income	<u>934,047</u>	<u>702,847</u>	<u>1,636,894</u>
Total Additions	<u>2,614,867</u>	<u>1,974,498</u>	<u>4,589,365</u>
Deductions			
Benefits	1,988,076	1,107,031	3,095,107
Administrative expenses	<u>48,610</u>	<u>37,964</u>	<u>86,574</u>
Total deductions	<u>2,036,686</u>	<u>1,144,995</u>	<u>3,181,681</u>
Change in Net Position	<u>578,181</u>	<u>829,503</u>	<u>1,407,684</u>
Net Position Restricted for Pensions			
Beginning of year	18,019,439	10,745,229	28,764,668
End of year	<u>\$18,597,620</u>	<u>\$11,574,732</u>	<u>\$30,172,352</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

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

Summary:

	IMRF	Police	Firefighters'	Total
Net Pension Liability	\$ 166,392	\$ 31,380,780	\$ 19,784,231	\$51,331,403
Deferred Outflows of Resources	238,627	1,737,045	3,943,128	5,918,800
Deferred Inflows of Resources	1,533,684	1,232,688	14,680	2,781,052
Pension Expense	514,704	2,361,345	2,412,352	5,288,401

Significant Investments – As of April 30, 2018, 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 position available for benefits in the Police and Firefighters' Pension Plans. Information for IMRF is not available.

Police Pension Fund

Pioneer Equity Income

US Treasury

Vanguard 500 Index Fund

T Rowe Price Growth Stock

Federal Home Loan Bank

Federal Farm Credit Bank

Firefighters' Pension Fund

Freddie Mac

Fannie Mae

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

NOTE 8 – TAX ABATEMENT

Tax abatements are a reduction in tax revenue that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The Village is effected by Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

The Village have granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the Village than would have been generated if the development had not occurred. The Village's tax revenues are reduced due to the agreements entered into by the Village.

For the fiscal year ending April 30, 2018, the Village's share of the abatement granted to the Class 6b properties was approximately \$760,579.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 9 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY

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

The governments' payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence for years prior to 2004 and \$2,500 for each occurrence in 2004 and subsequent years. Beginning in 2005, members were given the option to assume higher deductibles. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The government does not exercise any control over the activities of the agency beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience.

Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

The following is a financial summary of IRMA for the year ended December 31, 2017, the most recent financial information available:

STATEMENT OF NET POSITION
(Unaudited)

Assets:

Cash and investments	\$ 196,846,033
Receivables	3,023,065
Equipment net of accumulated depreciation	100,435
Prepaid expenses	2,255,105
Pension related deferred outflows	899,375
Total Assets and Deferred Outflows	<u>\$ 203,124,013</u>

Liabilities and Member Balances:

Unpaid Losses	\$ 83,459,489
Members' balances	66,632,431
Accounts due to members	17,652,008
Excess surplus fund	33,687,440
Net pension liability	1,049,067
Unearned membership contribution revenue	-
Accounts payable	218,736
Other	424,842
Total Liabilities and Member Balances	<u>\$ 203,124,013</u>

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 9 - INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (Continued)

STATEMENT OF REVENUES AND EXPENSES
(Unaudited)

Revenues:	
Member contributions	\$ 28,989,616
Interest income and other	2,916,588
Net Increase (decrease) in the fair value of investments	24,867,183
Other	119,974
Members' balances	(27,333,544)
Total revenues	<u>\$ 29,559,817</u>
Expenses:	
Losses and loss adjustments	\$ 23,221,278.00
Unallocated loss adjustments	(97,508)
Excess insurance premiums	2,619,317
General and administrative	3,775,974
Depreciation	40,756
Total expenses	<u>\$ 29,559,817</u>

The Village of Hillside represents 1.56% 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, 2018 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, 2018.

NOTE 10 - POST-EMPLOYMENT BENEFITS

Plan Description. The Village administers a single employer defined benefit healthcare plan. 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 \$201,872 for 2018.

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 2018, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 10 - POST-EMPLOYMENT BENEFITS (Continued)

<u>Annual OPEB Cost and Net OPEB Obligation</u>	<u>April 30, 2018</u>	<u>April 30, 2017</u>
Annual required contribution	\$ 361,387	\$ 347,487
Interest on Net OPEB Obligation	39,909	32,948
Adjustment to annual required contribution	(33,259)	(27,456)
Annual OPEB cost	368,037	352,979
Contributions made	(201,872)	(178,920)
Increase in Net OPEB Obligation	166,165	174,059
Net OPEB Obligation, beginning of year	997,747	823,688
Net OPEB Obligation, end of year	<u>\$ 1,163,912</u>	<u>\$ 997,747</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2018 and the two preceding years were as follows:

<u>Three Year Trend Information</u>						
<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>	<u>Unfunded AAL (UAAL)</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
4/30/2018	\$ 368,037	55.00%	\$1,163,912	\$6,331,325	\$6,456,499	98.06%
4/30/2017	352,979	51.00%	997,747	6,331,325	6,456,499	98.06%
4/30/2016	279,284	66.70%	823,688	6,331,325	6,456,499	98.06%

Funded Status and Funding Progress. As of April 30, 2016, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$6,331,325 and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,331,325. The covered payroll (annual payroll of active employees covered by the plan) was \$6,456,499, and the ratio of the UAAL to the covered payroll was 98.06%.

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

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 10 - POST-EMPLOYMENT BENEFITS (Continued)

In the April 30, 2016 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.6 percent for the PPO Plan (Pre-65), 4.3 percent for the PPO Plan (Post-65), 4.1 percent for the dental plan, and 2.6 percent for the Vision Plan initially, reduced by decrements to an ultimate rate of 5 percent for the PPO Plan (Pre-65), 4.3 percent for the PPO Plan (Post-65), 4.1 percent for the Dental Plan, and 2.6 percent for the Vision Plan. All rates included a 2.5 percent inflation assumption. The actuarial value of the liability was marked to the market value of the retiree healthcare account as of April 30, 2016. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016, was thirty years.

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done at least once every three years; above is the information from the most recent valuation as of April 30, 2016. There is no separate, audited GAAP-basis postemployment benefit plan report available.

NOTE 11 - 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 9). 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 12 - PUBLIC LIBRARY

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

At April 30, 2018 the carrying amount of the Library's deposits was \$1,909,729 including a petty cash fund of \$300 and the bank balance was \$1,917,171.

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

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

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

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 12 - 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, 2018 was \$115,955. The following is a summary of the changes in the capital assets for the year ended April 30, 2018:

	Balance at May 1, 2017	Additions	Deletions	Balance at April 30, 2018
Capital Assets Not Being Depreciated				
Land	\$ 624,680	\$ -	\$ -	\$ 624,680
Capital Assets Being Depreciated				
Building	584,000	-	-	584,000
Building and Improvements	693,359	52,611	-	745,970
Machinery and Equipment	303,767	16,265	-	320,032
Library Materials	291,624	63,889	(62,090)	293,423
Subtotal	1,872,750	132,765	(62,090)	1,943,425
Accumulated Depreciation				
Building	(523,614)	(11,680)	-	(535,294)
Building and Improvements	(212,248)	(29,526)	-	(241,774)
Machinery and Equipment	(228,485)	(16,423)	-	(244,908)
Library Materials	(119,605)	(58,326)	62,090	(115,841)
Subtotal	(1,083,952)	(115,955)	62,090	(1,137,817)
Total Capital Assets Being Depreciated, Net	788,798	16,810	-	805,608
Net Capital Assets	\$ 1,413,478	\$ 16,810	\$ -	\$ 1,430,288

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS

In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. This Statement is effective for the Village's fiscal year ended April 30, 2019. This statement will have an effect on the Village and the OPEB liability will be added to the Statement of Net Position.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2018

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs) and establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement is effective for the Village's fiscal year ended April 30, 2020. This statement will have no effect on the Village.

In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement is effective for the Village's fiscal year ended April 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

In March 2017, the GASB issued Statement 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. This Statement is effective for the Village's fiscal year ended April 30, 2019. Management has not determined what impact, if any, this statement will have on its financial statements.

In March 2017, the GASB issued Statement 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the Village's fiscal year ended April 30, 2019. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement is effective for the Village's fiscal year ended April 30, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

(Continued)

NOTE 13 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In April 2018, the GASB issued Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in the notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date, the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in the notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement is effective for the Village's fiscal year ended April 30, 2020. This Statement will not have an effect on the Village.

In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objective of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement is effective for the Village's fiscal year ended April 30, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

In August 2018, GASB issued State No. 90 *Majority Equity Interest*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization to improve the relevance of financial statement information. The requirements of this Statement is effective for the Village's fiscal year ended April 30, 2020. This statement will have no effect on the Village.

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES
 SCHEDULE OF FUNDING PROGRESS
 April 30, 2018

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2009*	\$ -	\$ 1,036,125	\$ 1,036,125	0%	\$ 2,796,164	37.06%
4/30/2012	-	2,009,683	2,009,683	0%	5,673,616	35.42%
4/30/2013	-	4,190,187	4,190,187	0%	5,674,925	73.84%
4/30/2016	-	6,331,325	6,331,325	0%	6,456,499	98.06%

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

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 7,875,000	\$ 7,875,000	\$ 8,285,497	\$ 410,497
Taxes	6,821,500	6,821,500	6,475,437	(346,063)
Intergovernmental Revenues	1,451,000	1,451,000	1,443,494	(7,506)
Licenses and Permits	408,500	408,500	381,879	(26,621)
Charges for Services	464,700	464,700	501,337	36,637
Fines and Forfeitures	2,083,200	2,083,200	1,268,151	(815,049)
Investment Income	10,000	10,000	122,725	112,725
Miscellaneous	1,682,900	1,682,900	896,268	(786,632)
Total Revenues	<u>20,796,800</u>	<u>20,796,800</u>	<u>19,374,788</u>	<u>(1,422,012)</u>
Expenditures				
Current:				
General Administration	4,730,080	4,732,580	5,506,070	(773,490)
Public Safety	11,856,080	11,855,980	11,762,450	93,530
Highway and Streets	4,676,750	4,674,250	3,872,973	801,277
Sanitation	-	100	50	50
Culture and Recreation	81,850	81,850	34,976	46,874
Total Expenditures	<u>21,344,760</u>	<u>21,344,760</u>	<u>21,176,519</u>	<u>168,241</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(547,960)</u>	<u>(547,960)</u>	<u>(1,801,731)</u>	<u>(1,253,771)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	50,000	50,000	87,369	37,369
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>87,369</u>	<u>37,369</u>
Net Change in Fund Balance	<u>\$ (497,960)</u>	<u>\$ (497,960)</u>	<u>(1,714,362)</u>	<u>\$ (1,216,402)</u>
Fund Balance at Beginning of Year			<u>9,274,778</u>	
Fund Balance at End of Year			<u>\$ 7,560,416</u>	

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2018

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	Mannheim Road TIF Fund	Debt Service Fund
Motor Fuel Tax Fund	Hillside 2017 Project Fund	Disposal Service Fund
E 911 Fund	Roosevelt Road TIF Fund	Water Fund
Sewer Fund	Police Pension	Firefighters' Pension
Hillside Public Library		

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY
Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	\$ 867,482	\$ 822,491	\$ 716,448	\$ 858,402
Interest	2,665,732	2,498,136	2,459,556	2,193,585
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(6,728)	1,538,589	235,922	-
Changes of assumptions	(1,287,730)	116,198	(423,034)	-
Benefit payments, including refunds of member contributions	<u>(1,988,076)</u>	<u>(1,834,915)</u>	<u>(1,595,979)</u>	<u>(1,569,956)</u>
Net change in total pension liability	250,680	3,140,499	1,392,913	1,482,031
Total pension liability - beginning	<u>49,727,720</u>	<u>46,587,221</u>	<u>45,194,308</u>	<u>43,712,277</u>
Total pension liability - ending (a)	<u>\$49,978,400</u>	<u>\$49,727,720</u>	<u>\$46,587,221</u>	<u>\$45,194,308</u>
Plan fiduciary net position				
Contributions - employer	\$ 1,445,650	\$ 1,275,609	\$ 1,271,953	\$ 1,239,849
Contributions - employee	235,170	228,411	249,705	231,433
Net investment income	934,047	1,330,311	163,852	1,136,292
Benefit payments, including refunds of member contributions	(1,988,076)	(1,834,915)	(1,595,979)	(1,569,956)
Administrative expense	(48,610)	(52,472)	(46,310)	(45,607)
Other	-	-	-	-
Net change in plan fiduciary net position	578,181	946,944	43,221	992,011
Plan fiduciary net position - beginning	<u>18,019,439</u>	<u>17,072,495</u>	<u>17,029,274</u>	<u>16,037,263</u>
Plan fiduciary net position - ending (b)	<u>\$18,597,620</u>	<u>\$18,019,439</u>	<u>\$17,072,495</u>	<u>\$17,029,274</u>
Village's net pension liability (a-b)	<u>\$31,380,780</u>	<u>\$31,708,281</u>	<u>\$29,514,726</u>	<u>\$28,165,034</u>

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND NET PENSION LIABILITY
 Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$49,978,400	\$49,727,720	\$46,587,221	\$45,194,308
Plan fiduciary net position	<u>(18,597,620)</u>	<u>(18,019,439)</u>	<u>(17,072,495)</u>	<u>(17,029,274)</u>
City's net pension liability (asset)	<u>\$31,380,780</u>	<u>\$31,708,281</u>	<u>\$29,514,726</u>	<u>\$28,165,034</u>
Plan fiduciary net position as a percentage of the total pension liability	37%	36%	37%	38%
Covered payroll	\$ 2,255,164	\$ 2,419,629	\$ 2,492,913	\$ 2,334,751
Plan's net pension liability (asset) as a percentage of covered payroll	1,392%	1,310%	1,184%	1,206%

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS
Prior Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 1,543,982	\$ 1,575,152	\$ 1,530,460	\$ 1,432,559	\$ 1,300,598	\$ 1,199,983	\$ 1,272,127	\$ 1,304,156	\$ 1,629,815	\$ 970,803
Contributions in relation to the actuarially determined contribution	1,445,650	1,275,609	1,271,953	1,239,849	1,146,147	1,202,694	1,514,719	1,034,533	1,283,080	842,678
Contribution deficiency (excess)	<u>\$ 98,332</u>	<u>\$ 299,543</u>	<u>\$ 258,507</u>	<u>\$ 192,710</u>	<u>\$ 154,451</u>	<u>\$ (2,711)</u>	<u>\$ (242,592)</u>	<u>\$ 269,623</u>	<u>\$ 346,735</u>	<u>\$ 128,125</u>
Covered payroll	\$ 2,255,164	\$ 2,419,629	\$ 2,492,913	\$ 2,334,751	\$ 2,231,808	\$ 2,219,216	\$ 2,014,085	\$ 2,000,913	\$ 2,052,843	\$ 1,980,993
Contributions as a percentage of covered payroll	64.10%	52.72%	51.02%	53.10%	51.36%	54.19%	75.21%	51.70%	62.50%	42.54%

Notes to Schedule:

Methods and addumtion used to determine contribution rates:

Actuarial valuation date	May 1, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar (Closed)
Remaining amortization period	24 Years
Asset valuation method	Market
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	7.00%
Mortality	L&A 2016 Illinois Police

Notes to Police Pension Required Supplementary Information

Assumption Changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The discount rate in the prior measurement period was 5.47%, this represents a increase of 0.18%.

