

Village of Hillside, Illinois

Annual Comprehensive Financial Report



For the Year Ended April 30, 2023

VILLAGE OF HILLSIDE, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
April 30, 2023

Prepared By:

Administrative Department
Sandy Lozano, Village Treasurer
Joseph L. Pisano, Village Administrator
Joseph S. Beckwith, Assistant Village Administrator

VILLAGE OF HILLSIDE, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF HILLSIDE, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2023

VILLAGE MAYOR

Joseph Tamburino

BOARD OF TRUSTEES

David Delgado

Frank Lomeli

Claudell Johnson

Herman Walter Jr.

John Kramer

Marvin Watson

VILLAGE CLERK

Linda Gould

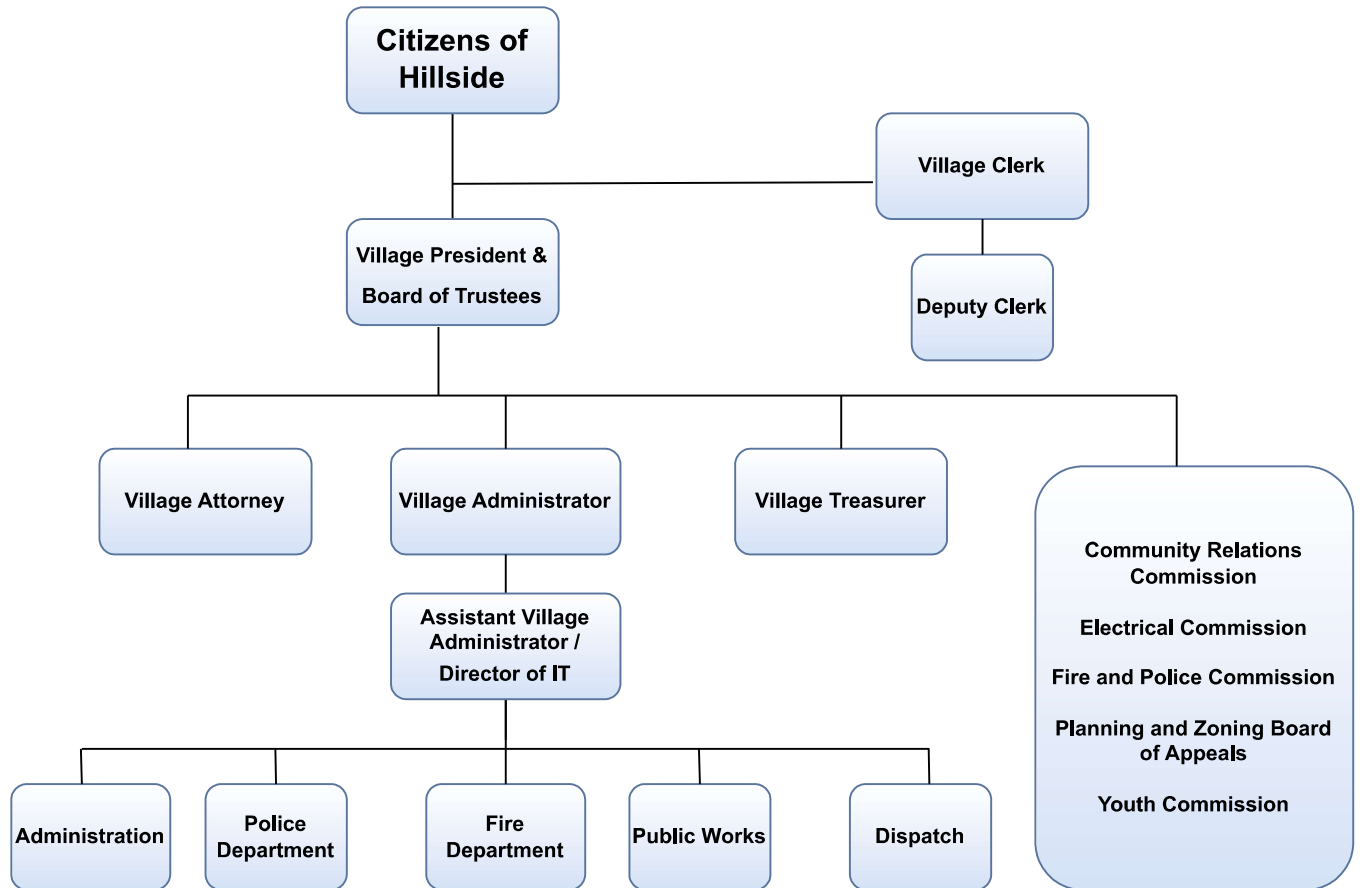
VILLAGE ADMINISTRATOR

Joe Pisano

VILLAGE TREASURER

Sandy Lozano

Village of Hillside, Illinois Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

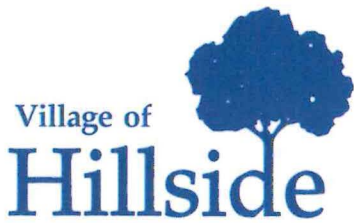
**Village of Hillside
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2022

Christopher P. Morill

Executive Director/CEO



President

Joseph T. Tamburino

Village Clerk

Linda L. Gould

October 19, 2023

Trustees

David V. Delgado
Claudell Johnson
John N. Kramer
Frank J. Lomeli, Sr.
Herman L. Walter, Jr.
Marvin A. Watson

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

Village Administrator

Joseph L. Pisano

**Assistant Village
Administrator**

Joseph Beckwith

The Annual Comprehensive Financial Report of the Village of Hillside, Illinois, for the fiscal year ending April 30, 2023, is submitted herewith. This report was prepared by the Village's Treasurer.

Village Treasurer

Sandy Lozano

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 annual comprehensive financial reporting of the Governmental Accounting Standards Board (GASB).

Village Attorney

Patrick E. Deady

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 report of the independent auditors.

REPORTING ENTITY

The Village of Hillside, a home rule community as defined by the Illinois Constitution, was incorporated in 1905 and is located approximately 15 miles west of the City of Chicago in Cook County. The Village encompasses an area of 3.15 square miles and has a population of 8,320 according to the 2020 census. The Village government is comprised of a Mayor (President) and six at large trustees. All serve four-year terms. The Village has a full-time Village Administrator, who is responsible for carrying out the policies and ordinances of the Village Board and overseeing the day-to-day operations of the Village.

The Village is a full-service community, providing the usual local governmental services, such as Police, Fire, Public Works, Street, Inspection Services, and a Consolidated Dispatch Center, known as Proviso Central. The Village currently employs approximately 86 full-time employees. The Hillside Public Library is not considered a component unit of the Village and is therefore separately reported.

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. As the Village moves forward with the rest of the nation exiting the COVID-19 environment of the past three years, the village was able to maintain service levels at pre-pandemic levels. The Village remains fortunate with a 1.05% growth on total tax categories an increase of \$194,495 from the prior fiscal year. The Village total tax revenues totaled \$18,543,006 for fiscal year 2023. The Village continues to see sales tax growth in fiscal year 2023 of 5.34%, an increase of \$325,267 from the prior fiscal year, the highest total sales tax revenues in the last ten years. 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 for the Village.

Hillside and Cook County continued recovering from the sudden and severe economic caused by the COVID-19 global pandemic. Hillside took advantage of any opportunity to apply for direct and indirect costs. The Village has received \$259,070 in FY2021 from The Coronavirus Aid, Relief, and Economic Security (CARES Act), a total of \$1,079,560 received in FY2022 and FY2023 from American Rescue Plan Act of 2022 (ARPA) and \$100,374 received in FY2023 from the Federal Emergency Management Agency (FEMA). The funds received from the CARES Act and FEMA were reimbursement for direct and indirect costs incurred in FY2021 and FY2022 related to COVID-19 expenses. The funds received from ARPA will be utilized to replace loss of revenue in FY2022 and FY2023.

Procedures have been put in place by all Departments, especially the Fire Department and Police Department. The front office has installed glass across the front counter to prevent the spread of COVID. Hand sanitizing stations have been installed throughout the building. Masks are no longer required to be worn in the building, but they are encouraged when needed. Police cars, Fire

apparatus and Public Works vehicles are sanitized regularly.

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 the 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. TIF – Roosevelt Road

- 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
 - A. Police Pension Fund
 - B. Firefighters’ Pension Fund

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 2023 and a comparison, where available, to performance in 2022, 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, *Fund Balance Reporting and Governmental Fund Type Definitions*, 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, *Financial Reporting for Pension Plans*, 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.

During fiscal year 2023, the Village implemented Governmental Accounting Standards Board Statement Number 87, *Leases*, which established a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset.

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 (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hillside for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2023. 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 annual comprehensive 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 GFOA to determine its eligibility for another certificate.

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


ACKNOWLEDGMENTS

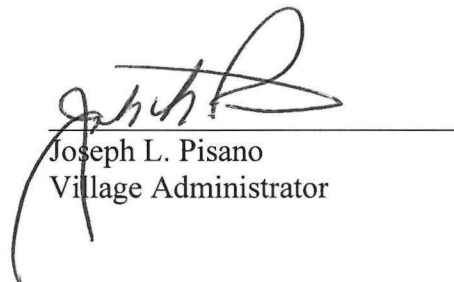
The preparation of this report could not have been accomplished without the dedicated services of the entire administrative staff and the Village Clerk. We would also like to express our appreciation to the accounting firm Sikich LLP for their proficiency, professionalism, and their assistance in the preparation of this report.

Finally, we would like to thank 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


Sandy Lozano
Village Treasurer


Joseph L. Pisano
Village Administrator

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Hillside, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hillside, Hillside, Illinois (the Village), as of and for the year ended April 30, 2023, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Hillside, Hillside, Illinois as of April 30, 2023, 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.

Change in Accounting Principle

The Village adopted GASB Statement No. 87, *Leases*, which established a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Our opinion is not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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 and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the 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.

The Village has omitted the schedule of investment returns for the Police Pension Fund and Firefighters' Pension Fund for April 30, 2016 that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the 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. Our opinion on the basic financial statements is not affected by this missing information.

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 combining and individual fund financial statements and schedules 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.

The 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
October 19, 2023

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable President
Members of the Board of Trustees
Village of Hillside, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hillside, Illinois (the Village) as of and for the year ended April 30, 2023, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated October 19, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
October 19, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2023

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, 2023 (FY2023). 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.

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 \$33,640,787 (net position).

The government's total net position increased by \$4,710,892 during FY2023. The governmental net position increased by \$4,978,436 from the year ended April 30, 2022 (FY2022), and the business-type activities net position decreased by \$267,544 from FY2022.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$25,145,643, which is an increase from the total combined FY2022 ending fund balance of \$20,067,069.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$11,492,316.

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.

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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 Roosevelt Road TIF 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.

RSI 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.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following chart reflects the condensed Statement of Net Position for fiscal years 2022 and 2023:

	Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Current/Other Assets	\$ 34,746,471	29,740,663	4,515,748	5,739,350	39,262,219	35,480,013
Capital Assets	26,955,069	27,759,249	5,128,542	4,382,793	32,083,611	32,142,042
Total Assets	<u>61,701,540</u>	<u>57,499,912</u>	<u>9,644,290</u>	<u>10,122,143</u>	<u>71,345,830</u>	<u>67,622,055</u>
Deferred Outflows of Resources	12,137,322	13,071,331	248,636	58,912	12,385,958	13,130,243
Total Assets and Deferred Outflows of Resources	<u>73,838,862</u>	<u>70,571,243</u>	<u>9,892,926</u>	<u>10,181,055</u>	<u>83,731,788</u>	<u>80,752,298</u>
Long-Term Liabilities	96,281,965	94,982,619	330,097	485,514	96,612,062	95,468,133
Other Liabilities	1,768,794	1,480,666	623,484	224,545	2,392,278	1,705,211
Total Liabilities	<u>98,050,759</u>	<u>96,463,285</u>	<u>953,581</u>	<u>710,059</u>	<u>99,004,340</u>	<u>97,173,344</u>
Deferred Inflows of Resources	18,287,680	21,585,971	80,555	344,662	18,368,235	21,930,633
Total Liabilities and Deferred Inflows of Resources	<u>116,338,439</u>	<u>118,049,256</u>	<u>1,034,136</u>	<u>1,054,721</u>	<u>117,372,575</u>	<u>119,103,977</u>
Net Position						
Net Investment in Capital Assets	22,554,323	22,591,754	5,128,542	4,382,793	27,682,865	26,974,547
Restricted	8,760,391	7,545,839	-	-	8,760,391	7,545,839
Unrestricted (Deficit)	<u>(73,814,291)</u>	<u>(77,615,606)</u>	<u>3,730,248</u>	<u>4,743,541</u>	<u>(70,084,043)</u>	<u>(72,872,065)</u>
Total Net Position	<u>(42,499,577)</u>	<u>(47,478,013)</u>	<u>8,858,790</u>	<u>9,126,334</u>	<u>(33,640,787)</u>	<u>(38,351,679)</u>

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. The net position of the Village's governmental activities has increased by .10 percent or \$4,978,436 compared to 2022, while net position of business-type activities decreased by 2.93 percent or \$267,544 over the same period.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Statement of Activities

The following chart reflects the condensed Statement of Activities for fiscal years 2022 and 2023:

	Change in Net Position					
	Governmental		Business-Type		Total	
	Activities	Activities	Activities	Activities	2023	2022
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 3,393,520	2,957,575	2,907,988	2,888,786	6,301,508	5,846,361
Operating Grants/Contrib.	957,384	814,343	-	-	957,384	814,343
Capital Grants/Contrib.	699,352	179,254	-	-	699,352	179,254
General Revenues						
Property Taxes	15,759,233	17,307,503	147,434	147,715	15,906,667	17,455,218
Sales and Local Use Taxes	6,402,081	6,161,551	-	-	6,402,081	6,161,551
Utility Taxes	771,457	787,553	-	-	771,457	787,553
Hotel/Motel Taxes	334,111	237,395	-	-	334,111	237,395
Other Taxes	473,974	747,010	-	-	473,974	747,010
Intergovernmental	2,607,314	2,288,787	-	-	2,607,314	2,288,787
Other General Revenues	1,016,400	374,323	-	-	1,016,400	374,323
Total Revenues	<u>32,414,826</u>	<u>31,855,294</u>	<u>3,055,422</u>	<u>3,036,501</u>	<u>35,470,248</u>	<u>34,891,795</u>
Expenses						
General Government	5,467,386	4,371,727	-	-	5,467,386	4,371,727
Highways and Streets	3,373,650	3,478,424	-	-	3,373,650	3,478,424
Public Safety	17,266,894	14,644,781	-	-	17,266,894	14,644,781
Water	-	-	3,124,475	2,886,504	3,124,475	2,886,504
Sewer	-	-	198,491	29,292	198,491	29,292
Interest on Long-Term Debt	938,527	1,061,816	-	-	938,527	1,061,816
Total Expenses	<u>27,046,457</u>	<u>23,556,748</u>	<u>3,322,966</u>	<u>2,915,796</u>	<u>30,369,423</u>	<u>26,472,544</u>
Change in Net Position	5,368,369	8,298,546	(267,544)	120,705	5,100,825	8,419,251
Net Position - Beginning	<u>(47,478,013)</u>	<u>(55,776,559)</u>	<u>9,126,334</u>	<u>9,005,629</u>	<u>(38,351,679)</u>	<u>(46,770,930)</u>
Change in accounting principle	(182,166)	-	-	-	(182,166)	-
Prior period adjustments	(207,767)	-	-	-	(207,767)	-
Net Position - Restated	<u>(47,867,946)</u>	<u>(55,776,559)</u>	<u>9,126,334</u>	<u>9,005,629</u>	<u>(38,741,612)</u>	<u>(46,770,930)</u>
Net Position - Ending	<u>(42,499,577)</u>	<u>(47,478,013)</u>	<u>8,858,790</u>	<u>9,126,334</u>	<u>(33,640,787)</u>	<u>(38,351,679)</u>

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities: Governmental activities increased the Village of Hillside's net position in FY2023 by \$4,978,436. Governmental fund performance during the fiscal year was a key contributor to the increase as overall governmental fund balance increased by \$5,078,574. This increase in fund balance/net position can be attributed to the following items:

- Recognition of American Plan Rescue Act (ARPA) and Federal Emergency Management Agency (FEMA) revenue received \$539,780 and \$100,374, respectively.
- Sales tax had an increase of 5.34% or \$325,267 due to a higher volume of purchase activity from the general population as concerns about the global pandemic have diminished.
- Hotel/motel Tax increase by 28.95% or \$96,716 compared to FY2022.
- The Village continued paying down long-term debt obligations which also contributes to the positive increase in net position. Principal payments of \$640,000 in General Obligation Bonds, \$1,700,000 in TIF Revenue Bonds and \$199,279 in Capital Lease Obligations.
- Factoring in the Village's actuarial impact of GASB 67/68 and GASB 75 activity for IMRF, Police Pension, Fire Pension and Other Postemployment Benefits, the aggregate impact was a negative decrease to net position of \$1,415,260.
- Spending compared to FY2022 was up during the fiscal year as the Village's governmental activities had a combined increase in expenses \$3,489,709 which primarily relates to the Village actively purchasing project that were on hold during the pandemic years.

Business-Type Activities: Business-Type activities did affect the Village of Hillside's net position in FY2023 by decreasing in the amount of \$267,544 from FY2022. This decrease in fund balance/net position can be attributed to the following items:

- This was the result of the costs of operating the water and sewer operations of the exceeding the Village user fees generated for operating these services. The user fee revenue had a slight increase of .66%. The aggregate increase in costs required to operate the Village utilities increased by \$407,170, 13.96% increase compared to FY2022.

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 \$25,145,643, an increase of \$5,078,574 in comparison to FY2022.

Approximately 45.25% of this amount, \$11,377,559, constitutes unassigned fund balance, which is available for spending at the government's discretion. 5.82% of fund balance is considered non-spendable for prepaid items, advances to other funds, and inventory. 34.84% of fund balance is considered restricted as these balances are subject to external restrictions, while the remaining 14.10% is assigned for capital projects and the following year's budget deficit.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Proprietary Funds: The Village of Hillside's proprietary funds provide the same type of information as 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 \$4,948,172 and those for the Sewer Fund amounted to \$3,910,618. The Water Fund had a decrease in net position of \$183,902, as well as the Sewer Fund had a decrease in net position of \$83,642.

The Water Fund reports approximately 98.33% of its net position as Net Investment in Capital Assets which represents the Water Fund's investment in infrastructure, equipment and other capital asset items necessary to operate the Utility, less any outstanding debt issued to acquire those assets. The remainder of its net position, roughly 1.67%, represents unrestricted amounts.

The Sewer Fund reports approximately 6.73% of its net position as Net Investment in Capital Assets which represents the Water Fund's investment in infrastructure, equipment and other capital asset items necessary to operate the Utility, less any outstanding debt issued to acquire those assets. This is significantly lower than the Water Fund as the Village outsources the majority of this operation to an external party. The remainder of its net position, roughly 93.27%, represents unrestricted amounts.

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GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule for the General Fund:

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 17,653,500	\$ 17,653,500	\$ 18,543,006
Licenses and permits	308,500	308,500	312,297
Charges for services	1,385,100	1,385,100	1,388,705
Fines and forfeits	1,205,100	1,205,100	1,096,442
Intergovernmental	3,439,500	3,439,500	4,602,891
Investment income	50,000	50,000	470,152
Miscellaneous	391,500	391,500	488,324
Total Revenues	24,433,200	24,433,200	26,901,817
EXPENDITURES			
Current			
General government	4,852,665	4,852,665	4,347,664
Highways and streets	3,228,925	3,228,925	2,625,592
Public safety	15,808,125	15,808,125	15,000,899
Capital outlay	2,206,100	2,206,100	1,001,936
Debt service			
Principal	158,581	158,581	199,279
Interest	14,419	14,419	14,419
Total Expenditures	26,268,815	26,268,815	23,189,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,835,615)	(1,835,615)	3,712,028
OTHER FINANCING SOURCES (USES)			
Lease issuance	-	-	125,700
Proceeds from sale of capital assets	10,000	10,000	-
Total other financing sources (uses)	10,000	10,000	125,700
NET CHANGE IN FUND BALANCES	(1,825,615)	(1,825,615)	3,837,728
FUND BALANCE, MAY 1			13,214,256
FUND BALANCE, APRIL 30			\$ 17,051,984

VILLAGE OF HILLSIDE, ILLINOIS
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GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

There were no General Fund budget amendments in fiscal year 2023. Village's budgeted revenues were \$2,468,617 more than actual revenues primarily due to the substantial increase in sales tax and investment income. Sales tax increased from \$5,768,643 in fiscal year 2022 to \$6,093,910 in fiscal year 2023, while investment income increased from \$11,982 in fiscal year 2022 to \$470,152 in fiscal year 2023. Additionally, the Village's intergovernmental revenue activity increased from \$3,462,735 in fiscal year 2022 to \$4,602,892 in fiscal year 2023. This is primarily attributable to the addition of new grant opportunities through FEMA (\$100,374) in fiscal year 2023 and a Firefighters' grant (\$641,558) in fiscal year 2023.