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.32% to 3.82% for fiscal year 2017. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from fiscal year 2016. The rate has been updated to the fiscal 2017 year end based on changes in market conditions as reflected in the Index. In the current valuation, we have updated the mortality assumption to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis. These changes were made to better reflect the future anticipated experience in the fund. The discount rate in the 2016 measurement period was 5.54%, this represents a decrease of 0.09%.

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.62% to 3.32% for fiscal year 2016. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from fiscal year 2015. The rate has been updated to the fiscal 2016 year end based on changes in market conditions as reflected in the Index. The demographic assumptions formly used RP 2000 Mortality Table for mortality, uniform distribution from the ages 52-62 (100% by age 62) for retirement rates, and a department of insurance study for disability. The discount rate in the 2015 measurement period was 5.11%, this represents a increase of 0.43%.

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND INVESTMENT RATE OF RETURNS
 Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	5.26%	7.89%	Not Available	7.25%

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION LIABILITY
Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	708,796	\$ 667,542	\$ 485,347	\$ 525,122
Interest	1,786,888	1,515,116	1,552,553	1,478,415
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(16,982)	270,514	40,276	-
Changes of assumptions	519,736	3,022,618	1,285,596	-
Benefit payments, including refunds of member contributions	<u>(1,107,031)</u>	<u>(1,049,352)</u>	<u>(1,003,953)</u>	<u>(884,902)</u>
Net change in total pension liability	<u>1,891,407</u>	<u>4,426,438</u>	<u>2,359,819</u>	<u>1,118,635</u>
Total pension liability - beginning	<u>29,467,556</u>	<u>25,041,118</u>	<u>22,681,299</u>	<u>21,562,664</u>
Total pension liability - ending (a)	<u>\$31,358,963</u>	<u>\$29,467,556</u>	<u>\$25,041,118</u>	<u>\$22,681,299</u>
Plan fiduciary net position				
Contributions - employer	1,050,597	\$ 852,627	\$ 830,329	\$ 894,758
Contributions - employee	221,054	214,109	203,576	192,842
Net investment income	702,847	797,944	(129,838)	230,635
Benefit payments, including refunds of member contributions	<u>(1,107,031)</u>	<u>(1,049,352)</u>	<u>(1,003,953)</u>	<u>(884,902)</u>
Administrative expense	<u>(37,964)</u>	<u>(56,614)</u>	<u>(40,466)</u>	<u>(48,173)</u>
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	<u>829,503</u>	<u>758,714</u>	<u>(140,352)</u>	<u>385,160</u>
Plan fiduciary net position - beginning	<u>10,745,229</u>	<u>9,986,514</u>	<u>10,126,866</u>	<u>9,741,706</u>
Plan fiduciary net position - ending (b)	<u>\$11,574,732</u>	<u>\$10,745,229</u>	<u>\$ 9,986,514</u>	<u>\$10,126,866</u>
Village's net pension liability (a-b)	<u>\$19,784,231</u>	<u>\$18,722,327</u>	<u>\$15,054,604</u>	<u>\$12,554,433</u>

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND NET PENSION LIABILITY
 Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$31,358,963	\$29,467,556	\$25,041,118	\$22,681,299
Plan fiduciary net position	<u>(11,574,732)</u>	<u>(10,745,229)</u>	<u>(9,986,514)</u>	<u>(10,126,866)</u>
City's net pension liability (asset)	<u>\$19,784,231</u>	<u>\$18,722,327</u>	<u>\$15,054,604</u>	<u>\$12,554,433</u>
Plan fiduciary net position as a percentage of the total pension liability	37%	36%	40%	45%
Covered payroll	\$ 2,152,818	\$ 2,277,697	\$ 2,116,901	\$ 1,946,806
Plan's net pension liability (asset) as a percentage of covered payroll	919%	822%	711%	645%

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
Prior Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 1,210,376	\$ 1,033,970	\$ 946,522	\$ 834,449	\$ 713,656	\$ 780,218	\$ 859,827	\$ 728,817	\$ 728,817	\$ 350,621
Contributions in relation to the actuarially determined contribution	<u>1,050,597</u>	<u>852,627</u>	<u>830,329</u>	<u>894,758</u>	<u>760,321</u>	<u>664,915</u>	<u>1,006,335</u>	<u>574,828</u>	<u>728,817</u>	<u>312,647</u>
Contribution deficiency (excess)	<u>\$ 159,779</u>	<u>\$ 181,343</u>	<u>\$ 116,193</u>	<u>\$ (60,309)</u>	<u>\$ (46,665)</u>	<u>\$ 115,303</u>	<u>\$ (146,508)</u>	<u>\$ 153,989</u>	<u>\$ -</u>	<u>\$ 37,974</u>
Covered payroll	\$ 2,152,818	\$ 2,277,697	\$ 2,116,901	\$ 1,946,806	\$ 1,911,959	\$ 1,774,223	\$ 1,827,200	\$ 1,872,576	N/A	N/A
Contributions as a percentage of covered payroll	48.80%	37.43%	39.22%	45.96%	39.77%	37.48%	55.08%	30.70%	N/A	N/A

Notes to Schedule:

Methods and addumtion used to determine contribution rates:

Actuarial valuation date	May 1, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Pay (Closed)
Remaining amortization period	26 Years
Asset valuation method	Market
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	7.00%
Mortality	L&A 2016 Illinois Firefighters

Notes to Fire Pension Required Supplementary Information

Assumption Changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. These changes were made to better reflect the future anticipated experience in the fund. The discount rate in the prior measurement period was 6.18%, this represents a decrease of 0.12%.

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.32% to 3.82% for fiscal year 2017. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from fiscal year 2016. The rate has been updated to the fiscal 2017 year end based on changes in market conditions as reflected in the Index. In the current valuation, we have updated the mortality assumption to include mortality improvements as stated in the moste recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis. These changes were made to better reflect the future anticipated experience in the fund. The discount rate in the 2016 measurement period was 7.00%, this represents a decrease of 0.93%.

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.62% to 3.32% for fiscal year 2016. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from fiscal year 2015. The rate has been updated to the fiscal 2016 year end based on changes in market conditions as reflected in the Index. The demographic assumptions formly used RP 2000 Mortality Table for mortality, uniform distribution from the ages 52-62 (100% by age 62) for retirement rates, and a department of insurance study for disability.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND INVESTMENT RATE OF RETURNS
Prior Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	6.44%	7.90%	Not Available	2.32%

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET PENSION LIABILITY
AND RELATED RATIOS
Prior Three Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability			
Service cost	\$ 299,927	\$ 287,080	\$ 277,946
Interest	1,113,206	1,057,933	1,000,865
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(624,746)	(75,718)	(9,936)
Changes of assumptions	(450,744)	(36,093)	17,489
Benefit payments, including refunds of member contributions	(537,622)	(543,125)	(477,131)
Net change in total pension liability	(199,979)	690,077	809,233
Total pension liability - beginning	<u>14,961,592</u>	<u>14,271,515</u>	<u>13,462,282</u>
Total pension liability - ending (a)	<u>\$ 14,761,613</u>	<u>\$ 14,961,592</u>	<u>\$ 14,271,515</u>
Plan fiduciary net position			
Contributions - employer	\$ 379,828	\$ 372,844	\$ 398,460
Contributions - employee	123,767	119,992	112,090
Net investment income	2,247,794	842,834	61,490
Benefit payments, including refunds of member contributions	(537,622)	(543,125)	(477,131)
Administrative expense	-	10,567	(157,277)
Other	(640,570)	-	-
Net change in plan fiduciary net position	1,573,197	803,112	(62,368)
Plan fiduciary net position - beginning	<u>13,022,024</u>	<u>12,218,912</u>	<u>12,281,280</u>
Plan fiduciary net position - ending (b)	<u>\$ 14,595,221</u>	<u>\$ 13,022,024</u>	<u>\$ 12,218,912</u>
Village's net pension liability (a-b)	<u>\$ 166,392</u>	<u>\$ 1,939,568</u>	<u>\$ 2,052,603</u>
Plan fiduciary net position as a percentage of the total pension liability	98.87%	87.04%	85.62%
Covered payroll	\$ 2,750,390	\$ 2,592,748	\$ 2,490,882
Plan's net pension liability (asset) as a percentage of covered payroll	6.05%	74.81%	82.40%

Notes to Schedule:

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

The amounts presented for each fiscal year were determined as of the calendar year end that occurred within the fiscal year 2018, 2017, and 2016.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2017 Illinois Municipal Retirement Fund annual actuarial valuation. The price inflation of 2.50% is a decrease of 0.25% from the prior year rate of 2.75%. Salary increases were decreased from the prior year range of 3.75% - 14.50%. Retirement age and mortality assumptions were updated from the previously used MP-2014 scale. There were no other significant changes in assumptions. There were no benefit changes during the year. The Village is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability.

VILLAGE OF HILLSIDE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
Prior Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 358,420	\$ 376,500	\$ 367,747	\$ 310,427	\$ 306,045	\$ 311,797	\$ 289,158	\$ 266,797	\$ 280,709	\$ 254,379
Contributions in relation to the actuarially determined contribution	<u>358,420</u>	<u>376,500</u>	<u>367,747</u>	<u>310,427</u>	<u>306,045</u>	<u>311,797</u>	<u>289,158</u>	<u>266,797</u>	<u>280,709</u>	<u>254,379</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,749,626	\$ 2,680,310	\$ 2,593,420	\$ 2,391,547	\$ 2,294,344	\$ 2,238,086	\$ 2,189,153	\$ 2,124,153	\$ 2,496,347	\$ 2,507,411
Contributions as a percentage of covered payroll	13.04%	14.05%	14.18%	12.98%	13.34%	13.93%	13.21%	12.56%	11.24%	10.15%

Notes to Schedule:

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine 2017 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period Taxing bodies: 26-year closed period
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	3.50%
Price inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific Mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other information:

Changes

There were no benefit changes during the year

The calculation of the 2017 contribution rate is based on valuation assumptions used in the December 31, 2015 actuarial valuation.

VILLAGE OF HILLSIDE, ILLINOIS
GENERAL FUND
BALANCE SHEET
April 30, 2018

EXHIBIT 1

	Corporate <u>Account</u>	Liability Insurance <u>Account</u>	Workmen's Compensation <u>Account</u>	Unemployment Compensation <u>Account</u>	Equipment Replacement <u>Account</u>	Total Current <u>Year</u>
ASSETS						
Cash & Investments	\$ 5,050,564	\$ 316,784	\$ 431,763	\$ 34,446	\$ 424,656	\$ 6,258,213
Receivables						
Property Taxes	4,317,828	130,133	148,352	-	-	4,596,313
Intergovernmental	1,686,760	-	-	-	-	1,686,760
Due from Other Funds	14,479	-	-	-	-	14,479
Prepays	194,748	-	-	-	619,700	814,448
Insurance deposit	278,784	-	-	-	-	278,784
Inventory	2,847	-	-	-	-	2,847
Total Assets	<u>\$ 11,546,010</u>	<u>\$ 446,917</u>	<u>\$ 580,115</u>	<u>\$ 34,446</u>	<u>\$ 1,044,356</u>	<u>\$ 13,651,844</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 426,893	\$ 11,225	\$ -	\$ -	\$ 24,656	\$ 462,774
Due to Fiduciary Funds	188,956	-	-	-	-	188,956
Deposits Payable	11,500	-	-	-	-	11,500
Total Liabilities	<u>627,349</u>	<u>11,225</u>	<u>-</u>	<u>-</u>	<u>24,656</u>	<u>663,230</u>
Deferred Inflows of Resources						
Property Taxes	4,317,828	130,133	148,352	-	-	4,596,313
Unavailable Other Revenue	831,885	-	-	-	-	831,885
Total Deferred Inflows of Resources	<u>5,149,713</u>	<u>130,133</u>	<u>148,352</u>	<u>-</u>	<u>-</u>	<u>5,428,198</u>
Fund Balances						
Nonspendable						
Prepays	194,748	-	-	-	619,700	814,448
Insurance deposit	278,784	-	-	-	-	-
Inventory	2,847	-	-	-	-	2,847
Restricted						
Insurance	-	305,559	431,763	34,446	-	771,768
Unassigned	5,292,569	-	-	-	400,000	5,692,569
Total Fund Balances	<u>5,768,948</u>	<u>305,559</u>	<u>431,763</u>	<u>34,446</u>	<u>1,019,700</u>	<u>7,560,416</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 11,546,010</u>	<u>\$ 446,917</u>	<u>\$ 580,115</u>	<u>\$ 34,446</u>	<u>\$ 1,044,356</u>	<u>\$ 13,651,844</u>

VILLAGE OF HILLSIDE, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2018

	Corporate <u>Account</u>	Liability Insurance <u>Account</u>	Workmen's Compensation <u>Account</u>	Unemployment Compensation <u>Account</u>	Equipment Replacement <u>Account</u>	Total Current <u>Year</u>
Revenues						
Property Taxes	\$ 7,770,273	\$ 240,759	\$ 274,465	\$ -	\$ -	\$ 8,285,497
Taxes	6,475,437	-	-	-	-	6,475,437
Intergovernmental Revenues	1,443,494	-	-	-	-	1,443,494
Licenses and Permits	381,879	-	-	-	-	381,879
Charges for Services	65,062	-	-	-	436,275	501,337
Fines and Forfeitures	1,263,894	-	-	-	4,257	1,268,151
Investment Income	122,725	-	-	-	-	122,725
Miscellaneous	858,176	-	38,092	-	-	896,268
Total Revenues	<u>18,380,940</u>	<u>240,759</u>	<u>312,557</u>	<u>-</u>	<u>440,532</u>	<u>19,374,788</u>
Expenditures						
Current:						
General Administration	5,140,565	181,561	183,944	-	-	5,506,070
Public Safety	10,765,419	-	-	-	997,031	11,762,450
Highway and Streets	3,789,671	-	-	-	83,302	3,872,973
Sanitation	-	-	-	-	50	50
Culture and Recreation	34,976	-	-	-	-	34,976
Total Expenditures	<u>19,730,631</u>	<u>181,561</u>	<u>183,944</u>	<u>-</u>	<u>1,080,383</u>	<u>21,176,519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,349,691)</u>	<u>59,198</u>	<u>128,613</u>	<u>-</u>	<u>(639,851)</u>	<u>(1,801,731)</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	87,369	-	-	-	-	87,369
Total Other Financing Sources (Uses)	<u>87,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,369</u>
Net Change in Fund Balances	<u>(1,262,322)</u>	<u>59,198</u>	<u>128,613</u>	<u>-</u>	<u>(639,851)</u>	<u>(1,714,362)</u>
Fund Balances at Beginning of Year	<u>7,031,270</u>	<u>246,361</u>	<u>303,150</u>	<u>34,446</u>	<u>1,659,551</u>	<u>9,274,778</u>
Fund Balances at End of Year	<u>\$ 5,768,948</u>	<u>\$ 305,559</u>	<u>\$ 431,763</u>	<u>\$ 34,446</u>	<u>\$ 1,019,700</u>	<u>\$ 7,560,416</u>

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 7,350,000	\$ 7,350,000	\$ 7,770,273	\$ 420,273
Taxes	6,821,500	6,821,500	6,475,437	(346,063)
Intergovernmental Revenues	1,451,000	1,451,000	1,443,494	(7,506)
Licenses and Permits	408,500	408,500	381,879	(26,621)
Charges for Services	64,700	64,700	65,062	362
Fines and Forfeitures	2,033,200	2,033,200	1,263,894	(769,306)
Investment Income	10,000	10,000	122,725	112,725
Miscellaneous	1,672,900	1,672,900	858,176	(814,724)
Total Revenues	<u>19,811,800</u>	<u>19,811,800</u>	<u>18,380,940</u>	<u>(1,430,860)</u>
Expenditures				
Current				
General Administration	4,175,080	4,177,580	5,140,565	(962,985)
Public Safety	11,437,080	11,437,080	10,765,419	671,661
Highway and Streets	4,583,750	4,581,250	3,789,671	791,579
Culture and Recreation	81,850	81,850	34,976	46,874
Total Expenditures	<u>20,277,760</u>	<u>20,277,760</u>	<u>19,730,631</u>	<u>547,129</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(465,960)</u>	<u>(465,960)</u>	<u>(1,349,691)</u>	<u>(883,731)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	50,000	50,000	87,369	37,369
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>87,369</u>	<u>37,369</u>
Net Change in Fund Balance	<u>\$ (415,960)</u>	<u>\$ (415,960)</u>	<u>(1,262,322)</u>	<u>\$ (846,362)</u>
Fund Balance at Beginning of Year			<u>7,031,270</u>	
Fund Balance at End of Year			<u>\$ 5,768,948</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 7,350,000	\$ 7,350,000	\$ 7,770,273	\$ 420,273
Taxes				
Sales Tax	3,400,000	3,400,000	2,839,949	(560,051)
Municipal Utility Tax	850,000	850,000	805,123	(44,877)
Local Use Tax	200,000	200,000	328,866	128,866
Hotel/Motel Tax	450,000	450,000	464,171	14,171
Storage Facility Tax	75,000	75,000	71,237	(3,763)
Franchise Fees	95,000	95,000	92,115	(2,885)
Amusement Tax	1,500	1,500	271	(1,229)
Video Gaming Tax	50,000	50,000	42,712	(7,288)
Real Estate Transfer Tax	300,000	300,000	195,951	(104,049)
Sales Tax - Hillside Town Center	1,400,000	1,400,000	1,635,042	235,042
Total Taxes	6,821,500	6,821,500	6,475,437	(346,063)
Intergovernmental Revenues				
Income Tax	850,000	850,000	983,706	133,706
Replacement Tax	190,000	190,000	143,681	(46,319)
IDOT Reimbursement	145,000	145,000	-	(145,000)
Fire Dept Grant	266,000	266,000	270,833	4,833
ITEP On Behalf Grants	-	-	45,274	45,274
Total Intergovernmental Revenues	1,451,000	1,451,000	1,443,494	(7,506)
Licenses and Permits				
Business Licenses	130,000	130,000	127,543	(2,457)
Liquor Licenses	20,000	20,000	21,150	1,150
Contractors Licenses	20,000	20,000	15,785	(4,215)
Other Licenses	91,000	91,000	90,005	(995)
Alarm Permits	30,000	30,000	35,254	5,254
Building Permits	80,000	80,000	58,322	(21,678)
Sewer Permits	500	500	150	(350)
Sign Permits	6,000	6,000	3,840	(2,160)
Apartment License / Inspection	30,000	30,000	29,230	(770)
Fence Permits	1,000	1,000	600	(400)
Total Licenses and Permits	408,500	408,500	381,879	(26,621)
Charges for Services				
Home Inspections	9,000	9,000	8,450	(550)
Postage	200	200	115	(85)
Plumbing Inspections	12,000	12,000	15,545	3,545
Electrical Inspections	12,000	12,000	20,577	8,577
Elevator Inspections	10,000	10,000	10,800	800
Miscellaneous Fees	5,000	5,000	3,035	(1,965)
Sidewalk Replacement	10,000	10,000	1,100	(8,900)
Senior Taxi Cab	3,500	3,500	1,555	(1,945)
Rental Inspection Fees	1,500	1,500	500	(1,000)
CPR Classes	1,500	1,500	3,335	1,835
Total Charges for Services	64,700	64,700	65,062	362

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Fines and Forfeitures				
Zoning Hearing Fees	\$ 3,000	\$ 3,000	\$ 1,850	\$ (1,150)
Village Fines	185,000	185,000	145,676	(39,324)
Circuit Court Fines	50,000	50,000	35,369	(14,631)
Adjudication Court Fines	40,000	40,000	20,240	(19,760)
Police Towing Violation Fee	40,000	40,000	22,650	(17,350)
Police Department Processing Fee	10,000	10,000	7,250	(2,750)
Police Finger Printing Fee	200	200	75	(125)
Red Light Camera Violations	1,700,000	1,700,000	1,027,988	(672,012)
DUI Fines	5,000	5,000	2,796	(2,204)
Total Fines and Forfeitures	2,033,200	2,033,200	1,263,894	(769,306)
Investment Income	10,000	10,000	122,725	112,725
Miscellaneous				
Summer Concert Sponsorships	15,000	15,000	-	(15,000)
Police & Fire Reports	4,000	4,000	22,501	18,501
Other Insurance Claims	20,000	20,000	-	(20,000)
Antenna Rental	75,000	75,000	86,768	11,768
Zoning Certificates	2,000	2,000	950	(1,050)
Employee Health Contributions	120,000	120,000	134,621	14,621
Reimbursements-Other Agencies	80,000	80,000	240,976	160,976
Other Revenues	86,900	86,900	320,201	233,301
Proviso High Reimbursement	65,000	65,000	48,811	(16,189)
MLK Breakfast	5,000	5,000	3,348	(1,652)
Butterfield Row Reimbursement	1,200,000	1,200,000	-	(1,200,000)
Total Miscellaneous	1,672,900	1,672,900	858,176	(814,724)
Total Revenues	\$ 19,811,800	\$ 19,811,800	\$ 18,380,940	\$ (1,430,860)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
Current:				
General Administration				
Mayor & Village Board				
Salaries Full-Time	\$ 77,000	\$ 77,000	\$ 77,253	\$ (253)
Salaries Part-Time	32,000	32,000	31,400	600
Sick Pay	4,000	4,000	3,551	449
Medicare	2,000	2,000	1,658	342
Social Security	7,000	7,000	6,889	111
IMRF	12,500	13,500	13,380	120
Health Insurance Costs	22,000	22,000	20,549	1,451
Dental Insurance Costs	1,800	1,800	1,630	170
Vision Insurance Costs	200	200	191	9
Life Insurance Costs	200	400	296	104
Employee Assistance Program	50	50	21	29
Maintenance Contracts	-	200	100	100
Travel & Conference Expense	6,000	3,000	2,780	220
Office Supplies	1,500	4,200	4,012	188
Membership Fees	8,000	5,000	4,757	243
Publications	2,000	2,000	25,582	(23,582)
Awards & Recognitions	12,000	17,050	21,879	(4,829)
Postage	400	900	832	68
Telephone	1,000	-	-	-
Cellular Telephones	6,000	4,000	5,244	(1,244)
Printing	500	600	550	50
Clothing	750	-	-	-
Total Mayor & Village Board	196,900	196,900	222,554	(25,654)
Administration				
Salaries Full-Time	590,000	560,000	553,096	6,904
Salaries Part-Time	27,000	37,000	36,141	859
Overtime	5,000	5,000	3,648	1,352
Holiday and Vacation	23,500	23,500	22,590	910
Medicare	10,500	10,500	9,137	1,363
Social Security	43,000	43,000	37,972	5,028
IMRF	92,000	107,000	106,093	907
Health Insurance Costs	117,000	80,000	71,129	8,871
Dental Insurance Costs	7,500	7,500	4,486	3,014
Vision Insurance Costs	1,200	1,200	670	530
Life Insurance Costs	3,000	3,000	2,265	735
Employee Assistance Program	150	150	105	45
Village Attorney	200,000	200,000	193,393	6,607
Village Prosecutor	11,000	11,000	9,043	1,957
Contractual Legal Services	10,000	56,000	55,010	990
Payroll Service	12,000	16,000	15,294	706
Exterminating Services	5,000	5,500	5,330	170
Maintenance Contracts	50,000	37,000	36,199	801
Maintenance of Computer Equipment	30,000	18,100	29,934	(11,834)
Maintenance of Automotive Equipment	1,000	1,000	779	221
Municipal Code Revisions	1,000	1,000	-	1,000
Travel & Conference Expense	1,000	1,000	436	564
Office Supplies	4,000	4,000	1,496	2,504
Stationery & Forms	2,500	2,500	1,678	822

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Office Furniture/Equipment	\$ 500	\$ 500	\$ 54	\$ 446
Minor Equipment & Hardware	500	2,400	2,292	108
Food & Beverage Supplies	2,000	2,000	1,720	280
Gasoline & Diesel Fuel	2,000	2,000	1,046	954
Licensing Supplies	1,500	1,500	949	551
Membership Fees	6,000	14,000	13,722	278
Publications	3,000	3,000	4,466	(1,466)
Postage	6,000	6,000	3,740	2,260
Telephone	9,000	15,000	14,135	865
Cellular Telephones	4,000	4,000	3,701	299
Printing	1,000	1,500	1,481	19
Advertising	500	500	-	500
Total Administration	1,283,350	1,283,350	1,243,230	40,120
Village Hall & Grounds				
Maintenance Contracts	26,000	26,000	19,046	6,954
Maintenance of Building	65,000	55,000	72,424	(17,424)
Maintenance of Cells	2,500	2,500	1,073	1,427
Cleaning Contract	47,500	47,500	46,857	643
Minor Equipment & Hardware	12,000	12,000	11,940	60
Janitorial Supplies	(6,500)	3,500	3,225	275
Tuckpointing and Gutter	-	-	3,199	(3,199)
Total Village Hall & Grounds	146,500	146,500	157,764	(11,264)
Zoning Board of Appeals				
Salaries Part-Time	630	630	-	630
Medicare	100	100	-	100
Social Security	100	100	-	100
Advertising	1,750	1,750	143	1,607
Total Zoning Board of Appeals	2,580	2,580	143	2,437
Inspection Services				
Salaries Full-Time	203,000	205,000	205,060	(60)
Salaries Part-Time	40,000	40,000	53,068	(13,068)
Salaries Overtime	7,000	7,000	-	7,000
Sick Bonus	-	-	5,965	(5,965)
Medicare	3,700	3,700	3,686	14
Social Security	16,000	16,000	15,320	680
IMRF	32,000	32,000	33,958	(1,958)
Health Insurance Costs	33,000	33,000	30,793	2,207
Dental Insurance Costs	2,500	2,500	2,199	301
Vision Insurance Costs	400	400	266	134
Life Insurance Costs	1,000	1,000	964	36
Employee Assistance Program	100	100	63	37
Maintenance of Automotive Equipment	4,500	5,500	5,471	29
Adjudication Hearing Officer	5,000	500	65	435
Elevator Inspection Services	5,000	5,000	4,650	350
Animal Control - Skunk Trap	5,000	4,300	3,889	411
Travel & Conference Expense	500	500	378	122
Training School Expense	500	1,000	640	360
Stationery & Forms	2,000	5,200	3,073	2,127