Expenditures were under budget by \$3,079,026 as the Village has continued to monitor spending and project costs. This directly resulted in less equipment being purchased as well as implementing a more strategic approach towards road maintenance projects where savings could be accessed. While the Village did spend below budget in fiscal year 2023, the Village did increase spending in the General Fund compared to fiscal year 2022. Total general government expenditures (mayor/village board, administration, zoning board of appeals, community relations commission, fire/police commission, youth commission, community center, senior citizen program, crossing guards, economic development, and general village expenditures) increased as a function from \$3,744,250 in fiscal year 2022 to \$4,347,664 in fiscal year 2023. The highways and streets function remained relatively consistent with fiscal year 2022 as expenditures were \$2,625,592 in fiscal year 2023 compared to \$2,267,171 in fiscal year 2022. The public safety function (police and fire services) increased from \$14,278,424 in fiscal year 2022 to \$15,000,899 in fiscal year 2023 – primarily due to the increased personnel costs associated with this function, in addition to the elevated costs of funding the defied pension benefit plans associated with the Police and Firefighters' Pension Funds.

MANNHEIM ROAD TAX INCREMENT FINANCING DISTRICT FUND

Mannheim Road Tax Increment Financing District Fund is a capital projects fund of the Village. This fund accounts for the redevelopment costs within the Mannheim Road tax increment financing district.

The Village had a fund balance of \$5,547,899 in its major capital project fund of which all is restricted for economic development. The fund saw an increase in fund balance of \$914,732 compared to FY2022 primarily due to a significant increase in property tax revenue of \$3,463,982, due to increased development and Equalized Assessed Values (EAV) from FY2022 to FY2023.

ROOSEVELT ROAD TAX INCREMENT FINANCING DISTRICT FUND

Roosevelt Road Tax Increment Financing District Fund is a capital projects fund of the Village. This fund accounts for the redevelopment costs within the Roosevelt Road tax increment financing district.

The fund is reporting a deficit fund balance of \$114,757 as of April 30, 2023. The fund saw an increase in fund balances of \$178,970 compared to FY2022 primarily due to a significant increase in property tax revenue of \$393,917, due to increased development and Equalized Assessed Values (EAV) from FY2022 to FY2023.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At April 30, 2023, the Village had the following capital assets:

	Capital Assets - Net of Accumulated Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Tangible capital assets not being depreciated						
Land	\$ 7,212,707	6,999,760	14,914	14,914	7,227,621	7,014,674
Land right-of-way	3,793,392	3,793,392	-	-	3,793,392	3,793,392
Tangible capital assets being depreciated						
Infrastructure	7,161,137	7,621,050	-	-	7,161,137	7,621,050
Building and Improvements	6,055,900	6,532,976	-	-	6,055,900	6,532,976
Vehicles	1,751,731	1,553,681	-	-	1,751,731	1,553,681
Equipment	545,274	1,258,390	10,654	16,152	555,928	1,274,542
Waterworks	-	-	5,102,974	4,351,727	5,102,974	4,351,727
Intangible capital assets being amortized						
Equipment	434,928	-	-	-	434,928	-
Total	26,955,069	27,759,249	5,128,542	4,382,793	32,083,611	32,142,042

For more detailed information related to capital assets, see Note 3 to the financial statements.

Debt Administration

At April 30, 2023, the Village had outstanding debt as follows:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022	2023	2022
General Obligation Bonds	\$ 3,590,000	4,230,000	-	-	3,590,000	4,230,000
Tax Increment Revenue Bonds	15,225,000	16,925,000	-	-	15,225,000	16,925,000
Premium on Bonds Payable	372,762	438,874	-	-	372,762	438,874
Lease Payable	437,984	511,563	-	-	437,984	511,563
Compensated Absences	2,295,025	2,118,920	73,739	89,345	2,368,764	2,208,265
Net Pension Liability - IMRF	1,230,163	-	193,558	-	1,423,721	-
Net Pension Liability - Police Pension	39,959,790	38,835,076	-	-	39,959,790	38,835,076
Net Pension Liability - Fire Pension	23,413,527	21,407,409	-	-	23,413,527	21,407,409
Other Postemployment Benefit Liability	9,757,714	10,528,719	356,187	396,169	10,113,901	10,924,888
Total	96,281,965	94,995,561	623,484	485,514	96,905,449	95,481,075

*Beginning balances for governmental activities were restated in connection with the implementation of GASB Statement No. 87, Leases.

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

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For more detailed information related to long-term debt, see Note 4 to the financial statements.

ECONOMIC FACTORS

Sales tax revenues saw an increase due to the recovery from the COVID-19 pandemic and the additional sales tax revenue generated from internet sales. The Village expects revenues to increase as economic conditions continue to improve. Hotel/motel tax also saw a substantial increase in revenue, an amount almost reaching pre-pandemic levels.

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

To help us meet our goals of economic development, the Village maintains membership in the West Central Municipal Conference. 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 or other economic development opportunities to occupy the vacant parcel. The pandemic and the supply chain shortages caused a shortage of used vehicles that helped CarMax post historic sales numbers.

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 40% 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. In 2018 the Village deployed electronic permit payments to the residents and contractors. It was a further step and a large part of the paperless initiative that was stated some years prior. In March of 2023 the Village expanded the paperless initiative to include more processes.

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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).

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.

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. Site development for the Hillside Town Center began in December 2007. The Super Target opened in March 2009, approximately 185,000 square feet. The Hillside Town Center currently has many shopping stores including Petco, Michaels, T Mobile, Vision Works, Game Stop, Home Goods, Ross Dress for Less, dd's Discounts, Five Below, Skechers Outlet, as well as Happy Nails Bar. Restaurants located in the Hillside Town Center include IHOP, Lawrence's Fish & Shrimp, Panda Express, Wingstop, Home Run Inn Pizza, Jimmy Johns, and Krispy Kreme. The development is currently 95% leased and 100% built out.

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.

The Village completed 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 was completed in the fall of 2017 with implementation to follow as developers come online.

The Village has been actively assembling residential properties in the TIF District that will be needed for water retention. The vision is to create a water detention area that will be an amenity to the neighborhood, in a park atmosphere, with walking / jogging trails around the small lake.

In May 2019, the Village entered into an agreement with Teska Associates, Inc. to study the feasibility of creating a TIF District to revitalize an older industrial area between Warren Avenue on the south, Butterfield/Washington Blvd. on the north, Mannheim Road on the east, and Forest Avenue on the west.

In January 2023, the Village of Hillside created a Tax Increment Financing (TIF) District in efforts to revitalize the property and allow the village's second largest employer to further expand and create over 200 high-quality manufacturing jobs. The North Mannheim Road Redevelopment Project Plan consists of two parcels located at 250 North Mannheim Road, approximately 10 acres in size.

VILLAGE OF HILLSIDE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2023

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 any of the information provided in this report or requests for additional information should be directed to the Village Treasurer, Village of Hillside, 425 N. Hillside Avenue, Hillside, Illinois 60162.

BASIC FINANCIAL STATEMENTS

VILLAGE OF HILLSIDE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 25,146,410	\$ 3,865,222	\$ 29,011,632
Receivables (net of allowances for uncollectibles)			
Property taxes	6,568,855	80,378	6,649,233
Accounts	100,001	549,294	649,295
Leases	1,059,773	-	1,059,773
Prepaid expenses	-	20,854	20,854
Inventory	6,714	-	6,714
Due from other governments	1,864,718	-	1,864,718
Capital assets			
Nondepreciable	11,006,099	14,914	11,021,013
Depreciable (net of accumulated depreciation and amortization)	15,948,970	5,113,628	21,062,598
Total assets	61,701,540	9,644,290	71,345,830
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	1,650,156	248,636	1,898,792
Pension items - Police Pension	5,324,957	-	5,324,957
Pension items - Firefighters' Pension	5,162,209	-	5,162,209
Total deferred outflows of resources	12,137,322	248,636	12,385,958
Total assets and deferred outflows of resources	73,838,862	9,892,926	83,731,788
LIABILITIES			
Accounts payable	1,050,604	192,064	1,242,668
Accrued payroll	159,788	5,042	164,830
Accrued interest payable	321,333	-	321,333
Deposits payable	10,500	132,991	143,491
Unearned revenue	107,315	-	107,315
Due to fiduciary component units	119,254	-	119,254
Long-term liabilities			
Due within one year	4,048,700	51,919	4,100,619
Due in more than one year	92,233,265	571,565	92,804,830
Total liabilities	98,050,759	953,581	99,004,340
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	6,568,855	80,378	6,649,233
Leases	1,037,204	-	1,037,204
Pension items - IMRF	1,172	177	1,349
Pension items - Police Pension	5,487,755	-	5,487,755
Pension items - Firefighters' Pension	5,192,694	-	5,192,694
Total deferred inflows of resources	18,287,680	80,555	18,368,235
Total liabilities and deferred inflows of resources	116,338,439	1,034,136	117,372,575

(This statement is continued on the following page.)