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND - CORPORATE ACCOUNT
Year Ended April 30, 2018

EXHIBIT 5

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Office Furniture/Equipment	\$ 1,500	\$ -	\$ -	\$ -
Clothing	500	500	-	500
Membership Fees	250	500	277	223
Publications	1,000	-	-	-
Postage	1,000	1,750	1,604	146
Cellular Telephones	2,000	2,000	1,615	385
Board-Up Costs	1,000	1,000	325	675
Gasoline & Diesel Fuel	1,500	1,500	1,162	338
Adjudication Court Software	300	300	-	300
Total Inspection Services	370,250	370,250	374,491	(4,241)
General Expenses				
Awards & Recognitions	8,000	500	338	162
Youth Athletic Parade	500	1,000	985	15
Tuition Reimbursement	25,000	26,000	25,583	417
Banking Charges	15,000	15,000	14,849	151
Band Concerts	100,000	141,000	140,365	635
Hotel Tax Expense	75,000	85,000	84,423	577
Auditing Fees	75,000	69,000	68,700	300
Veteran's Day Parade	35,000	39,000	38,864	136
Maintenance and Repairs	20,000	3,000	2,470	530
CarMax Sales Tax	400,000	400,000	317,838	82,162
Disability Personnel Insurance	40,000	79,000	89,721	(10,721)
Retired Personnel Health Insurance	175,000	112,000	111,408	592
Retired Personnel Dental Insurance	12,000	8,000	7,890	110
Retired Personnel Vision Insurance	2,000	2,000	1,103	897
Sales Tax Pledge Hillside Town Center	900,000	900,000	1,201,581	(301,581)
MLK Breakfast	6,000	6,000	6,203	(203)
Advertising Annual Report	2,000	1,000	980	20
Project UFO	500	4,000	3,850	150
Cemetery Tour	4,500	5,500	5,050	450
Historical Society Grant	5,000	6,000	5,607	393
Total General Expenses	1,900,500	1,903,000	2,549,907	(646,907)
Economic Development				
Economic Development	275,000	275,000	592,476	(317,476)
Total Economic Development Expenses	275,000	275,000	592,476	(317,476)
Total General Administration	4,175,080	4,177,580	5,140,565	(962,985)
Public Safety				
Police Department				
Salaries Full-Time	2,900,000	2,900,000	2,881,678	18,322
Salaries Part-Time	50,000	50,000	40,033	9,967
Salaries Crossing Guards	18,000	18,000	16,064	1,936
Overtime	230,000	240,000	236,931	3,069
Holiday & Sickpay	221,000	159,000	123,182	35,818
Medicare	48,000	48,000	45,571	2,429
Social Security	40,000	40,000	31,066	8,934
IMRF	90,000	90,000	41,621	48,379

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Health Insurance Costs	\$ 900,000	\$ 900,000	\$ 836,034	\$ 63,966
Dental Insurance Costs	53,000	53,000	48,234	4,766
Vision Insurance Costs	9,000	9,000	8,117	883
Life Insurance Costs	16,000	16,000	13,755	2,245
Employee Assistance Program	700	700	599	101
Maintenance Contracts	60,000	60,000	47,453	12,547
Maintenance of Computer Equipment	1,500	2,000	1,808	192
Maintenance of Automotive Equipment	52,000	52,000	45,311	6,689
Maintenance of Communication Equipment	3,000	3,000	1,232	1,768
Maintenance of Laptop Computers	1,000	1,000	-	1,000
Animal Shelter Services	2,500	2,500	615	1,885
Towing Services	2,500	2,500	1,793	707
Travel & Conference Expense	-	-	684	(684)
Training School Expense	14,000	18,000	20,525	(2,525)
Office Supplies	3,000	3,500	3,149	351
Stationery & Forms	2,500	5,000	4,610	390
Office Furniture/Equipment	3,000	3,000	-	3,000
Minor Equipment & Hardware	2,000	2,000	1,174	826
Food & Beverage Supplies	2,500	2,500	1,811	689
Gasoline & Diesel Fuel	75,000	75,000	64,656	10,344
Licensing Supplies	2,000	2,000	406	1,594
Clothing	35,000	35,000	26,995	8,005
Janitorial Supplies	-	500	187	313
Chemicals & Ammunition	8,000	8,000	2,669	5,331
Medical & Lab Supplies	3,500	3,500	1,381	2,119
Photographic Supplies	4,000	4,000	-	4,000
Copy Machine Supplies	3,000	3,000	389	2,611
Computer Equipment	10,000	10,000	6,750	3,250
Purchase of Evidence Bar-coding	-	500	243	257
Purchase of Communication Equipment	1,000	1,000	-	1,000
Purchase of Training Equipment	2,000	2,000	-	2,000
Safety Equipment	3,500	3,500	931	2,569
Membership Fees	4,000	4,000	3,105	895
Publications	500	3,000	2,543	457
Postage	3,500	5,000	4,925	75
Telephone	16,000	18,000	17,990	10
Cellular Telephones	14,000	18,000	19,926	(1,926)
Meals & Prov. for Prison	2,000	2,000	1,031	969
Medical & Hospital Service	-	500	201	299
Community Policing	10,500	10,500	3,916	6,584
DUI Expenses	500	3,000	2,500	500
Tobacco Grant	-	500	484	16
Red Light Camera Expenses	11,000	11,000	10,868	132
Actuarial Requirement	1,395,000	1,425,000	1,445,650	(20,650)
Total Police Department	6,329,200	6,329,200	6,070,796	258,404
Fire Department				
Salaries Full-Time	2,405,000	2,405,000	2,242,964	162,036
Salaries Full-Part Time Fire Prevention	50,000	50,000	42,640	7,360
Overtime	200,000	111,750	73,895	37,855
Holiday & Sickpay	115,000	150,000	148,178	1,822
Medicare	38,000	38,000	36,776	1,224
Social Security	5,100	5,100	4,956	144

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
IMRF	\$ 12,000	\$ 13,000	\$ 12,962	\$ 38
Health Insurance Costs	665,000	665,000	646,556	18,444
Dental Insurance Costs	40,000	40,500	40,268	232
Vision Insurance Costs	6,000	6,500	6,233	267
Life Insurance Costs	11,000	12,000	11,957	43
Employee Assistance Program	550	700	651	49
Maintenance Contracts	40,000	40,000	35,760	4,240
Maintenance of Computer Equipment	14,500	14,500	13,595	905
Maintenance of Office Equipment	7,000	7,000	6,384	616
Maintenance of Automotive Equipment	79,000	79,000	53,479	25,521
Maintenance of Communication Equipment	27,750	27,750	9,339	18,411
Maintenance of Other Equipment	14,000	14,000	6,324	7,676
Maintenance of Building	95,000	95,000	17,311	77,689
Reception & Entertainment	730	730	112	618
Travel & Conference Expense	9,500	9,500	3,518	5,982
Training School Expense	24,000	24,000	15,794	8,206
Office Supplies	2,000	2,000	437	1,563
Stationery & Forms	1,750	1,750	457	1,293
Office Furniture & Equipment	3,000	4,600	4,529	71
Minor Equipment & Hardware	1,000	1,000	48	952
Gasoline & Diesel Fuel	34,500	34,500	26,594	7,906
Clothing	23,000	23,000	12,347	10,653
Janitorial Supplies	3,750	3,750	2,977	773
Photographic Supplies	500	500	-	500
Training Supplies	11,000	11,000	1,243	9,757
Rental/Equipment-Oxygen	2,500	2,500	190	2,310
Medical & Lab Supplies	24,500	24,500	12,431	12,069
Safety Equipment	73,000	79,000	84,824	(5,824)
Membership Fees	9,750	9,750	7,128	2,622
Publications	3,000	3,000	272	2,728
Awards & Recognitions	2,000	2,000	1,271	729
Postage	500	500	329	171
Telephone	16,000	16,500	7,833	8,667
Cellular Telephones	6,000	6,000	6,249	(249)
Public Education	10,000	12,000	11,274	726
Food & Beverage Supplies	1,000	1,000	53	947
Medical & Hospital Services	4,500	4,500	534	3,966
Actuarial Requirement	962,000	1,002,000	1,050,597	(48,597)
Total Fire Department	5,054,380	5,054,380	4,661,269	393,111
Emergency Management				
Maintenance of Automotive Equipment	4,700	5,100	5,060	40
Office Supplies	300	300	30	270
Minor Equipment & Hardware	200	1,300	1,207	93
Gasoline & Diesel Fuel	3,800	2,900	2,847	53
Telephone	2,000	2,000	1,669	331
Cellular Telephones	2,000	1,400	1,031	369
Total Emergency Management	13,000	13,000	11,844	1,156
Fire & Police Commission				
Salaries- Part Time	1,000	1,000	-	1,000
Medicare	100	100	-	100

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Social Security	\$ 100	\$ 100	\$ -	\$ 100
Testing & Interviewing Expense	18,000	18,000	14,766	3,234
Travel & Conference Expense	2,000	2,000	750	1,250
Membership Fees	1,000	1,000	375	625
Postage	300	300	10	290
Printing	1,000	1,000	-	1,000
Legal Fees	5,000	5,000	-	5,000
Advertising	10,000	6,000	-	6,000
Physicals	2,000	6,000	5,609	391
Total Fire & Police Commission	40,500	40,500	21,510	18,990
Total Public Safety	11,437,080	11,437,080	10,765,419	671,661
Highway and Streets				
Public Works				
Salaries Full-Time	307,000	307,000	307,523	(523)
Overtime	28,000	44,000	43,614	386
Medicare	5,000	5,500	5,408	92
Social Security	20,000	22,500	22,476	24
IMRF	48,000	59,000	58,785	215
Health Insurance Costs	95,000	95,000	90,419	4,581
Sick and Vacation Pay	11,000	11,000	10,451	549
Dental Insurance Costs	5,000	5,000	4,890	110
Vision Insurance Costs	1,000	1,000	845	155
Life Insurance Costs	1,600	1,600	1,569	31
Employee Assistance Program	100	100	84	16
Archtrl/Engineering Services	185,000	120,000	139,810	(19,810)
Maintenance Contracts	15,000	15,000	4,470	10,530
Maintenance of Automotive Equipment	20,000	20,000	6,220	13,780
Maintenance of Other Equipment	1,000	1,000	191	809
Maintenance of Building	18,000	18,000	4,129	13,871
Maintenance of Storm Water Facility	55,000	65,000	64,376	624
Maintenance of Commons	35,000	55,000	53,654	1,346
Maintenance of Sidewalks	20,000	54,000	53,888	112
Maintenance of Landscape Areas	175,000	175,000	162,125	12,875
Tree Removal / Trimming	50,000	58,000	56,808	1,192
Maintenance of Park-N-Ride	3,500	3,500	-	3,500
Travel & Conference Expense	500	500	406	94
Training School Expense	250	250	117	133
Office Supplies	2,000	2,000	1,182	818
Stationery & Forms	1,000	1,000	540	460
Office Furniture/Equipment	1,800	1,800	248	1,552
Minor Equipment & Hardware	4,500	4,500	3,119	1,381
Food & Beverage Supplies	2,500	2,500	2,114	386
Gasoline & Diesel Fuel	40,000	40,000	31,734	8,266
Licensing Supplies	500	500	190	310
Clothing	8,500	8,500	7,840	660
Janitorial Supplies	2,000	2,000	1,845	155
Chemicals	1,500	2,000	1,603	397
Electricity	16,000	16,000	8,067	7,933
Other Machinery & Equipment	2,500	12,500	12,217	283
Safety Equipment	2,500	2,500	1,014	1,486
Horticultural Supplies	500	500	-	500

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Membership Fees	\$ 1,000	\$ 1,000	\$ 781	\$ 219
Postage	1,500	1,500	1,475	25
Telephone	15,000	15,000	9,568	5,432
Cellular Telephones	4,000	5,000	4,825	175
Advertising	200	200	-	200
Alarm Service	1,000	1,000	601	399
Maintenance of Small Dentention Areas	7,000	8,000	7,874	126
Televise Storm Sewers	65,000	-	-	-
Salt Storage Bin	-	-	-	-
Oakridge Creek Work	-	-	-	-
Portable Stage Rental	11,500	12,500	12,200	300
Playground Equipment	220,000	250,000	252,735	(2,735)
Stage Risers for Commons	19,500	4,000	-	4,000
Tree Planting	30,000	30,000	2,363	27,637
Total Public Works	1,561,450	1,561,450	1,456,393	105,057
Streets & Bridges				
Salaries Full-Time	285,000	285,000	222,587	62,413
Salaries Part-Time	12,000	-	-	-
Overtime	50,000	88,000	87,870	130
Sick Pay	-	2,500	2,470	30
Medicare	4,500	4,500	4,468	32
Social Security	18,000	19,000	18,569	431
IMRF	41,000	41,000	33,793	7,207
Health Insurance Costs	65,000	65,000	50,689	14,311
Dental Insurance Costs	6,500	6,500	3,260	3,240
Vision Insurance Costs	1,100	1,100	473	627
Life Insurance Costs	1,500	1,500	779	721
Employee Assistance Program	100	100	63	37
Maintenance of Automotive Equipment	45,000	45,000	45,639	(639)
Maintenance of Other Equipment	1,000	1,000	242	758
Maintenance of Traffic Signals	15,500	15,500	11,979	3,521
Maintenance of Streets	155,000	145,000	141,677	3,323
Street Sweeping	39,000	39,000	39,420	(420)
Maintenance of Street Lights	50,000	32,000	23,657	8,343
Street Patching	50,000	50,000	41,668	8,332
Snow Removal	35,000	35,000	22,091	12,909
Minor Equipment & Hardware	1,000	1,500	1,061	439
Electricity	120,000	120,000	149,532	(29,532)
Street Signs	25,000	25,000	11,879	13,121
Butterfield Right-of-Way	1,200,000	1,200,000	616,879	583,121
Thermoplastic Stripping	13,000	-	-	-
Joint Repair North Frontage Road	20,000	-	-	-
Butterfield Rd Reconstruction	350,000	290,000	316,528	(26,528)
North Forest Resurfacing	285,000	-	-	-
2017 Street Resurfacing	-	376,000	375,106	894
ITEP 20% Match Mannheim Road	36,000	36,000	33,627	2,373
ITEP On Behalf Expenditures	-	-	45,274	(45,274)
Entryway Signs	58,000	58,000	31,590	26,410
Butterfield Bus Distance Enhance	36,100	36,100	388	35,712
Maintenance & Repairs of Butterfield Rd	3,000	500	20	480
Total Streets & Bridges	3,022,300	3,019,800	2,333,278	686,522

(Continued)

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - CORPORATE ACCOUNT
 Year Ended April 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Total Highway and Streets	\$ 4,583,750	\$ 4,581,250	\$ 3,789,671	\$ 791,579
Culture and Recreation				
Youth Commission				
Clothing	1,000	-	-	-
Movies in the Park	1,800	800	800	-
Bowling	300	300	170	130
Youth Athletic Parade	300	-	-	-
Easter Expenses	1,500	1,500	1,294	206
Halloween Expenses	2,000	4,300	6,710	(2,410)
Christmas Walk	2,000	2,000	7,117	(5,117)
Total Youth Commission	8,900	8,900	16,091	(7,191)
Community Center				
Maintenance Contracts	3,500	3,500	2,666	834
Maintenance of Building	10,000	9,000	2,005	6,995
Cleaning Contract	5,500	5,500	5,685	(185)
Minor Equipment & Hardware	500	500	185	315
Roof Repairs	25,000	25,000	-	25,000
Telephone	2,250	3,250	3,585	(335)
Paint Interior	16,000	16,000	-	16,000
Total Community Center	62,750	62,750	14,126	48,624
Senior Citizen Program				
Reception & Entertainment	2,500	2,500	1,487	1,013
Minor Equipment & Hardware	200	200	-	200
Bus Rental	7,500	7,500	3,272	4,228
Total Senior Citizen Program	10,200	10,200	4,759	5,441
Total Culture and Recreation	81,850	81,850	34,976	46,874
Total Expenditures	\$ 20,277,760	\$ 20,277,760	\$ 19,730,631	\$ 547,129

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, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 250,000	\$ 240,759	\$ (9,241)
Total Revenues	<u>250,000</u>	<u>240,759</u>	<u>(9,241)</u>
Expenditures			
Current:			
General Administration			
Liability Insurance	<u>250,000</u>	<u>181,561</u>	<u>68,439</u>
Total Expenditures	<u>250,000</u>	<u>181,561</u>	<u>68,439</u>
Net Change in Fund Balance	<u>\$ -</u>	59,198	<u>\$ 59,198</u>
Fund Balance at Beginning of Year		<u>246,361</u>	
Fund Balance at End of Year		<u>\$ 305,559</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - WORKMEN'S COMPENSATION ACCOUNT
 Year Ended April 30, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 275,000	\$ 274,465	\$ (535)
Miscellaneous	<u>10,000</u>	<u>38,092</u>	<u>28,092</u>
Total Revenues	<u>285,000</u>	<u>312,557</u>	<u>27,557</u>
Expenditures			
Current:			
General Administration			
Workers Compensation	<u>285,000</u>	<u>183,944</u>	<u>101,056</u>
Total Expenditures	<u>285,000</u>	<u>183,944</u>	<u>101,056</u>
Net Change in Fund Balance	<u>\$ -</u>	128,613	<u>\$ 128,613</u>
Fund Balance at Beginning of Year		<u>303,150</u>	
Fund Balance at End of Year		<u>\$ 431,763</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, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
General Administration			
Unemployment Claims	20,000	-	20,000
Total Expenditures	20,000	-	20,000
Net Change in Fund Balance	\$ (20,000)	-	\$ 20,000
Fund Balance at Beginning of Year		34,446	
Fund Balance at End of Year		\$ 34,446	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND - EQUIPMENT REPLACEMENT ACCOUNT
 Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 400,000	\$ 400,000	\$ 436,275	\$ 36,275
Fines and Forfeitures	<u>50,000</u>	<u>50,000</u>	<u>4,257</u>	<u>(45,743)</u>
Total Revenues	<u>450,000</u>	<u>450,000</u>	<u>440,532</u>	<u>(9,468)</u>
Expenditures				
Current:				
Public Safety	419,000	418,900	997,031	(578,031)
Highway and Streets	93,000	93,000	83,302	9,698
Sanitation	<u>-</u>	<u>100</u>	<u>50</u>	<u>(50)</u>
Total Expenditures	<u>512,000</u>	<u>512,000</u>	<u>1,080,383</u>	<u>(568,383)</u>
Net Change in Fund Balance	<u>\$ (62,000)</u>	<u>\$ (62,000)</u>	(639,851)	<u>\$ (577,851)</u>
Fund Balance at Beginning of Year			<u>1,659,551</u>	
Fund Balance at End of Year			<u>\$ 1,019,700</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, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 2,500,000	\$ 2,313,226	\$ (186,774)
Investment Income	<u>-</u>	<u>65</u>	<u>65</u>
Total Revenues	<u>2,500,000</u>	<u>2,313,291</u>	<u>(186,709)</u>
Expenditures			
Current:			
General Administration	<u>3,018,000</u>	<u>2,172,320</u>	<u>845,680</u>
Total Expenditures	<u>3,018,000</u>	<u>2,172,320</u>	<u>845,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(518,000)</u>	<u>140,971</u>	<u>658,971</u>
Other Financing Sources (Uses)			
Transfers In	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Net Change in Fund Balance	<u>\$ (518,000)</u>	<u>141,971</u>	<u>\$ 659,971</u>
Fund Balance at Beginning of Year		<u>2,130,124</u>	
Fund Balance at End of Year		<u>\$ 2,272,095</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 HILLSIDE 2017 PROJECT FUND
 Year Ended April 30, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment Income	\$ -	\$ 103	\$ 103
Total Revenues	<u>-</u>	<u>103</u>	<u>103</u>
Expenditures			
Current:			
General Administration	2,163,000	797,793	1,365,207
Debt Service - Interest and Fees	<u>-</u>	<u>111,262</u>	<u>(111,262)</u>
Total Expenditures	<u>2,163,000</u>	<u>909,055</u>	<u>1,253,945</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,163,000)</u>	<u>(908,952)</u>	<u>1,254,048</u>
Other Financing Sources (Uses)			
Bond Proceeds	-	3,075,000	3,075,000
Bond Premium	<u>-</u>	<u>302,266</u>	<u>302,266</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,377,266</u>	<u>3,377,266</u>
Net Change in Fund Balance	<u>\$ (2,163,000)</u>	2,468,314	<u>\$ 4,631,314</u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		<u>\$ 2,468,314</u>	

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

The Roosevelt Road TIF Fund accounts for redevelopment costs within the Roosevelt Road tax increment district.

VILLAGE OF HILLSIDE, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
April 30, 2018

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	
	Motor Fuel Tax Fund	Disposal Service Fund	E 911 Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Roosevelt Road TIF Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash & Investments	\$1,746,282	\$ -	\$ 390,250	\$2,136,532	\$ 292,795	\$ 190,054	\$ 2,619,381
Receivables							
Property Taxes	-	343,552	-	343,552	318,306	-	661,858
Intergovernmental	35,864	-	-	35,864	-	-	35,864
Prepays	38,144	-	-	38,144	-	-	38,144
Total Assets	<u>\$1,820,290</u>	<u>\$ 343,552</u>	<u>\$ 390,250</u>	<u>\$2,554,092</u>	<u>\$ 611,101</u>	<u>\$ 190,054</u>	<u>\$ 3,355,247</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ -	\$ 48,098	\$ 7,941	\$ 56,039	\$ -	\$ -	\$ 56,039
Due to Other Funds	-	14,479	-	14,479	-	-	14,479
Total Liabilities	<u>-</u>	<u>62,577</u>	<u>7,941</u>	<u>70,518</u>	<u>-</u>	<u>-</u>	<u>70,518</u>
Deferred Inflows of Resources							
Property Taxes	-	343,552	-	343,552	318,306	-	661,858
Fund Balances							
Restricted							
Streets and Highways	1,820,290	-	-	1,820,290	-	-	1,820,290
Public Safety	-	-	382,309	382,309	-	-	382,309
Debt Service	-	-	-	-	292,795	-	292,795
Economic Development	-	-	-	-	-	190,054	190,054
Unassigned	-	(62,577)	-	(62,577)	-	-	(62,577)
Total Fund Balances	<u>1,820,290</u>	<u>(62,577)</u>	<u>382,309</u>	<u>2,140,022</u>	<u>292,795</u>	<u>190,054</u>	<u>2,622,871</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$1,820,290</u>	<u>\$ 343,552</u>	<u>\$ 390,250</u>	<u>\$2,554,092</u>	<u>\$ 611,101</u>	<u>\$ 190,054</u>	<u>\$ 3,355,247</u>

VILLAGE OF HILLSIDE, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2018

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total
	Motor Fuel Tax Fund	Disposal Service Fund	E 911 Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Roosevelt Road TIF Fund	Nonmajor Governmental Funds
Revenues							
Property Taxes	\$ -	\$ 621,095	\$ -	\$ 621,095	\$ 588,895	\$ -	\$ 1,209,990
Taxes	-	-	102,351	102,351	-	-	102,351
Intergovernmental Revenues	207,356	-	-	207,356	-	-	207,356
Investment Income	4,901	-	-	4,901	-	1,785	6,686
Total Revenues	<u>212,257</u>	<u>621,095</u>	<u>102,351</u>	<u>935,703</u>	<u>588,895</u>	<u>1,785</u>	<u>1,526,383</u>
Expenditures							
Current:							
General Administration	-	-	-	-	-	980,566	980,566
Public Safety	-	-	40,612	40,612	-	-	40,612
Sanitation	-	639,280	-	639,280	-	-	639,280
Debt Service - Principal	205,000	-	-	205,000	510,000	-	715,000
Debt Service - Interest and Fees	78,376	-	-	78,376	75,428	-	153,804
Total Expenditures	<u>283,376</u>	<u>639,280</u>	<u>40,612</u>	<u>963,268</u>	<u>585,428</u>	<u>980,566</u>	<u>2,529,262</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(71,119)</u>	<u>(18,185)</u>	<u>61,739</u>	<u>(27,565)</u>	<u>3,467</u>	<u>(978,781)</u>	<u>(1,002,879)</u>
Other Financing Sources (Uses)							
Bond Proceeds	1,635,000	-	-	1,635,000	-	-	1,635,000
Bond Premium	151,491	-	-	151,491	-	-	151,491
Transfers (Out)	-	-	-	-	-	(1,000)	(1,000)
Total Other Financing Sources (Uses)	<u>1,786,491</u>	<u>-</u>	<u>-</u>	<u>1,786,491</u>	<u>-</u>	<u>(1,000)</u>	<u>1,785,491</u>
Net Change in Fund Balances	<u>1,715,372</u>	<u>(18,185)</u>	<u>61,739</u>	<u>1,758,926</u>	<u>3,467</u>	<u>(979,781)</u>	<u>782,612</u>
Fund Balance at Beginning of Year	<u>104,918</u>	<u>(44,392)</u>	<u>320,570</u>	<u>381,096</u>	<u>289,328</u>	<u>1,169,835</u>	<u>1,840,259</u>
Fund Balance at End of Year	<u>\$1,820,290</u>	<u>\$ (62,577)</u>	<u>\$ 382,309</u>	<u>\$ 2,140,022</u>	<u>\$ 292,795</u>	<u>\$ 190,054</u>	<u>\$ 2,622,871</u>

VILLAGE OF HILLSIDE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
MOTOR FUEL TAX FUND
Year Ended April 30, 2018

	Original & Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental Revenues	\$ 240,000	\$ 207,356	\$ (32,644)
Investment Income	-	4,901	4,901
Total Revenues	<u>240,000</u>	<u>212,257</u>	<u>(27,743)</u>
Expenditures			
Current:			
Highways and Streets			
Street Resurfacing Project	1,625,000	-	1,625,000
Debt Service - Principal	205,000	205,000	-
Debt Service - Interest and Fees	60,500	78,376	(17,876)
Total Expenditures	<u>1,890,500</u>	<u>283,376</u>	<u>1,607,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,650,500)</u>	<u>(71,119)</u>	<u>1,634,867</u>
Other Financing Sources (Uses)			
Bond Proceeds	-	1,635,000	1,635,000
Bond Premium	-	151,491	151,491
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,786,491</u>	<u>1,786,491</u>
Net Change in Fund Balance	<u>\$ (1,650,500)</u>	<u>1,715,372</u>	<u>\$ 3,365,872</u>
Fund Balance at Beginning of Year		<u>104,918</u>	
Fund Balance at End of Year		<u>\$ 1,820,290</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, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 580,000	\$ 621,095	\$ 41,095
Total Revenues	<u>580,000</u>	<u>621,095</u>	<u>41,095</u>
Expenditures			
Current:			
Sanitation	<u>660,000</u>	<u>639,280</u>	<u>20,720</u>
Total Expenditures	<u>660,000</u>	<u>639,280</u>	<u>20,720</u>
Net Change in Fund Balance	<u>\$ (80,000)</u>	(18,185)	<u>\$ 61,815</u>
Fund Balance at Beginning of Year		<u>(44,392)</u>	
Fund Balance at End of Year		<u>\$ (62,577)</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 E 911 FUND
 Year Ended April 30, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Taxes	\$ 110,000	\$ 102,351	\$ (7,649)
Total Revenues	<u>110,000</u>	<u>102,351</u>	<u>(7,649)</u>
Expenditures			
Current:			
Public Safety	<u>246,000</u>	<u>40,612</u>	<u>205,388</u>
Total Expenditures	<u>246,000</u>	<u>40,612</u>	<u>205,388</u>
Net Change in Fund Balance	<u>\$ (136,000)</u>	61,739	<u>\$ 197,739</u>
Fund Balance at Beginning of Year		<u>320,570</u>	
Fund Balance at End of Year		<u>\$ 382,309</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, 2018