VILLAGE OF HILLSIDE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2023

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 22,554,323	\$ 5,128,542	\$ 27,682,865
Restricted for			
Liability insurance	676,227	-	676,227
Workers' compensation	933,843	-	933,843
Unemployment compensation	29,744	-	29,744
Highways and streets	1,198,113	-	1,198,113
Disposal service	87,025	-	87,025
Debt service	287,540	-	287,540
Economic development	5,547,899	-	5,547,899
Unrestricted (deficit)	(73,814,291)	3,730,248	(70,084,043)
TOTAL NET POSITION (DEFICIT)	\$ (42,499,577)	\$ 8,858,790	\$ (33,640,787)

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 5,467,386	\$ 509,003	\$ 103,670	\$ -
Highways and streets	3,373,650	131,521	337,404	89,596
Public safety	17,266,894	2,752,996	516,310	609,756
Interest	938,527	-	-	-
Total governmental activities	27,046,457	3,393,520	957,384	699,352
Business-Type Activities				
Water	3,124,475	2,793,139	-	-
Sewer	198,491	114,849	-	-
Total business-type activities	3,322,966	2,907,988	-	-
TOTAL PRIMARY GOVERNMENT	\$ 30,369,423	\$ 6,301,508	\$ 957,384	\$ 699,352

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (4,854,713)	\$ -	\$ (4,854,713)
	(2,815,129)	-	(2,815,129)
	(13,387,832)	-	(13,387,832)
	(938,527)	-	(938,527)
	(21,996,201)	-	(21,996,201)
	-	(331,336)	(331,336)
	-	(83,642)	(83,642)
	-	(414,978)	(414,978)
	(21,996,201)	(414,978)	(22,411,179)
General Revenues			
Taxes			
Property	15,759,233	147,434	15,906,667
Sales and local use	6,402,081	-	6,402,081
Utility	771,457	-	771,457
Hotel/motel	334,111	-	334,111
Other taxes	473,974	-	473,974
Intergovernmental - unrestricted			
Income tax	1,344,331	-	1,344,331
Replacement tax	582,045	-	582,045
American Rescue Plan Act	539,780	-	539,780
Other	141,158	-	141,158
Investment income	528,076	-	528,076
Miscellaneous	488,324	-	488,324
Total	27,364,570	147,434	27,512,004
CHANGE IN NET POSITION	5,368,369	(267,544)	5,100,825
NET POSITION (DEFICIT), MAY 1	(47,478,013)	9,126,334	(38,351,679)
Change in accounting principle	(182,166)	-	(182,166)
Prior period adjustment	(207,767)	-	(207,767)
NET POSITION (DEFICIT), MAY 1, RESTATED	(47,867,946)	9,126,334	(38,741,612)
NET POSITION (DEFICIT), APRIL 30	\$ (42,499,577)	\$ 8,858,790	\$ (33,640,787)

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

April 30, 2023

	Capital Projects				Total Governmental
	General	Mannheim Road Tax Increment Financing District	Roosevelt Road Tax Increment Financing District	Nonmajor Governmental	
ASSETS					
Cash and cash equivalents	\$ 15,170,754	\$ 5,547,899	\$ 1,556,070	\$ 2,871,687	\$ 25,146,410
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	5,837,018	-	-	731,837	6,568,855
Accounts	100,001	-	-	-	100,001
Leases	1,059,773	-	-	-	1,059,773
Inventory	6,714	-	-	-	6,714
Advance to other funds	1,455,880	-	-	-	1,455,880
Due from other funds	375,868	-	-	-	375,868
Due from other governments	1,835,163	-	-	29,555	1,864,718
TOTAL ASSETS	\$ 25,841,171	\$ 5,547,899	\$ 1,556,070	\$ 3,633,079	\$ 36,578,219
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 970,800	\$ -	\$ -	\$ 79,804	\$ 1,050,604
Accrued payroll	159,788	-	-	-	159,788
Deposits payable	10,500	-	-	-	10,500
Unearned revenue	107,315	-	-	-	107,315
Advances from other funds	-	-	1,455,880	-	1,455,880
Due to fiduciary component units	119,254	-	-	-	119,254
Due to other funds	-	-	214,947	160,921	375,868
Total liabilities	1,367,657	-	1,670,827	240,725	3,279,209
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	5,837,018	-	-	731,837	6,568,855
Unavailable tax revenue	547,308	-	-	-	547,308
Leases	1,037,204	-	-	-	1,037,204
Total deferred inflows of resources	7,421,530	-	-	731,837	8,153,367
Total liabilities and deferred inflows of resources	8,789,187	-	1,670,827	972,562	11,432,576

(This statement is continued on the following page.)

VILLAGE OF HILLSIDE, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET (Continued)

April 30, 2023

	General	Capital Projects		Nonmajor Governmental	Total Governmental
		Mannheim Road Tax Increment Financing District	Roosevelt Road Tax Increment Financing District		
FUND BALANCES					
Nonspendable					
Advance to other funds	\$ 1,455,880	\$ -	\$ -	\$ -	\$ 1,455,880
Inventory	6,714	-	-	-	6,714
Restricted					
Liability insurance	676,227	-	-	-	676,227
Workers' compensation	933,843	-	-	-	933,843
Unemployment compensation	29,744	-	-	-	29,744
Highways and streets	-	-	-	1,198,113	1,198,113
Disposal service	-	-	-	87,025	87,025
Debt service	-	-	-	287,540	287,540
Economic development	-	5,547,899	-	-	5,547,899
Assigned					
Capital projects	-	-	-	1,087,839	1,087,839
Subsequent year's budget	2,457,260	-	-	-	2,457,260
Unrestricted					
Unassigned (deficit)	11,492,316	-	(114,757)	-	11,377,559
Total fund balances (deficit)	17,051,984	5,547,899	(114,757)	2,660,517	25,145,643
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 25,841,171	\$ 5,547,899	\$ 1,556,070	\$ 3,633,079	\$ 36,578,219

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 25,145,643
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	26,955,069
Long-term liabilities are not due and payable in the .current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(3,590,000)
Tax increment revenue bonds payable	(15,225,000)
Premium on bonds payable	(372,762)
Lease payable	(437,984)
Compensated absences payable	(2,295,025)
Net pension liability - IMRF	(1,230,163)
Net pension liability - Police Pension	(39,959,790)
Net pension liability - Firefighters' Pension	(23,413,527)
Other postemployment benefit liability	(9,757,714)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position	(321,333)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings are recognized as deferred outflows of resources on the statement of net position	
Illinois Municipal Retirement Fund	1,648,984
Police Pension	(162,798)
Firefighters' Pension	(30,485)
Certain revenues are deferred at the fund level on the modified accrual basis of accounting but not at the entity-wide level	<u>547,308</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (42,499,577)</u></u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

For the Year Ended April 30, 2023

	Capital Projects			Nonmajor Governmental	Total Governmental
	General	Mannheim Road Tax Increment Financing District	Roosevelt Road Tax Increment Financing District		
REVENUES					
Taxes	\$ 18,543,006	\$ 3,463,982	\$ 393,917	\$ 1,373,508	\$ 23,774,413
Licenses and permits	312,297	-	-	-	312,297
Charges for services	1,388,705	-	-	-	1,388,705
Fines and forfeits	1,096,442	-	-	-	1,096,442
Intergovernmental	4,602,891	-	-	427,000	5,029,891
Investment income	470,152	-	-	57,924	528,076
Miscellaneous	488,324	-	-	-	488,324
Total revenues	26,901,817	3,463,982	393,917	1,858,432	32,618,148
EXPENDITURES					
Current					
General government	4,347,664	-	-	779,350	5,127,014
Highways and streets	2,625,592	-	-	-	2,625,592
Public safety	15,000,899	-	-	-	15,000,899
Capital outlay	1,001,936	-	214,947	118,988	1,335,871
Debt service					
Principal	199,279	1,700,000	-	640,000	2,539,279
Interest	14,419	849,250	-	172,950	1,036,619
Total expenditures	23,189,789	2,549,250	214,947	1,711,288	27,665,274
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,712,028	914,732	178,970	147,144	4,952,874
OTHER FINANCING SOURCES (USES)					
Lease issuance	125,700	-	-	-	125,700
Total other financing sources (uses)	125,700	-	-	-	125,700
NET CHANGE IN FUND BALANCES	3,837,728	914,732	178,970	147,144	5,078,574
FUND BALANCES (DEFICIT), MAY 1	13,214,256	4,633,167	(293,727)	2,513,373	20,067,069
FUND BALANCES (DEFICIT), APRIL 30	\$ 17,051,984	\$ 5,547,899	\$ (114,757)	\$ 2,660,517	\$ 25,145,643

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 5,078,574
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,044,248
Certain revenues are deferred in governmental funds but not in governmental activities	(203,322)
The repayment and refunding of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Principal repaid on General Obligation Bonds	640,000
Principal repaid on TIF Revenue Bonds	1,700,000
Principal repaid on Capital Leases	199,279
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities on the government-wide statements	
Lease Payable	(125,700)
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	66,112
The change in accrued interest payable is only reported on the statement of activities	31,980
Some expenses in the statement of activities (e.g., depreciation and amortization) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation and amortization	(1,471,437)
The change in the compensated absences liability is an expense on the statement of activities	(176,105)
The change in the other postemployment benefits liability, deferred outflows and deferred inflows of resources is reported only in the statement of activities	771,005
The change in the net pension liability (asset), deferred outflows and deferred inflows of resources is reported only in the statement of activities:	
Illinois Municipal Retirement Fund	(145,167)
Police Pension	(1,122,792)
Firefighters' Pension	(918,306)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 5,368,369</u>

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

April 30, 2023

	Business-Type Activities		
	Water	Sewer	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 229,598	\$ 3,635,624	\$ 3,865,222
Receivables			
Accounts	531,003	18,291	549,294
Property taxes	80,378	-	80,378
Inventory	20,854	-	20,854
Total current assets	861,833	3,653,915	4,515,748
NONCURRENT ASSETS			
Capital assets			
Nondepreciable	14,914	-	14,914
Depreciable, net of accumulated depreciation	4,850,741	262,887	5,113,628
Total noncurrent assets	4,865,655	262,887	5,128,542
Total assets	5,727,488	3,916,802	9,644,290
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	248,636	-	248,636
Total deferred outflows of resources	248,636	-	248,636
Total assets and deferred outflows of resources	5,976,124	3,916,802	9,892,926
CURRENT LIABILITIES			
Accounts payable	185,880	6,184	192,064
Accrued payroll	5,042	-	5,042
Deposits payable	132,991	-	132,991
Compensated absences payable	27,439	-	27,439
Total OPEB liability	24,480	-	24,480
Total current liabilities	375,832	6,184	382,016
LONG-TERM LIABILITIES			
Compensated absences	46,300	-	46,300
Net pension liability - IMRF	193,558	-	193,558
Total OPEB liability	331,707	-	331,707
Total long-term liabilities	571,565	-	571,565
Total liabilities	947,397	6,184	953,581
DEFERRED INFLOWS OF RESOURCES			
Property taxes	80,378	-	80,378
Pension items - IMRF	177	-	177
Total deferred inflows of resources	80,555	-	80,555
Total liabilities and deferred inflows of resources	1,027,952	6,184	1,034,136
NET POSITION			
Net investment in capital assets	4,865,655	262,887	5,128,542
Unrestricted	82,517	3,647,731	3,730,248
TOTAL NET POSITION	\$ 4,948,172	\$ 3,910,618	\$ 8,858,790