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 600,000	\$ 588,895	\$ (11,105)
Total Revenues	<u>600,000</u>	<u>588,895</u>	<u>(11,105)</u>
Expenditures			
Debt Service - Principal	510,000	510,000	-
Debt Service - Interest and Fees	<u>111,500</u>	<u>75,428</u>	<u>36,072</u>
Total Expenditures	<u>621,500</u>	<u>585,428</u>	<u>36,072</u>
Net Change in Fund Balance	<u>\$ (21,500)</u>	3,467	<u>\$ 24,967</u>
Fund Balance at Beginning of Year		<u>289,328</u>	
Fund Balance at End of Year		<u>\$ 292,795</u>	

VILLAGE OF HILLSIDE, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 ROOSEVELT ROAD TIF FUND
 Year Ended April 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Property Taxes	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Investment Income	<u>4,000</u>	<u>4,000</u>	<u>1,785</u>	<u>(2,215)</u>
Total Revenues	<u>104,000</u>	<u>104,000</u>	<u>1,785</u>	<u>(102,215)</u>
Expenditures				
Current:				
General Administration	<u>2,979,500</u>	<u>2,978,500</u>	<u>980,566</u>	<u>1,997,934</u>
Total Expenditures	<u>2,979,500</u>	<u>2,978,500</u>	<u>980,566</u>	<u>1,997,934</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,875,500)</u>	<u>(2,874,500)</u>	<u>(978,781)</u>	<u>1,895,719</u>
Other Financing Sources (Uses)				
Transfers Out	<u>-</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,875,500)</u>	<u>\$ (2,875,500)</u>	<u>(979,781)</u>	<u>\$ 1,895,719</u>
Fund Balance at Beginning of Year			<u>1,169,835</u>	
Fund Balance at End of Year			<u>\$ 190,054</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 POSITION
 PENSION TRUST FUNDS
 April 30, 2018

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ASSETS			
Cash & Investments			
Money Markets	\$ 160,336	\$ 1,679,569	\$ 1,839,905
U.S. Government and Agency Obligations	8,287,494	2,530,390	10,817,884
Mutual Funds	8,529,839	5,135,046	13,664,885
Stocks	-	893,655	893,655
State and Local Obligations	1,462,808	-	1,462,808
Corporate Fixed Income	-	1,201,161	1,201,161
Total Cash & Investments	<u>18,440,477</u>	<u>11,439,821</u>	<u>29,880,298</u>
Receivables			
Interest Receivable	80,170	17,187	97,357
Due from Primary Government	79,752	109,204	188,956
Total Receivables	<u>159,922</u>	<u>126,391</u>	<u>286,313</u>
Prepays	<u>4,382</u>	<u>10,460</u>	<u>14,842</u>
Total Assets	<u>18,604,781</u>	<u>11,576,672</u>	<u>30,181,453</u>
LIABILITIES			
Accounts Payable	<u>7,161</u>	<u>1,940</u>	<u>9,101</u>
Total Liabilities	<u>7,161</u>	<u>1,940</u>	<u>9,101</u>
NET POSITION			
Restricted for Pensions	<u>\$ 18,597,620</u>	<u>\$ 11,574,732</u>	<u>\$ 30,172,352</u>

VILLAGE OF HILLSIDE, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 Year ended April 30, 2018

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ADDITIONS			
Contributions			
Employer	\$ 1,445,650	\$ 1,050,597	\$ 2,496,247
Plan Members	<u>235,170</u>	<u>221,054</u>	<u>456,224</u>
Total Contributions	<u>1,680,820</u>	<u>1,271,651</u>	<u>2,952,471</u>
Investment Income			
Interest and dividends	268,984	264,743	533,727
Net increase (decrease) in fair value	738,986	463,987	1,202,973
Less investment expense	<u>(73,923)</u>	<u>(25,883)</u>	<u>(99,806)</u>
Net Investment Income	<u>934,047</u>	<u>702,847</u>	<u>1,636,894</u>
Total Additions	<u>2,614,867</u>	<u>1,974,498</u>	<u>4,589,365</u>
DEDUCTIONS			
Benefits	1,988,076	1,107,031	3,095,107
Administrative Expenses	<u>48,610</u>	<u>37,964</u>	<u>86,574</u>
Total Deductions	<u>2,036,686</u>	<u>1,144,995</u>	<u>3,181,681</u>
Change in Net Position	578,181	829,503	1,407,684
Net Position at Beginning of Year	<u>18,019,439</u>	<u>10,745,229</u>	<u>28,764,668</u>
Net Position at End of Year	<u>\$ 18,597,620</u>	<u>\$ 11,574,732</u>	<u>\$ 30,172,352</u>

STATISTICAL SECTION

Statistical Section

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

Contents

Tables

Financial Trends

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These Tables contain trend information to help the reader understand how the Village'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 Village'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 Village's current levels of outstanding debt and the Village'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 Village'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 Village's operations and resources to help the reader understand how the Village's financial information relates to the services the Village 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.*

Village of Hillside
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental activities			
Net investment in capital assets	\$ 16,176,087	\$ 19,110,583	\$ 18,973,640
Restricted	8,166,958	4,494,639	5,475,750
Unrestricted	<u>(43,872,997)</u>	<u>(39,318,299)</u>	<u>(37,653,546)</u>
Total governmental activities net position	<u>\$ (19,529,952)</u>	<u>\$ (15,713,077)</u>	<u>\$ (13,204,156)</u>
Business-type activities			
Net investment in capital assets	\$ 4,685,612	\$ 4,830,904	\$ 4,977,322
Unrestricted	<u>5,251,147</u>	<u>5,502,326</u>	<u>5,369,034</u>
Total business-type activities net position	<u>\$ 9,936,759</u>	<u>\$ 10,333,230</u>	<u>\$ 10,346,356</u>
Primary government			
Net investment in capital assets	\$ 20,861,699	\$ 23,941,487	\$ 23,950,962
Restricted	8,166,958	4,494,639	5,475,750
Unrestricted	<u>(38,621,850)</u>	<u>(33,815,973)</u>	<u>(32,284,512)</u>
Total primary government net position	<u>\$ (9,593,193)</u>	<u>\$ (5,379,847)</u>	<u>\$ (2,857,800)</u>

Notes: Accrual basis of accounting

Source: CAFR

Table 1

Fiscal Year						
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 18,943,396	\$ 19,146,258	\$ 19,921,421	\$ 21,019,908	\$ 18,403,981	\$ 17,023,618	\$ 15,635,233
4,456,320	4,338,813	4,831,678	4,766,458	4,192,886	2,535,631	5,272,339
39,535	(1,077,647)	(2,363,880)	(2,814,260)	(4,195,682)	(3,810,770)	(4,316,639)
<u>\$ 23,439,251</u>	<u>\$ 22,407,424</u>	<u>\$ 22,389,219</u>	<u>\$ 22,972,106</u>	<u>\$ 18,401,185</u>	<u>\$ 15,748,479</u>	<u>\$ 16,590,933</u>
\$ 5,123,740	\$ 5,269,032	\$ 5,414,563	\$ 4,830,332	\$ 4,964,345	\$ 5,107,468	\$ 5,242,267
5,185,228	5,097,879	4,403,270	3,983,950	4,069,042	4,268,218	4,423,902
<u>\$ 10,308,968</u>	<u>\$ 10,366,911</u>	<u>\$ 9,817,833</u>	<u>\$ 8,814,282</u>	<u>\$ 9,033,387</u>	<u>\$ 9,375,686</u>	<u>\$ 9,666,169</u>
\$ 24,067,136	\$ 24,415,290	\$ 25,335,984	\$ 25,850,240	\$ 23,368,326	\$ 22,131,086	\$ 20,877,500
4,456,320	4,338,813	4,831,678	4,766,458	4,192,886	2,535,631	5,272,339
5,224,763	4,020,232	2,039,390	1,169,690	(126,640)	457,448	107,263
<u>\$ 33,748,219</u>	<u>\$ 32,774,335</u>	<u>\$ 32,207,052</u>	<u>\$ 31,786,388</u>	<u>\$ 27,434,572</u>	<u>\$ 25,124,165</u>	<u>\$ 26,257,102</u>

Village of Hillside
Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Expenses				
Governmental activities:				
General government	\$ 8,734,415	\$ 7,399,356	\$ 6,769,253	\$ 7,326,150
Public Safety	14,338,416	14,108,499	11,991,467	10,235,927
Streets	3,135,971	3,878,759	3,663,435	3,412,507
Culture & Recreation	52,687	52,825	50,400	82,022
Sanitation	639,330	603,187	617,133	611,693
Interest on Debt	241,591	100,526	118,706	136,405
Total governmental activities expenses	<u>27,142,410</u>	<u>26,143,152</u>	<u>23,210,394</u>	<u>21,804,704</u>
Business-type activities:				
Water	3,034,019	3,028,847	2,898,365	3,095,289
Sewer	403,704	64,331	98,312	95,285
Total business-type activities expenses	<u>3,437,723</u>	<u>3,093,178</u>	<u>2,996,677</u>	<u>3,190,574</u>
Total primary government expenses	<u>30,580,133</u>	<u>29,236,330</u>	<u>26,207,071</u>	<u>24,995,278</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	1,571,217	1,684,956	1,113,168	1,137,973
Public safety	1,121,360	1,425,082	1,865,432	1,800,684
Sanitation	-	-	-	-
Operating grants and contributions	235,605	1,880,553	1,067,332	1,156,054
Capital grants and contributions	-	-	-	160,881
Total governmental activities program revenues	<u>2,928,182</u>	<u>4,990,591</u>	<u>4,045,932</u>	<u>4,255,592</u>
Business-type activities:				
Charges for services:				
Water	2,825,488	2,867,922	2,847,196	2,910,681
Sewer	120,427	119,880	121,916	126,911
Total business-type activities program revenues	<u>2,945,915</u>	<u>2,987,802</u>	<u>2,969,112</u>	<u>3,037,592</u>
Total primary government program revenues	<u>5,874,097</u>	<u>7,978,393</u>	<u>7,015,044</u>	<u>7,293,184</u>
Net (Expense)/Revenue				
Governmental activities	(24,214,228)	(21,152,561)	(19,164,462)	(17,549,112)
Business-type activities	(491,808)	(105,376)	(27,565)	(152,982)
Total primary government net expense	<u>(24,706,036)</u>	<u>(21,257,937)</u>	<u>(19,192,027)</u>	<u>(17,702,094)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property Taxes	11,808,713	11,006,606	11,489,444	11,253,214
Taxes	6,889,247	6,515,374	7,206,753	6,293,146
Unrestricted Intergovernmental Revenue	1,127,387	991,710	1,000,788	928,657
Investment Income	129,579	57,548	15,960	5,357
Gain on sale of fixed assets	87,369	9,345	113	6,017
Miscellaneous	355,058	63,057	129,394	94,548
Transfers	-	-	-	-
Total governmental activities	<u>20,397,353</u>	<u>18,643,640</u>	<u>19,842,452</u>	<u>18,580,939</u>
Business-type activities:				
Property Taxes	95,337	92,250	96,763	95,039
Transfers	-	-	-	-
Total business-type activities	<u>95,337</u>	<u>92,250</u>	<u>96,763</u>	<u>95,039</u>
Total primary government	<u>20,492,690</u>	<u>18,735,890</u>	<u>19,939,215</u>	<u>18,675,978</u>
Change in Net Position				
Governmental activities	(3,816,875)	(2,508,921)	677,990	1,031,827
Business-type activities	(396,471)	(13,126)	69,198	(57,943)
Total primary government	<u>\$ (4,213,346)</u>	<u>\$ (2,522,047)</u>	<u>\$ 747,188</u>	<u>\$ 973,884</u>
Notes: Accrual basis of accounting				
Source: CAFR				