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Year Ended April 30, 2023

	Business-Type Activities		
	Water	Sewer	Total
OPERATING REVENUES			
Charges for services	\$ 2,793,139	\$ 114,849	\$ 2,907,988
Total operating revenues	2,793,139	114,849	2,907,988
OPERATING EXPENSES			
Water operations	2,981,995	-	2,981,995
Sewer operations	-	192,472	192,472
Depreciation	116,923	6,019	122,942
Total operating expenses	3,098,918	198,491	3,297,409
OPERATING INCOME (LOSS)	(305,779)	(83,642)	(389,421)
NON-OPERATING REVENUES (EXPENSES)			
Property taxes	147,434	-	147,434
Gain (loss) on disposal of capital assets	(25,557)	-	(25,557)
Total non-operating revenues (expenses)	121,877	-	121,877
CHANGE IN NET POSITION	(183,902)	(83,642)	(267,544)
NET POSITION, MAY 1	5,132,074	3,994,260	9,126,334
NET POSITION, APRIL 30	\$ 4,948,172	\$ 3,910,618	\$ 8,858,790

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2023

	Business-Type Activities		
	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 2,721,509	\$ 112,962	\$ 2,834,471
Payments to suppliers	(2,406,201)	(188,055)	(2,594,256)
Payments to employees	(493,325)	-	(493,325)
Net cash from operating activities	(178,017)	(75,093)	(253,110)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes	147,434	-	147,434
Net cash from noncapital financing activities	147,434	-	147,434
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(894,248)	-	(894,248)
Net cash from capital and related financing activities	(894,248)	-	(894,248)
CASH FLOWS FROM INVESTING ACTIVITIES			
None	-	-	-
Net cash from investing activities	-	-	-
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(924,831)	(75,093)	(999,924)
CASH AND CASH EQUIVALENTS, MAY 1	1,154,429	3,710,717	4,865,146
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 229,598	\$ 3,635,624	\$ 3,865,222

(This statement is continued on the following page.)

VILLAGE OF HILLSIDE, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended April 30, 2023

	Business-Type Activities		
	Water	Sewer	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (305,779)	\$ (83,642)	\$ (389,421)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	116,923	6,019	122,942
Changes in assets and liabilities			
Receivables	(41,612)	(1,887)	(43,499)
Inventory	1,665	-	1,665
Pension items - IMRF	5,239	-	5,239
OPEB items	(39,982)	-	(39,982)
Accounts payable	132,730	4,417	137,147
Accrued payroll	(1,577)	-	(1,577)
Deposits payable	(30,018)	-	(30,018)
Compensated absences	(15,606)	-	(15,606)
NET CASH FROM OPERATING ACTIVITIES	\$ (178,017)	\$ (75,093)	\$ (253,110)

See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

April 30, 2022

	Pension Trust
ASSETS	
Cash and cash equivalents	\$ 3,404,166
Investments	
Held in the Illinois Police Officers' Pension Investment Fund	20,908,073
Held in the Illinois Firefighters' Pension Investment Fund	12,270,445
Due from Municipality	119,254
Prepaid items	4,640
	<hr/>
Total assets	36,706,578
	<hr/>
LIABILITIES	
Accounts payable	6,870
	<hr/>
Total liabilities	6,870
	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	\$ 36,699,708
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See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended April 30, 2023

ADDITIONS

Contributions

Employer contributions	\$ 3,738,024
Employee contributions	<u>496,872</u>

Total contributions	<u>4,234,896</u>
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Investment income

Net appreciation in fair value of investments	176,861
Interest	<u>323,558</u>

Total investment income	500,419
Less investment expense	<u>(45,207)</u>

Net investment income	<u>455,212</u>
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Total additions	<u>4,690,108</u>
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DEDUCTIONS

Pension benefits	4,509,956
Administrative expenses	<u>113,995</u>

Total deductions	<u>4,623,951</u>
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NET INCREASE	66,157
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**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>36,633,551</u>
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April 30	<u><u>\$ 36,699,708</u></u>
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See accompanying notes to financial statements.

VILLAGE OF HILLSIDE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Hillside, Illinois (the Village) was incorporated in 1905. The Village provides services to the community that include police, fire, water and sewer utility, community development, street maintenance, and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

a. Reporting Entity

The Village is a municipal corporation governed by an elected eight-member board. As required by GAAP, these financial statements present the Village (the primary government) and its component units. Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds.

Police Pension Employees Retirement System

The Village's police employees participate in Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected by pension beneficiaries, and two elected police employees constitute the pension board. The Village is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the Village. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary, and two elected fire employees constitute the pension board. The Village is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the Village.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System (Continued)

The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERs being fiscally dependent on the Village. FPERs is reported as a pension trust fund. FPERs does not issue a stand-alone financial report.

b. Fund Accounting

The Village uses funds to report on its financial position and the change in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of committed, restricted, or assigned monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the Village not accounted for in some other fund.

Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on 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 statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

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

The Mannheim Road Tax Increment Financing District Fund is a capital projects fund of the Village. This fund accounts for the redevelopment costs within the Mannheim Road tax increment financing district.

The Roosevelt Tax Increment Financing District Fund is a capital projects fund of the Village. This fund accounts for the redevelopment costs within the Roosevelt Road tax increment financing district.

The Village reports the following major proprietary funds:

The Water Fund accounts for the provision of water service to the residents of the Village. All activity necessary to provide such services is accounted for in this fund including, but not limited to, administration, operation, maintenance, and billing and collection.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

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

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund. These are classified as fiduciary component units of the Village.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet the measurable and available or year intended to finance criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability or deferred inflow of resources for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (current portion of interfund loans) or “advances to/from other funds” (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances are offset by nonspendable fund balance in general fund.

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

g. Property Taxes

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a tax levy ordinance). Tax bills are prepared by the County and issued on or about February 1, 2023 and July 1, 2023, and are payable in two installments, on or about March 1, 2023 and August 1, 2023. The County collects such taxes and remits them periodically. The 2021 levy and part of the 2022 levy are recognized as revenue in the 2023 fiscal year. The uncollected portion of the 2022 levy is intended to finance the 2024 fiscal year and, accordingly, is reported as unavailable/deferred revenue. The 2023 tax levy, which attached as an enforceable lien on property as of January 1, 2023, has not been recorded as a receivable as of April 30, 2023, as the tax has not yet been levied by the Village and will not be levied until December 2023 and, therefore, the levy is not measurable at April 30, 2023.

h. Inventories and Prepaid Items/Expenses

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

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges) 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 an estimated useful life in excess of one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Estimated Useful Life
Land improvements	20 years
Leasehold improvements	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

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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.

j. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

Village Sick Leave

Sick leave, with full pay, will be granted to all non-seasonal full-time employees at the rate of one day for each full month of service, except for the rate of one day for each two full months of service applicable to firefighters assigned to 24-hour shifts. Sick leave may be accumulated up to a maximum of 60 days, except for a maximum of 30 days applicable to firefighters assigned to 24-hour shifts.

Firefighters' Sick Leave

If an employee has accrued the maximum of 30 sick leave days, the employee may elect one of the following options for unused sick leave days: (a) receive pay on a 100% basis; (b) schedule days off from work in the next calendar year on a 100% basis; or (c) Accumulate three additional sick days. Upon retirement, the employee will receive compensation at 100% for all of their accrued sick days provided they have accrued 27 or more sick days; if they have accrued less than 27 sick days, they will receive compensation for the accrued sick days equal to 50% of the full amount of each sick day. These payments will be based upon their per diem base salary at the time of retirement.

Police Sick Leave

Police officers hired by the Village who have completed one full year of service shall earn sick leave pay at the rate of one day for each full month of continuous employment up to a total of 12 full days for a continuous work year. Police officers hired by the Village with less than one year of service will receive six sick leave days, at the rate of one every other month. The maximum sick leave accrual is 60 days. If an employee has accrued the maximum of 60 sick leave days, the employee may elect one of the following options for unused sick leave days; (1) receive pay at a 100% basis; or (2) schedule days off from work in the next calendar year on a 100% basis. Upon retirement, the employee will receive compensation at 100% for all of his accrued sick days if he has accrued 54 or more sick days; if he has accrued less than 54 sick days, he will receive compensation for the accrued sick days equal to 50% of the full amount of each sick day.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. Issuance costs are reported as expenses. The unamortized loss on refunding is reported as a deferred outflow of resources and the unamortized gain on refunding is reported as a deferred inflow of resources.

In the fund financial statements, governmental funds 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, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances of other governmental funds are also reported as unassigned.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

The Village has established a fund balance reserve policy for its General Fund. The policy requires unassigned fund balances to be maintained in the General Fund equivalent to 25% of the fund's annual operating expenditures.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

n. Use of 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 of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village and pension funds categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the 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 Level 3 inputs are significant unobservable inputs. The Village had no investments subject to fair value measurement as of April 30, 2023.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds.

The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 50% of the institution's capital stock and surplus.

It is the policy of the Village 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 Village 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 objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

The Village maintains a cash pool that is available for use by all funds, except the pension trust funds. Investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, with the collateral held by the Village, or in safekeeping (held by a third party or escrow agent of the pledging institution in the name of the Village) and evidenced by a safekeeping agreement.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short-term and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three years from the date of purchase.

The Village 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 external investment pools. The Illinois Funds, a money market mutual fund, is rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance up to \$250,000.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. The Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

	Beginning Balances, Restated*	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Tangible capital assets not being depreciated				
Land	\$ 6,999,760	\$ 212,947	\$ -	\$ 7,212,707
Land right-of-way	3,793,392	-	-	3,793,392
Total tangible capital assets not being depreciated	<u>10,793,152</u>	<u>212,947</u>	<u>-</u>	<u>11,006,099</u>
Tangible capital assets being depreciated				
Infrastructure	15,041,056	-	-	15,041,056
Buildings and improvements	14,332,072	-	-	14,332,072
Vehicles	5,670,323	594,381	-	6,264,704
Equipment	3,532,328	111,220	-	3,643,548
Total tangible capital assets being depreciated	<u>38,575,779</u>	<u>705,601</u>	<u>-</u>	<u>39,281,380</u>
Intangible capital assets being amortized				
Equipment	511,563	125,700	-	637,263
Total intangible capital assets being amortized	<u>511,563</u>	<u>125,700</u>	<u>-</u>	<u>637,263</u>
Less accumulated depreciation for				
Infrastructure	7,627,773	252,146	-	7,879,919
Buildings and improvements	7,799,096	477,076	-	8,276,172
Vehicles	4,116,642	396,331	-	4,512,973
Equipment	2,954,725	143,549	-	3,098,274
Total accumulated depreciation	<u>22,498,236</u>	<u>1,269,102</u>	<u>-</u>	<u>23,767,338</u>
Less accumulated amortization for				
Equipment	-	202,335	-	202,335
Total accumulated amortization	<u>-</u>	<u>202,335</u>	<u>-</u>	<u>202,335</u>
Total tangible and intangible capital assets being depreciated and amortized, net	<u>16,589,106</u>	<u>(640,136)</u>	<u>-</u>	<u>15,948,970</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 27,382,258</u>	<u>\$ (427,189)</u>	<u>\$ -</u>	<u>\$ 26,955,069</u>

*Beginning balances for governmental activities were restated in connection with the implementation of GASB Statement No. 87, *Leases*. See Notes 12-14 for more information.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 14,914	\$ -	\$ -	\$ 14,914
Total capital assets not being depreciated	14,914	-	-	14,914
Capital assets being depreciated				
Waterworks	9,553,730	894,248	78,930	10,369,048
Equipment and vehicles	796,950	-	-	796,950
Total capital assets being depreciated	10,350,680	894,248	78,930	11,165,998
Less accumulated depreciation for				
Waterworks	5,202,003	117,444	53,373	5,266,074
Equipment and vehicles	780,798	5,498	-	786,296
Total accumulated depreciation	5,982,801	122,942	53,373	6,052,370
Total capital assets being depreciated, net	4,367,879	771,306	25,557	5,113,628
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,382,793	\$ 771,306	\$ 25,557	\$ 5,128,542
Depreciation and amortization expense was charged to functions/programs of the primary government as follows:				
GOVERNMENTAL ACTIVITIES				
General government			\$ 391,152	
Public safety			602,579	
Highways and streets			477,706	
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE			\$ 1,471,437	
BUSINESS-TYPE ACTIVITIES				
Water			\$ 116,923	
Sewer			6,019	
TOTAL DEPRECIATION EXPENSE			\$ 122,942	

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Changes in General Long-Term Debt

A summary of changes in long-term debt of the Village for the year ended April 30, 2023 is as follows:

Issue	Fund Debt Retired By	Balances May 1	Additions	Reductions/ Refunding	Balances April 30	Current
GOVERNMENTAL ACTIVITIES						
General Obligation Alternate Revenue Source Bond Series 2017A (dated November 1, 2017; maturing December 1, 2027; original issue \$1,635,000; interest rates 3% to 5%; principal payable annually on December 1).	Motor Fuel Tax	\$ 1,155,000	\$ -	\$ 175,000	\$ 980,000	\$ 180,000
General Obligation Bond Series 2017B (dated November 1, 2017; maturing December 1, 2027; original issue \$3,075,000; interest rates 4%; principal payable annually on December 1).	Debt Service	3,075,000	-	465,000	2,610,000	480,000
TOTAL GENERAL OBLIGATION BONDS		\$ 4,230,000	\$ -	\$ 640,000	\$ 3,590,000	\$ 660,000
Tax Increment Revenue Refunding Bonds Series 2018 (dated December 4, 2018; maturing January 1, 2030; original issue \$21,435,000; interest rates of 6.55% to 7.00%; principal payable on January 1).	Mannheim Road TIF	\$ 16,925,000	\$ -	\$ 1,700,000	\$ 15,225,000	\$ 1,770,000
TOTAL TAX INCREMENT REVENUE BONDS		\$ 16,925,000	\$ -	\$ 1,700,000	\$ 15,225,000	\$ 1,770,000

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Year Ending April 30,	Governmental Activities					
	General Obligation Bonds			TIF Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 660,000	\$ 143,600	\$ 803,600	\$ 1,770,000	\$ 761,250	\$ 2,531,250
2025	690,000	117,200	807,200	-	672,750	672,750
2026	715,000	89,600	804,600	-	672,750	672,750
2027	750,000	61,000	811,000	-	672,750	672,750
2028	775,000	31,000	806,000	-	672,750	672,750
2029	-	-	-	-	672,750	672,750
2030	-	-	-	13,455,000	672,750	14,127,750
TOTAL	\$ 3,590,000	\$ 442,400	\$ 4,032,400	\$ 15,225,000	\$ 4,797,750	\$ 20,022,750

c. Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported in the governmental activities:

	Balances May 1, Restated*	Issuances	Reductions or Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 4,230,000	\$ -	\$ 640,000	\$ 3,590,000	\$ 660,000
Tax increment revenue bonds	16,925,000	-	1,700,000	15,225,000	1,770,000
Premium on bonds payable	438,874	-	66,112	372,762	-
Leases payable	511,563	125,700	199,279	437,984	206,706
Compensated absences payable	2,118,920	1,043,904	867,799	2,295,025	939,923
Net pension liability - IMRF	-	1,230,163	-	1,230,163	-
Net pension liability - Police Pension	38,835,076	1,124,714	-	39,959,790	-
Net pension liability - Firefighters' Pension	21,407,409	2,006,118	-	23,413,527	-
Other postemployment benefit liability	10,528,719	-	771,005	9,757,714	472,071
TOTAL GOVERNMENTAL ACTIVITIES	\$ 94,995,561	\$ 5,530,599	\$ 4,244,195	\$ 96,281,965	\$ 4,048,700

The compensated absences, net pension liabilities, and other postemployment benefit liability have typically been liquidated in prior years by the General Fund.

*Beginning balances for governmental activities were restated in connection with the implementation of GASB Statement No. 87, *Leases*. See Notes 12-14 for more information.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

c. Changes in Long-Term Liabilities (Continued)

During the fiscal year the following changes occurred in liabilities reported in the business-type activities:

	Balances May 1	Issuances	Reductions or Refundings	Balances April 30	Current Portion
Compensated absences	\$ 89,345	\$ 17,640	\$ 33,246	\$ 73,739	\$ 27,439
Net pension liability - IMRF	-	193,558	-	193,558	-
Other postemployment benefit liability	396,169	-	39,982	356,187	24,480
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 485,514	\$ 211,198	\$ 73,228	\$ 623,484	\$ 51,919

d. Tax Increment Revenue Bonds

The Village issued \$21,435,000 Tax Increment Revenue Refunding Bonds, Series 2018, payable semi-annually on each January 1 and July 1, commencing July 1, 2019. The proceeds of the bonds will be used to refund the Village's outstanding Tax Increment Revenue Bonds, Series 2008 and pay certain costs associated with the issuance of the bonds. The bonds are payable solely from incremental property taxes.

e. Pledged Revenue

The 2017A General Obligation Alternate Revenue Source Bonds issued to fund certain motor fuel tax projects are payable from motor fuel tax funds. The remaining total pledge is \$1,100,600 and the bonds mature December 1, 2027. During the current fiscal year, the pledge of motor fuel taxes for the 2017A bonds of \$222,950 was approximately 66.08% of total motor fuel tax revenues.

The 2018 Tax Increment Revenue Refunding Bond issued to refund the Village's Tax Increment Revenue Bonds, Series 2008, are payable from incremental property tax revenue. The remaining total pledge is \$20,022,750 and the bonds mature January 1, 2030. During the current fiscal year, the pledge of property taxes for the 2018 bonds of \$2,546,250 was approximately 73.51% of total property tax revenues generated in the Mannheim Road Tax Increment Financing District Fund.

6. RISK MANAGEMENT

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs.

6. RISK MANAGEMENT (Continued)

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level, which is the same coverage as the prior year.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA 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 Village is not aware of any additional amounts owed to IRMA for the current or prior claim years as of April 30, 2023.

In addition, the Village purchases third party indemnity insurance to cover its exposure for employee health.

7. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

8. TAX ABATEMENTS

The Village participates in 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 Class 6b program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Under the incentive provided by Class 6b, qualifying industrial real estate is eligible for the Class 6b level of assessment from the date that new construction or substantial rehabilitation is completed and initially assessed or, in the case of abandoned property, from the date of substantial re-occupancy. Properties receiving a Class 6b incentive are assessed at 10% of market value for the first ten years, 15% in the 11th year, and 20% in the 12th and final year of the incentive. 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 has 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 and the other impacted taxing districts than would have been generated if the development had not occurred.

The Class 6b property information was unavailable for the fiscal year ended April 30, 2023. For the fiscal year ended April 30, 2021, the Village's share of the abatement granted to the Class 6b properties amounted to \$948,686.

The Village has entered into an agreement with a car dealer to provide economic incentives over a 30-year period or until the developer has received \$15,000,000 in shared revenues. The individual incentives paid are 50% of sales taxes generated up to a maximum total reimbursement of \$15,000,000 through March 31, 2027. As of April 30, 2023, cumulative payments of \$6,553,210 have been made under this agreement. For the year ended April 30, 2023, the Village recognized total incentives of \$556,040.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Motor Fuel Tax (Nonmajor Governmental)	\$ 1,000
General	Disposal Service (Nonmajor Governmental)	55,805
General	Roosevelt Road TIF District	214,947
General	Capital Projects (Nonmajor Governmental)	<u>104,116</u>
TOTAL		<u>\$ 375,868</u>

The purposes of the due from/due to other funds are as follows:

- All interfund amounts are related to covering operating costs. Repayment is expected within one year.

b. Advances

Advances between funds for the year ended April 30, 2023 were as follows:

Receivable Fund	Payable Fund	Amount
General	Roosevelt Tax Increment Financing District Fund	<u>\$ 1,455,880</u>
TOTAL		<u>\$ 1,455,880</u>

The purpose of the advance to other funds is as follows:

- \$1,455,880 due from the Roosevelt Tax Increment Financing District Fund to the General Fund to reimburse General Fund for TIF related expenditures. Repayment is not expected within one year.

c. Deficit Fund Balance

The Roosevelt Road Tax Increment Financing District Fund is reporting a deficit fund balance of \$114,757 as of April 30, 2023.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the Village's plan becomes secondary. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until they are Medicare eligible.