Fiscal Year					
<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 7,966,177	\$ 6,972,167	\$ 6,294,698	\$ 5,799,059	\$ 8,935,728	\$ 5,742,740
9,670,531	9,555,911	9,853,021	9,529,806	10,157,524	9,320,260
3,127,665	2,028,776	1,893,563	1,896,922	1,920,586	2,649,025
39,753	37,118	33,411	41,318	105,452	88,411
561,641	541,012	519,974	528,911	523,085	546,400
157,627	179,790	173,941	255,539	385,599	477,626
<u>21,523,394</u>	<u>19,314,774</u>	<u>18,768,608</u>	<u>18,051,555</u>	<u>22,027,974</u>	<u>18,824,462</u>
2,718,087	2,528,695	2,421,090	2,396,050	2,224,790	2,477,043
81,188	21,048	66,959	35,786	47,085	85,886
<u>2,799,275</u>	<u>2,549,743</u>	<u>2,488,049</u>	<u>2,431,836</u>	<u>2,271,875</u>	<u>2,562,929</u>
<u>24,322,669</u>	<u>21,864,517</u>	<u>21,256,657</u>	<u>20,483,391</u>	<u>24,299,849</u>	<u>21,387,391</u>
1,170,305	1,132,734	999,518	1,024,132	1,719,423	1,059,454
2,010,476	1,412,604	1,442,455	636,135	360,744	443,789
-	23,325	30	92,980	110,188	1,768
237,165	236,577	203,647	206,362	240,717	220,678
12,475	552	805,288	-	19,375	19,522
<u>3,430,421</u>	<u>2,805,792</u>	<u>3,450,938</u>	<u>1,959,609</u>	<u>2,450,447</u>	<u>1,745,211</u>
3,116,178	2,584,771	2,062,859	1,918,302	1,792,337	1,693,725
136,674	137,437	123,331	130,903	129,025	124,885
<u>3,252,852</u>	<u>2,722,208</u>	<u>2,186,190</u>	<u>2,049,205</u>	<u>1,921,362</u>	<u>1,818,610</u>
<u>6,683,273</u>	<u>5,528,000</u>	<u>5,637,128</u>	<u>4,008,814</u>	<u>4,371,809</u>	<u>3,563,821</u>
(18,092,973)	(16,508,982)	(15,317,670)	(16,091,946)	(19,577,527)	(17,079,251)
453,577	172,465	(301,859)	(382,631)	(350,513)	(744,319)
<u>(17,639,396)</u>	<u>(16,336,517)</u>	<u>(15,619,529)</u>	<u>(16,474,577)</u>	<u>(19,928,040)</u>	<u>(17,823,570)</u>
11,135,175	9,760,202	13,144,456	12,636,469	12,499,174	9,998,764
5,929,414	6,036,806	5,579,324	5,321,789	5,047,588	4,591,862
951,246	934,520	845,999	806,252	768,939	889,563
7,435	13,423	11,250	9,386	105,762	163,648
19,969	-	26,111	-	1,756	180,075
67,939	16,003	279,239	404,092	311,854	472,452
-	(744,302)	-	-	-	-
<u>18,111,178</u>	<u>16,016,652</u>	<u>19,886,379</u>	<u>19,177,988</u>	<u>18,735,073</u>	<u>16,296,364</u>
95,501	86,784	82,754	48,237	60,030	49,494
-	744,302	-	-	-	-
<u>95,501</u>	<u>831,086</u>	<u>82,754</u>	<u>48,237</u>	<u>60,030</u>	<u>49,494</u>
<u>18,206,679</u>	<u>16,847,738</u>	<u>19,969,133</u>	<u>19,226,225</u>	<u>18,795,103</u>	<u>16,345,858</u>
18,205	(492,330)	4,568,709	3,086,042	(842,454)	(782,887)
549,078	1,003,551	(219,105)	(334,394)	(290,483)	(694,825)
<u>\$ 567,283</u>	<u>\$ 511,221</u>	<u>\$ 4,349,604</u>	<u>\$ 2,751,648</u>	<u>\$ (1,132,937)</u>	<u>\$ (1,477,712)</u>

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

	Fiscal Year			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund				
Reserved				
Unreserved				
Nonspendable	\$ 1,096,079	\$ 3,915	\$ 16,334	\$ 365,645
Restricted	771,768	583,957	440,109	170,864
Unassigned	<u>5,692,569</u>	<u>8,686,906</u>	<u>7,947,656</u>	<u>5,589,212</u>
Total general fund	<u>\$ 7,560,416</u>	<u>\$ 9,274,778</u>	<u>\$ 8,404,099</u>	<u>\$ 6,125,721</u>
All Other Governmental Funds				
Unreserved, designated				
Unreserved, reported in:				
Special service funds				
Capital projects funds				
Debt service funds				
Restricted	\$ 7,425,857	\$ 4,014,775	\$ 5,878,590	\$ 5,883,574
Unassigned	<u>(62,577)</u>	<u>(44,392)</u>	<u>(20,215)</u>	<u>-</u>
Total all other governmental funds	<u>\$ 7,363,280</u>	<u>\$ 3,970,383</u>	<u>\$ 5,858,375</u>	<u>\$ 5,883,574</u>

Note: Modified accrual basis of accounting

Note: The change in the classifications of fund balance amounts in 2012 is the result of the implementation of GASB Statement 54. Amounts prior to 2012 have not been restated.

Source: CAFR

Table 3

Fiscal Year					
<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
			\$ 230,560	\$ 54,880	\$ 120,280
			<u>281,883</u>	<u>518,456</u>	<u>(799,071)</u>
\$ 163,031	\$ 158,865	\$ 173,411			
142,149	109,500	141,016			
<u>4,945,695</u>	<u>3,706,713</u>	<u>2,669,397</u>			
<u>\$ 5,250,875</u>	<u>\$ 3,975,078</u>	<u>\$ 2,983,824</u>	<u>\$ 512,443</u>	<u>\$ 573,336</u>	<u>\$ (678,791)</u>
			\$ -	\$ -	\$ 202,000
			2,086,552	1,602,842	1,317,896
			3,176,456	1,885,003	4,904,919
			<u>714,998</u>	<u>718,395</u>	<u>357,135</u>
\$ 6,330,855	\$ 7,795,752	\$ 9,474,526			
-	-	-			
<u>\$ 6,330,855</u>	<u>\$ 7,795,752</u>	<u>\$ 9,474,526</u>	<u>\$ 5,978,006</u>	<u>\$ 4,206,240</u>	<u>\$ 6,781,950</u>

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

	Fiscal Year			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues				
Taxes	\$ 18,386,501	\$ 17,403,371	\$ 18,714,431	\$ 17,546,360
Intergovernmental	1,650,850	2,540,441	2,232,808	2,080,904
Licenses, fees, and permits	381,879	252,877	266,139	282,049
Charges for services	501,337	413,482	440,420	412,714
Fines and Forfeitures	1,268,151	1,554,239	2,018,041	1,963,519
Investment earnings	129,579	57,548	15,960	5,357
Other revenues	<u>896,268</u>	<u>952,497</u>	<u>383,394</u>	<u>374,923</u>
Total revenues	<u>23,214,565</u>	<u>23,174,455</u>	<u>24,071,193</u>	<u>22,665,826</u>
Expenditures				
General Administration	9,456,749	7,507,660	6,538,190	7,268,378
Public Safety	11,803,062	11,426,573	10,366,548	10,228,430
Highway and Streets	3,872,973	3,825,007	3,465,030	3,227,744
Sanitation	639,330	603,187	617,133	611,693
Culture and Recreation	34,976	31,353	26,138	57,680
Debt service				
Principal	715,000	695,000	675,000	702,718
Interest	<u>265,066</u>	<u>112,333</u>	<u>130,088</u>	<u>147,635</u>
Total expenditures	<u>26,787,156</u>	<u>24,201,113</u>	<u>21,818,127</u>	<u>22,244,278</u>
Excess of revenues over (under) expenditures	<u>(3,572,591)</u>	<u>(1,026,658)</u>	<u>2,253,066</u>	<u>421,548</u>
Other Financing Sources (Uses)				
Proceeds from Issuance of Debt	5,163,757	-	-	-
Sale of Capital Assets	87,369	9,345	113	6,017
Transfers in	1,000	130,785	2,132,832	8,320
Transfers out	<u>(1,000)</u>	<u>(130,785)</u>	<u>(2,132,832)</u>	<u>(8,320)</u>
Total other financing sources (uses)	<u>5,251,126</u>	<u>9,345</u>	<u>113</u>	<u>6,017</u>
Net change in fund balances	<u>\$ 1,678,535</u>	<u>\$ (1,017,313)</u>	<u>\$ 2,253,179</u>	<u>\$ 427,565</u>
Debt service as a percentage of noncapital expenditures	3.7%	3.4%	3.8%	3.9%

Note: Modified accrual basis of accounting
Source: CAFR

Table 4

Fiscal Year					
<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 17,042,682	\$ 15,773,405	\$ 18,714,992	\$ 17,952,910	\$ 17,641,771	\$ 14,485,383
1,188,411	1,171,649	1,857,146	1,014,114	1,013,806	1,131,263
294,866	318,427	165,455	256,680	235,762	238,213
355,695	431,820	356,307	399,857	1,164,084	312,366
2,186,324	1,575,885	1,591,789	784,272	485,905	520,318
7,435	13,423	11,250	9,386	105,762	163,648
411,835	258,534	607,691	715,030	614,958	905,066
<u>21,487,248</u>	<u>19,543,143</u>	<u>23,304,630</u>	<u>21,132,249</u>	<u>21,262,048</u>	<u>17,756,257</u>
7,540,105	7,225,126	6,944,766	5,306,145	8,470,323	5,622,167
9,727,666	8,908,805	10,520,551	9,057,067	9,047,751	9,848,322
2,930,524	1,881,248	1,770,399	1,636,542	1,607,170	2,315,738
561,641	541,012	519,974	528,911	523,085	546,400
29,086	26,451	20,884	23,514	75,692	105,895
738,593	733,528	2,538,702	2,594,207	2,479,921	2,295,867
168,702	170,191	173,408	281,253	383,445	470,726
<u>21,696,317</u>	<u>19,486,361</u>	<u>22,488,684</u>	<u>19,427,639</u>	<u>22,587,387</u>	<u>21,205,115</u>
<u>(209,069)</u>	<u>56,782</u>	<u>815,946</u>	<u>1,704,610</u>	<u>(1,325,339)</u>	<u>(3,448,858)</u>
-	-	5,100,000	-	-	-
19,969	-	51,955	6,263	1,756	180,075
47,272	39,587	100,906	1,063,789	1,015,385	45,525
<u>(47,272)</u>	<u>(783,889)</u>	<u>(100,906)</u>	<u>(1,063,789)</u>	<u>(1,015,385)</u>	<u>(45,525)</u>
<u>19,969</u>	<u>(744,302)</u>	<u>5,151,955</u>	<u>6,263</u>	<u>1,756</u>	<u>180,075</u>
<u>\$ (189,100)</u>	<u>\$ (687,520)</u>	<u>\$ 5,967,901</u>	<u>\$ 1,710,873</u>	<u>\$ (1,323,583)</u>	<u>\$ (3,268,783)</u>
4.4%	5.2%	12.1%	14.8%	13.4%	17.8%

Table 5

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

Fiscal Year	Property ^a	Sales & Use	Utility	Franchise	Property Transfer	Hotel Motel	Other	Total
2018	\$ 11,808,713	\$ 4,803,857	\$ 805,123	\$ 92,115	\$ 195,951	\$ 464,171	\$ 216,571	\$ 18,386,501
2017	11,006,606	4,746,997	820,943	91,960	148,250	364,226	224,389	\$ 17,403,371
2016	11,489,444	5,059,449	816,141	89,063	703,080	448,230	109,024	18,714,431
2015	11,253,214	4,400,222	868,597	84,885	404,442	430,457	104,543	17,546,360
2014	11,135,175	4,190,731	933,571	79,339	226,761	390,606	86,499	17,042,682
2013	9,760,202	3,954,855	973,826	78,859	565,645	381,751	58,267	15,773,405
2012	13,144,456	3,858,290	1,035,973	77,056	211,360	334,674	53,183	18,714,992
2011	12,636,469	3,614,290	1,050,973	75,599	229,542	292,412	53,625	17,952,910
2010	12,499,174	3,470,059	1,088,752	71,770	221,352	240,836	49,828	17,641,771
2009	9,998,764	2,747,733	1,193,140	74,134	239,722	177,985	53,905	14,485,383
Change 2009-2018	18.1%	74.8%	-32.5%	24.3%	-18.3%	160.8%	301.8%	26.9%

Notes:

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

Source: CAFR

Modified accrual basis of accounting

Table 6

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
2018	2017	\$ 95,189,705	\$ 77,473,462	\$ 47,315,612	\$ 190,254	\$ 220,169,033	\$ 4.857	\$ 660,507,099	33.33%
2017	2016	80,985,578	71,433,224	43,487,347	234,456	196,140,605	5.096	588,421,815	33.33%
2016	2015	76,983,032	68,413,187	44,159,446	191,500	189,747,165	5.079	569,241,495	33.33%
2015	2014	78,722,411	65,516,394	46,803,240	176,344	191,218,389	4.841	573,655,167	33.33%
2014	2013	82,818,443	45,710,231	72,309,300	130,360	200,968,334	4.425	602,905,002	33.33%
2013	2012	87,595,137	45,362,680	80,821,734	122,895	213,902,446	3.961	641,707,338	33.33%
2012	2011	96,463,240	50,035,290	83,712,512	100,416	230,311,458	3.610	690,934,374	33.33%
2011	2010	126,770,698	50,977,821	99,661,108	110,770	277,520,397	3.427	832,561,191	33.33%
2010	2009	123,866,896	53,209,711	106,576,715	106,223	283,759,545	3.146	851,278,635	33.33%
2009	2008	120,669,029	48,679,082	126,652,933	86,420	296,087,464	2.874	888,262,392	33.33%

Source: Office of the Cook County Clerk

Table 7

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Village Direct Rates</u>										
Village of Hillside	\$4.857	\$5.096	\$5.079	\$4.841	\$4.425	\$3.961	\$3.610	\$3.427	\$3.146	\$2.874
Village of Hillside Library Fund	0.555	0.595	0.586	0.554	0.503	0.450	0.405	0.320	0.299	0.273
Suburban TB Sanitarium	-	-	-	-	-	-	-	-	-	-
County of Cook	0.496	0.533	0.552	0.568	0.560	0.531	0.462	0.423	0.394	0.415
Consolidated Elections	0.031	-	0.034	-	0.031	-	0.025	-	0.021	-
Forest Preserve District of Cook County	0.062	0.063	0.069	0.069	0.069	0.063	0.058	0.051	0.049	0.051
Proviso Township	0.107	0.119	0.115	0.106	0.110	0.095	0.081	0.062	0.057	0.057
General Assistance - Proviso Township	0.053	0.059	0.057	0.053	0.052	0.045	0.038	0.031	0.033	0.033
Metropolitan Water Reclamation District	0.402	0.406	0.426	0.430	0.417	0.370	0.320	0.274	0.261	0.252
Community College District #504	0.306	0.330	0.352	0.336	0.325	0.269	0.267	0.225	0.214	0.212
Proviso Township High School #209	2.658	2.988	3.060	2.913	2.722	2.518	2.263	1.813	1.759	1.752
School District #93	2.358	2.625	2.695	2.543	2.401	2.230	1.980	1.643	1.567	1.433
Proviso Mental Health District	0.130	0.144	0.150	0.150	0.150	0.150	0.145	0.117	0.113	0.113
Des Plaines Valley Mosquito Abatement	0.015	0.017	0.017	0.016	0.016	0.015	0.014	0.011	0.011	0.012
Total Representative Tax Rate	<u>\$12.030</u>	<u>\$12.975</u>	<u>\$13.192</u>	<u>\$12.579</u>	<u>\$11.781</u>	<u>\$10.697</u>	<u>\$9.668</u>	<u>\$8.397</u>	<u>\$7.924</u>	<u>\$7.477</u>
<u>Additional Overlapping Tax Rates</u>										
School District #87	4.509	4.812	5.099	4.958	4.701	4.226	3.836	3.091	2.975	2.901
School District #88	4.507	4.911	4.888	4.759	4.376	4.036	3.620	2.930	2.813	2.664
School District #92 1/2	3.178	3.679	3.815	3.626	3.073	2.844	2.536	2.048	2.044	2.116
School District #93	2.358	2.625	2.695	2.543	2.401	2.230	1.980	1.643	1.567	1.433
Memorial Park District	0.607	0.669	0.676	0.657	0.610	0.560	0.508	0.413	0.401	0.395
Westchester Park District	0.355	0.408	0.422	0.406	0.381	0.357	0.315	0.264	0.257	0.219

Source: Cook County Clerk's Office

Table 8

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

Taxpayer	Tax Levy Year 2017			Tax Levy Year 2008		
	Taxable Equalized Assessed Value	Rank	Percentage of Total City Taxable Equalized Assessed Value	Taxable Equalized Assessed Value	Rank	Percentage of Total City Taxable Equalized Assessed Value
Bre Ddr Br Hillside II	\$ 11,614,117	1	5.28%			
Target Corp T 2490	9,984,018	2	4.53%			
Encore Realty Partners	6,008,101	3	2.73%	-	-	
Carmax	6,001,236	4	2.73%			
Crown Enterprises Inc	5,278,643	5	2.40%	\$ 8,347,911	2	2.82%
Chicago W Investment	5,177,138	6	2.35%			
Marc Realty	4,549,561	7	2.07%			
Markwell Hillside LLC	4,530,415	8	2.06%	8,143,987	3	2.75%
Warburg Storgemart	4,282,784	9	1.95%	6,723,218	7	2.27%
CPT Prime Industrial	3,833,814	10	1.74%			
Newcastle Partners				8,519,892	3	2.88%
Central Transport				7,873,593	4	2.66%
Realty Assoc Funds VII, VIII				7,680,022	5	2.59%
Partipilo Family Prtnrs				7,172,400	6	2.42%
Cambridge Realty				7,378,671	7	2.49%
Moore Wallace RRD Co.				5,980,353	8	2.02%
Congress Development				5,150,824	9	1.74%
Total	\$ 61,259,827		27.82%	\$ 72,970,872		24.65%
Total City Taxable Equalized Assessed Value	\$ 220,169,033			\$ 296,087,464		

Sources: Cook County Clerks Office

Table 9

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
2018	\$ 10,201,500	\$ 4,891,274	47.95%	\$ -	\$ 4,891,274	47.95%
2017	9,718,500	4,605,149	47.39%	\$ 4,699,550	9,304,699	95.74%
2016	9,351,500	4,797,419	51.30%	4,371,549	9,168,968	98.05%
2015	8,981,570	4,311,948	48.01%	4,260,533	8,572,481	95.45%
2014	8,622,770	4,187,067	48.56%	4,222,525	8,409,592	97.53%
2013	8,212,907	3,938,131	47.95%	4,013,497	7,951,628	96.82%
2012	8,059,267	4,629,850	57.45%	3,277,453	7,907,303	98.11%
2011	9,106,673	4,046,908	44.44%	4,871,165	8,918,073	97.93%
2010	8,638,052	4,083,415	47.27%	4,494,963	8,578,378	99.31%
2009	8,234,902	3,420,041	41.53%	4,792,641	8,212,682	99.73%

Sources: Cook County Clerks Office

Table 10

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

Fiscal Year	Governmental Activities	Accumulated Resources	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita	Governmental Activities		Total Debt Primary Government	Percentage of Personal Income	Per Capita
	Bonded Debt	Restricted to				Other Debt				
	General	Repaying the				Promissory	Installment			
	Obligation Bonds	Principal of Bonded Debt				Note	Note			
2018	\$ 7,514,535	\$ (262,128)	\$7,252,407	1.10%	\$ 889	\$ -	\$ -	7,514,535	5.5%	\$ 921
2017	3,082,288	(250,696)	2,831,592	0.48%	347	-	-	3,082,288	2.2%	\$ 378
2016	3,781,434	(262,994)	3,518,440	0.62%	431	-	-	3,781,434	2.7%	464
2015	4,460,418	(257,029)	4,203,389	0.73%	515	-	-	4,460,418	3.2%	547
2014	5,129,246	(266,658)	4,862,588	0.81%	596	37,718	-	5,166,964	3.7%	633
2013	5,777,924	(275,933)	5,501,991	0.86%	675	131,311	-	5,909,235	4.3%	724
2012	6,426,458	(348,359)	6,078,099	0.88%	745	219,839	-	6,646,297	4.8%	815
2011	3,769,388	(648,104)	3,121,284	0.37%	383	303,541	-	4,072,929	3.0%	499
2010	6,266,790	(608,189)	5,658,601	0.66%	694	382,748	-	6,649,538	4.8%	815
2009	8,653,957	(205,746)	8,448,211	0.95%	1,036	457,669	-	9,111,626	6.6%	1,117

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 General Obligation Bonded Debt(1)
 April 30, 2018
 (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	\$ 7,514,535	100.00%	\$ 7,514,535
Total Direct			<u>7,514,535</u>
<u>Overlapping:</u>			
County of Cook	3,085,186,750	0.15%	4,511,387
Forest Preserve District of Cook County	150,960,000	0.15%	220,745
Metropolitan Water Reclamation of Greater Chicago	2,480,560,091 (2)	0.15%	3,697,371
Memorial Park District	620,000 (3)	17.57%	108,924
Westchester Park District	539,720 (3)	1.57%	8,473
School District #87	10,025,000	8.90%	891,931
School District #88	31,997,099 (4)	6.81%	2,177,533
School District #92 1/2	12,625,000	1.53%	193,584
School District #93	2,020,000	50.20%	1,014,046
High School District 209	48,772,014 (4)	9.00%	4,390,179
Community College 504	- (3)	2.46%	-
Total Overlapping Bonded Debt			<u>17,214,174</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 24,728,709</u>

Notes:

- (1) Tax levy year 2017 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.

This schedule represents the Village's proportionate share of any overlapping governmental unit's outstanding debt. The percentage applicable to Hillside is computed by dividing Hillside's assessed valuation by the overlapping governmental unit's assessed valuation. Self-supporting debt is excluded.

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

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

	Fiscal Year				
	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 18,989,579	\$ 18,989,579	\$ 16,917,127	\$ 16,492,586	\$ 17,333,519
Total net debt applicable to limit	<u>7,070,000</u>	<u>3,075,000</u>	<u>3,770,000</u>	<u>4,445,000</u>	<u>5,110,000</u>
Legal debt margin	<u>\$ 11,919,579</u>	<u>\$ 15,914,579</u>	<u>\$ 13,147,127</u>	<u>\$ 12,047,586</u>	<u>\$ 12,223,519</u>
Total net debt applicable to the limit as a percentage of debt limit	37.23%	16.19%	22.29%	26.95%	29.48%

	Fiscal Year				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt limit	\$ 18,449,086	\$ 19,864,363	\$ 23,936,134	\$ 23,936,134	\$ 25,537,544
Total net debt applicable to limit	<u>5,755,000</u>	<u>6,400,000</u>	<u>3,755,000</u>	<u>6,270,000</u>	<u>8,675,000</u>
Legal debt margin	<u>\$ 12,694,086</u>	<u>\$ 13,464,363</u>	<u>\$ 20,181,134</u>	<u>\$ 17,666,134</u>	<u>\$ 16,862,544</u>
Total net debt applicable to the limit as a percentage of debt limit	31.19%	32.22%	15.69%	26.19%	33.97%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	\$ 220,169,033
Debt limit (8.625% of assessed value)	18,989,579
Debt applicable to limit:	<u>7,070,000</u>
Legal debt margin	<u>\$ 11,919,579</u>

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

Table 13

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
2018	8,157	\$ 137,770,510	\$ 16,894	33.0	12.7	2,018	3.2%
2017	8,157	137,770,510	16,894	33.0	12.7	2,018	3.2%
2016	8,157	137,770,510	16,894	33.0	12.7	2,018	3.2%
2015	8,157	137,770,570	16,894	33.0	12.7	2,018	3.2%
2014	8,157	137,770,570	16,894	33.0	12.7	2,018	3.2%
2013	8,157	137,770,570	16,894	33.0	12.7	2,018	3.2%
2012	8,157	137,770,570	16,894	33.0	12.7	2,018	3.2%
2011	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2010	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%
2009	8,155	137,770,570	16,894	33.0	12.7	2,018	3.2%

Sources: 2000 & 2010 Federal Census

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

<u>Employer</u>		2018			Percentage of Total City Employment
		<u>Employees</u>	<u>Data Source</u>	<u>Rank</u>	
Veterans Distribution of Chicago	Distribution & Delivery Services	400	(4)	1	10.6%
Orange Crush, LLC	Road Construction & Asphalt Material Supplier	235	(4)	2	6.3%
RTS Packaging LLC	Chipboard & Corrugated Packaging	200	(1)	3	5.3%
Admiral Heating & Ventilating	HVAC Contractors	200	(2)	3	5.3%
Darwill Printing	Printing Services	175	(1)	4	4.7%
Super Target	Department Store	150	(3)	5	4.0%
Medstar Laboratory	Medical Laboratory	120	(2)	6	3.2%
MTH Industries	Architectural Glass & Metal Contractor	115	(2)	7	3.1%
Best Western	Hotel	110	(3)	8	2.9%
Dynamic Mfg.	Rebuilt Automotive Transmissions	100	(1)	9	2.7%
Praxair Distribution, Inc.	Industrial Gases, Products & Services	100	(2)	9	2.7%
Car Max Auto Superstore	Automobile Dealer	100	(3)	9	2.7%
Total		<u>2,005</u>			<u>53.6%</u>

* The Illinois Department of Employment Security reports that 3,757 persons were employed in Hillside in 2017, the most recent information available.

2018 Data Sources**2009 Data Sources**

⁽¹⁾ 2018 Illinois Manufacturers' Directory ⁽⁴⁾ The information from 2009 is not available.

^{(2)(c)} 2017 Illinois Services Directory

⁽³⁾ ReferenceUSA.com

⁽⁴⁾ Employer Website

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

Function/Program	Full-time-Equivalent Employees as of April 30									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government										
Administration	8	7	7	7	7	7	7	8	9	9
Social Services	-	-	-	-	-	-	-	-	-	-
Public Safety										
Police										
Officers	25	25	25	25	25	25	25	27	27	28
Civilians	7	8	8	8	8	8	8	8	8	8
Fire										
Firefighters	25	25	23	23	20	21	21	22	23	25
Civilians	1	1	1	1	1	1	1	1	1	1
Streets (Public Works)										
Administration	3	3	3	3	3	3	3	3	3	3
Streets	4	3	3	3	3	3	3	3	3	3
Building Services	3	3	3	3	3	3	3	3	3	3
Water	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>
Total	<u>79</u>	<u>78</u>	<u>76</u>	<u>76</u>	<u>73</u>	<u>74</u>	<u>74</u>	<u>79</u>	<u>81</u>	<u>84</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.

Table 16

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

Function/Program	Fiscal Year									
	2017	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government										
Building permits issued	820	760	768	564	700	595	625	589	576	657
Building inspections conducted	2,460	2,057	2,119	1,623	1,932	1,807	1,874	1,767	1,296	1,993
Public Safety										
Police										
Calls for service	21,807	20,821	21,992	24,170	22,601	17,101	14,030	14,642	16,626	15,744
Physical arrests	247	310	344	344	364	627	435	518	669	470
Parking tickets	2,315	2,201	2,398	2,818	2,433	2,381	2,485	2,406	2,423	2,064
Traffic tickets	1,274	1,005	1,726	2,126	2,583	3,344	3,724	6,087	4,540	3,987
Fire										
Fire Calls	764	937	774	808	826	659	667	754	718	754
Ambulance Calls	1,456	1,459	1,674	1,489	1,379	1,448	1,501	1,382	1,247	1,387
ALS	658	639	694	643	556	624	596	559	488	531
BLS	463	371	460	369	329	350	406	329	303	292
Training Hours	14,600	10,231	11,328	11,140	9,006	6,623	5,684	4,775	5,410	6,155
Inspections Initial	623	235	263	132	139	126	155	99	99	290
Inspections Follow-Up	129	97	100	32	11	33	32	78	30	118
Streets (public works)										
Street resurfacing (miles)	1	2	-	1	-	-	-	-	-	-
Sewer Inspections Conducted	-	7	8	13	16	17	9	94	105	81
Library										
Volumes in collection	52,746	51,280	51,386	52,279	55,598	53,668	59,386	81,610	57,641	56,635
Total volumes borrowed	46,056	40,100	50,683	53,877	63,539	56,330	96,421	88,558	92,212	92,258
Water										
Meters Installed	96	139	140	201	224	211	29	16	27	16
Water main breaks	49	30	14	34	42	24	20	28	19	11
Average daily consumption (thousands of gallons)	904	905	723	1,120	923	980	1,055	1,061	981	730

Sources: Various Village departments.

Table 17

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

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	25	25	25	25	25	25	25	27	27	28
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	453	453	453	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.