The Village also provides explicit retiree benefits to the following:

- 50% single coverage for certain retirees if the employee was a member of management. Insurance does not continue post-65 years of age.

c. Membership

At April 30, 2023, membership consisted of:

Retirees and beneficiaries currently receiving benefits	13
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>85</u>
TOTAL	<u>98</u>
Participating employers	<u><u>1</u></u>

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Total OPEB Liability

The Village's total OPEB liability of \$10,113,901 was measured as of April 30, 2023 and was determined by an actuarial valuation as of May 1, 2023.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2023, as determined by as actuarial valuation as of May 1, 2023, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial valuation date	May 1, 2023
Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Salary increases	3.00%
Discount rate	3.53%
Healthcare cost trend rates	7.00% to 7.40% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which 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.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2022	\$ 10,924,888
Changes for the period	
Service cost	145,672
Interest	342,719
Differences between expected and actual experience	(675,057)
Assumption changes*	(127,770)
Benefit payments	<u>(496,551)</u>
Net changes	<u>(810,987)</u>
BALANCES AT APRIL 30, 2023	<u>\$ 10,113,901</u>

*There were changes in assumptions related to the discount rate.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.53% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.53%) or 1 percentage point higher (4.53%) than the current rate:

	1% Decrease (2.53%)	Current Discount Rate (3.53%)	1% Increase (4.53%)
Total OPEB liability	\$ 11,280,552	\$ 10,113,901	\$ 9,139,025

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of (6.60% to 7.70%) as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.60% to 6.70%) or 1 percentage point higher (7.60% to 8.70%) than the current rate:

	1% Decrease (4.00% to 6.40%)	Current Healthcare Rate (5.00% to 7.40%)	1% Increase (6.00% to 8.40%)
Total OPEB liability	\$ 9,015,445	\$ 10,113,901	\$ 11,428,477

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2023, the Village recognized OPEB expense (income) of \$(314,436). Under GASB Statement No. 75, plans that qualify for the Alternative Measurement Method, changes to the OPEB liability are not required to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB expense.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a cost sharing agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters’ Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org. The Police and Firefighters’ Pension Plans do not issue separate reports.

The table below is a summary for all pension plans as of and for the year ended April 30, 2023:

	IMRF	Police Pension	Firefighters’ Pension	Total
Net pension liability	\$ 1,423,721	\$ 39,959,790	\$ 23,413,527	\$ 64,797,038
Deferred outflows of resources	1,898,792	5,324,957	5,162,209	12,385,958
Deferred inflows of resources	1,349	5,487,755	5,192,694	10,681,798
Pension expense (income)	414,068	3,282,124	2,496,998	6,193,190

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters’ Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2022, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	49
Inactive employees entitled to but not yet receiving benefits	31
Active employees	<u>50</u>
 TOTAL	 <u><u>130</u></u>

The IMRF data included in the table above includes membership of both the Village and the Library.

Benefits Provided

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The required employer contribution for the year ended April 30, 2023 was 8.06% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	2.25%
Asset valuation method	Fair value

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2022, was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 19,032,436	\$ 21,438,548	\$ (2,406,112)
Changes for the period			
Service cost	340,561	-	340,561
Interest	1,359,775	-	1,359,775
Difference between expected and actual experience	339,658	-	339,658
Changes in assumptions	-	-	-
Employer contributions	-	325,270	(325,270)
Employee contributions	-	163,851	(163,851)
Net investment income	-	(2,600,948)	2,600,948
Benefit payments and refunds	(894,396)	(894,396)	-
Other (net transfer)	-	110,564	(110,564)
Net changes	1,145,598	(2,895,659)	4,041,257
BALANCES AT DECEMBER 31, 2022	\$ 20,178,034	\$ 18,542,889	\$ 1,635,145

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset) (Continued)

The table presented on the previous page includes amounts for both the Village and the Library. The Village’s proportionate share of the net pension liability (asset) at January 1, 2022, the employer contributions, and the net pension liability (asset) at December 31, 2022 was \$(2,095,002), \$283,213, and \$1,423,721, respectively. The Library’s proportionate share of the net pension liability at January 1, 2022, the employer contributions, and the net pension liability at December 31, 2022 was \$(311,110), \$42,057, and \$211,424, respectively.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2023, the Village recognized pension expense of \$414,068.

At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 415,780	\$ -
Changes in assumption	-	1,349
Net difference between projected and actual earnings on pension plan investments	1,414,479	-
Contributions subsequent to the measurement date	68,533	-
TOTAL	\$ 1,898,792	\$ 1,349

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$68,533 reported as deferred outflows of resources related to pensions resulting from the Village and the Library contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2024	\$ 198,556
2025	419,213
2026	489,408
2027	721,733
2028	-
Thereafter	-
TOTAL	<u>\$ 1,828,910</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset) - Village	\$ 3,362,404	\$ 1,423,721	\$ (97,053)
Net pension liability (asset) - Library	499,321	211,424	(14,413)
Net pension liability (asset) - Total	<u>\$ 3,861,725</u>	<u>\$ 1,635,145</u>	<u>\$ (111,466)</u>

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

Plan Membership

At April 30, 2022 (most recent data available), membership consisted of:

Inactive plan members currently receiving benefits	38
Inactive plan members entitled to but not yet receiving benefits	13
Active plan members	<u>26</u>
 TOTAL	 <u><u>77</u></u>

Benefits Provided

The Police 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, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% 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 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (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 greater of the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or 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 is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% 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 may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS 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 and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2023, the Village's contribution was 85.97% of covered payroll.

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Illinois Police Officers' Pension Investment Fund (Continued)

redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the plan's deposits may not be returned to it. The plan's investment policy requires pledging of collateral for all bank balances held in the Plan's name in excess of federal depository insurance, at amounts ranging from 110% to 115% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the 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 Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at April 30, 2023.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$20,908,073 at April 30, 2023. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023. The plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability at April 30, 2023 was 5.65%. The projection of cash flows were not sufficient to cover the projected payouts and therefore the investment rate of 6.75% was blended with the bond rate of 3.53% to arrive at the 5.65% discount rate. The discount rate used to measure the total pension liability at April 30, 2022 was 5.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2022	\$ 60,394,315	\$ 21,559,239	\$ 38,835,076
Changes for the period			
Service cost	919,340	-	919,340
Interest	3,294,924	-	3,294,924
Difference between expected and actual experience	1,155,494	-	1,155,494
Changes in assumptions	(1,446,439)	-	(1,446,439)
Changes in benefit terms	(23,757)	-	(23,757)
Employer contributions	-	2,159,332	(2,159,332)
Employee contributions	-	248,210	(248,210)
Other contributions	-	115	(115)
Net investment income	-	438,053	(438,053)
Benefit payments and refunds	(2,801,573)	(2,801,573)	-
Administrative expense	-	(70,862)	70,862
Net changes	1,097,989	(26,725)	1,124,714
BALANCES AT APRIL 30, 2023	\$ 61,492,304	\$ 21,532,514	\$ 39,959,790

There were changes in assumptions related to bond rate and discount rate since the previous measurement period.

The funded status of the plan as of April 30, 2023 is 35.02%.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2022 using the following actuarial methods and assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total pension liability was rolled forward by the actuary by updating procedures to April 30, 2023, including updating the discount rate at April 30, 2023, as noted below.

Actuarial valuation date	May 1, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.50% to 14.84%
Interest rate	6.75%
Asset valuation method	Fair value

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below 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 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:

	1% Decrease (4.65%)	Current Discount Rate (5.65%)	1% Increase (6.65%)
Net pension liability	\$ 49,308,823	\$ 39,959,790	\$ 32,439,669

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2023, the Village recognized pension expense (revenue) of \$3,282,124. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,120,301	\$ 1,500,062
Changes in assumptions	2,304,959	3,987,693
Net difference between projected and actual earnings on pension plan investments	1,899,697	-
TOTAL	\$ 5,324,957	\$ 5,487,755

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

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

<u>Year Ending April 30,</u>	
2024	\$ 260,862
2025	(1,410,756)
2026	801,308
2027	185,788
2028	-
Thereafter	-
TOTAL	\$ (162,798)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

Plan Membership

At April 30, 2022 (most recent data available) membership consisted of:

Inactive plan members currently receiving benefits	27
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	25
TOTAL	56

The following is a summary of benefits of the plan as provided for in ILCS:

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 at the date of retirement. The annual benefit shall be increased by 2.50% 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 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership (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 greater of the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% 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 may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. For the year ended April 30, 2023, the Village's contribution was 60.31% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Illinois Firefighters' Pension Investment Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

Investment Policy

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by ILCS. The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.01%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

The Plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Plan's deposits may not be returned to it. The Plan's investment policy requires all bank balances to be covered by federal depository insurance.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investments

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual comprehensive financial report. For additional information on IFPIF's investments, please refer to their annual comprehensive financial report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the 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 Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at April 30, 2023.

Net Asset Value

The net asset value (NAV) of the plan's pooled investment in IFPIF was \$12,270,445 at April 30, 2023. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Discount Rate

The discount rate used to measure the total pension liability at April 30, 2023 was 6.10%. The projection of cash flows were not sufficient to cover the projected payouts and, therefore, the investment rate of 7% was blended with the bond rate of 3.53% to arrive at the 6.10% discount rate. The discount rate used to measure the total pension liability at April 30, 2022 was 6.12%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2022	\$ 36,481,721	\$ 15,074,312	\$ 21,407,409
Changes for the period			
Service cost	787,779	-	787,779
Interest	2,225,585	-	2,225,585
Difference between expected and actual experience	756,440	-	756,440
Changes in assumptions	102,570	-	102,570
Changes in benefit terms	(64,991)	-	(64,991)
Employer contributions	-	1,578,692	(1,578,692)
Employee contributions	-	247,325	(247,325)
Other contributions	-	1,222	(1,222)
Net investment income	-	17,159	(17,159)
Benefit payments and refunds	(1,708,383)	(1,708,383)	-
Administrative expense	-	(43,133)	43,133
Net changes	2,099,000	92,882	2,006,118
BALANCES AT APRIL 30, 2023	\$ 38,580,721	\$ 15,167,194	\$ 23,413,527

There were changes in assumptions related to bond rate and discount rate since the previous measurement period.

The funded status of the plan as of April 30, 2023 is 39.31%.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2022 using the following actuarial methods and assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total pension liability was rolled forward by the actuary using updating procedures to April 30, 2023, including updating the discount rate at April 30, 2023, as noted below.

Actuarial valuation date	May 1, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.50% to 23.99%
Interest rate	7.00%
Asset valuation method	Fair value

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.10% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.10%) or 1 percentage point higher (7.10%) than the current rate:

	1% Decrease (5.10%)	Current Discount Rate (6.10%)	1% Increase (7.10%)
Net pension liability	\$ 29,145,854	\$ 23,413,527	\$ 18,771,168

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2023, the Village recognized pension expense (revenue) of \$2,496,998. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,159,560	\$ 1,582,512
Changes in assumption	2,682,377	3,610,182
Net difference between projected and actual earnings on pension plan investments	1,320,272	-
TOTAL	\$ 5,162,209	\$ 5,192,694

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

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

Year Ending April 30,	
2024	\$ 443,211
2025	63,142
2026	1,610
2027	(702,458)
2028	139,000
Thereafter	25,010
TOTAL	\$ (30,485)

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

b. Summary Financial Information

The following is summary financial information for the Police Pension Fund and the Firefighters' Pension Fund as of and at April 30, 2023:

Statement of Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 541,075	\$ 2,863,091	\$ 3,404,166
Investments, at fair value			
Held in the Illinois Police Officers' Pension Investment Fund	20,908,073	-	20,908,073
Held in the Illinois Firefighters' Pension Investment Fund	-	12,270,445	12,270,445
Due from Municipality	83,120	36,134	119,254
Prepaid items	4,110	530	4,640
	<hr/>		
Total assets	21,536,378	15,170,200	36,706,578
<hr/>			
LIABILITIES			
Accounts payable	3,864	3,006	6,870
	<hr/>		
Total liabilities	3,864	3,006	6,870
<hr/>			
NET POSITION RESTRICTED FOR PENSIONS	\$ 21,532,514	\$ 15,167,194	\$ 36,699,708

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

b. Summary Financial Information (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,159,332	\$ 1,578,692	\$ 3,738,024
Employee	248,325	248,547	496,872
Total contributions	<u>2,407,657</u>	<u>1,827,239</u>	<u>4,234,896</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	283,065	(106,204)	176,861
Interest	<u>190,172</u>	<u>133,386</u>	<u>323,558</u>
Total investment income	473,237	27,182	500,419
Less investment expense	<u>(35,184)</u>	<u>(10,023)</u>	<u>(45,207)</u>
Net investment income	<u>438,053</u>	<u>17,159</u>	<u>455,212</u>
Total additions	<u>2,845,710</u>	<u>1,844,398</u>	<u>4,690,108</u>
DEDUCTIONS			
Pension benefits	2,801,573	1,708,383	4,509,956
Administrative expenses	<u>70,862</u>	<u>43,133</u>	<u>113,995</u>
Total deductions	<u>2,872,435</u>	<u>1,751,516</u>	<u>4,623,951</u>
NET INCREASE (DECREASE)	(26,725)	92,882	66,157
NET POSITION RESTRICTED FOR PENSIONS			
May 1	<u>21,559,239</u>	<u>15,074,312</u>	<u>36,633,551</u>
April 30	<u>\$ 21,532,514</u>	<u>\$ 15,167,194</u>	<u>\$ 36,699,708</u>

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. LESSEE DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessee activity is as follows:

General Fund

The Village has entered into three lease arrangements for the right-to-use equipment. Payments ranging from \$2,329 to \$14,345 are due in monthly installments through October 10, 2027. The total intangible right-to-use assets acquired under these arrangements is \$637,263 for governmental activities. Total principal payments made during the fiscal year on this arrangement was \$199,279. As of December 31, 2022, the lease liability associated with this arrangement is \$437,984.

Obligations of governmental activities under lease liabilities, typically paid from the General Fund, including future interest payments at April 30, 2023, were as follows:

Year Ending April 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 206,706	\$ 11,294	\$ 218,000
2025	165,898	4,783	170,681
2026	25,455	1,779	27,234
2027	26,310	924	27,234
2028	13,615	3	13,618
TOTAL	\$ 437,984	\$ 18,783	\$ 456,767

13. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor activity is as follows:

General Fund

The Village entered into three lease arrangements to lease cell tower property. Under these arrangements, the Village will be collecting payments, due in monthly installments, ranging from \$1,000 to \$5,093, through June 2040. The lease arrangements are noncancelable. During the fiscal year, the Village collected \$63,880 under these arrangements and recognized a \$86,449 reduction in the related deferred inflow of resources. As of April 30, 2023, the remaining lease receivable and offsetting deferred inflow of resource for these arrangements is \$1,059,773 and \$1,037,204, respectively.

VILLAGE OF HILLSIDE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended April 30, 2023, the Village implemented GASB Statement No. 87, *Leases*. With the implementation, the Village is required to record the beginning net position/fund balance associated with the intangible right-to-use assets, lease receivable, lease deferred inflows of resources and lease liability.

The beginning net position of the following opinion units have been restated to reflect the new guidance as follows:

GOVERNMENTAL ACTIVITIES

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ (47,478,013)</u>
Recording of lease receivable	1,123,653
Recording of lease deferred inflows of resources	(1,123,653)
Recording of intangible right-to-use assets	511,563
Recording of lease liability	(511,563)
Removal of capital lease liability	498,621
Removal of capital lease asset, net	<u>(680,787)</u>
Total net restatement	<u>(182,166)</u>
BEGINNING NET POSITION, AS RESTATED	<u>\$ (47,660,179)</u>

GENERAL FUND

BEGINNING FUND BALANCE, AS PREVIOUSLY REPORTED	<u>\$ 13,214,256</u>
Recording of lease receivable	1,123,653
Recording of lease deferred inflows of resources	<u>(1,123,653)</u>
Total net restatement	<u>-</u>
BEGINNING FUND BALANCE, AS RESTATED	<u>\$ 13,214,256</u>

15. PRIOR PERIOD ADJUSTMENT

The beginning net position of governmental activities was restated by \$207,767 to correct an overstatement of capital asset infrastructure.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 17,653,500	\$ 17,653,500	\$ 18,543,006
Licenses and permits	308,500	308,500	312,297
Charges for services	1,385,100	1,385,100	1,388,705
Fines and forfeits	1,205,100	1,205,100	1,096,442
Intergovernmental	3,439,500	3,439,500	4,602,891
Investment income	50,000	50,000	470,152
Miscellaneous	391,500	391,500	488,324
Total revenues	24,433,200	24,433,200	26,901,817
EXPENDITURES			
Current			
General government	4,852,665	5,222,665	4,347,664
Highways and streets	3,228,925	3,322,925	2,625,592
Public safety	15,808,125	15,344,125	15,000,899
Capital outlay	2,206,100	2,206,100	1,001,936
Debt service			
Principal	158,581	158,581	199,279
Interest	14,419	14,419	14,419
Total expenditures	26,268,815	26,268,815	23,189,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(1,835,615)	(1,835,615)	3,712,028
OTHER FINANCING SOURCES (USES)			
Lease issuance	-	-	125,700
Proceeds from sale of capital assets	10,000	10,000	-
Total other financing sources (uses)	10,000	10,000	125,700
NET CHANGE IN FUND BALANCES			
	\$ (1,825,615)	\$ (1,825,615)	3,837,728
FUND BALANCE, MAY 1			
			13,214,256
FUND BALANCE, APRIL 30			
			\$ 17,051,984

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 306,045	\$ 310,427	\$ 367,747	\$ 376,500	\$ 358,420	\$ 313,513	\$ 277,291	\$ 277,742	\$ 267,619	\$ 264,643
Contributions in relation to the actuarially determined contribution	306,045	310,427	367,747	376,500	358,420	313,513	277,291	277,742	267,619	264,643
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,294,344	\$ 2,391,547	\$ 2,593,420	\$ 2,680,310	\$ 2,749,626	\$ 2,942,774	\$ 2,985,000	\$ 2,853,752	\$ 2,993,574	\$ 3,283,274
Contributions as a percentage of covered payroll	13.34%	12.98%	14.18%	14.05%	13.04%	10.65%	9.29%	9.73%	8.94%	8.06%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 21 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually, and postretirement benefit increases of 2.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 1,300,598	\$ 1,432,559	\$ 1,530,460	\$ 1,575,152	\$ 1,543,982	\$ 1,727,473	\$ 1,843,500	\$ 1,986,168	\$ 2,382,029	\$ 2,509,526
Contribution in relation to the actuarially determined contribution	1,146,147	1,239,849	1,271,953	1,275,609	1,445,650	1,635,049	1,698,732	1,674,340	2,271,517	2,159,332
CONTRIBUTION DEFICIENCY (Excess)	\$ 154,451	\$ 192,710	\$ 258,507	\$ 299,543	\$ 98,332	\$ 92,424	\$ 144,768	\$ 311,828	\$ 110,512	\$ 350,194
Covered payroll	\$ 2,231,808	\$ 2,334,751	\$ 2,492,913	\$ 2,419,629	\$ 2,255,164	\$ 2,349,544	\$ 2,653,074	\$ 2,739,299	\$ 2,526,695	\$ 2,511,841
Contributions as a percentage of covered payroll	51.36%	53.10%	51.02%	52.72%	64.10%	69.59%	64.03%	61.12%	89.90%	85.97%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed; and the amortization period was 19 years; the asset valuation method was five-year smoothing of asset gains and losses; and the significant actuarial assumptions were an investment rate of return at 7.00% annually; inflation at 2.25% annually; and projected salary increases of 3.50% - 14.84% compounded annually.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 713,656	\$ 834,449	\$ 946,522	\$ 1,033,970	\$ 1,210,376	\$ 1,304,426	\$ 1,394,523	\$ 1,482,468	\$ 1,725,323	\$ 1,804,719
Contribution in relation to the actuarially determined contribution	760,321	894,758	830,329	852,627	1,050,597	1,264,855	1,337,913	1,383,499	1,587,853	1,578,692
CONTRIBUTION DEFICIENCY (Excess)	\$ (46,665)	\$ (60,309)	\$ 116,193	\$ 181,343	\$ 159,779	\$ 39,571	\$ 56,610	\$ 98,969	\$ 137,470	\$ 226,027
Covered payroll	\$ 1,911,959	\$ 1,946,806	\$ 2,116,901	\$ 2,277,697	\$ 2,152,818	\$ 2,352,358	\$ 2,443,885	\$ 2,523,311	\$ 2,528,852	\$ 2,617,613
Contributions as a percentage of covered payroll	39.77%	45.96%	39.22%	37.43%	48.80%	53.77%	54.75%	54.83%	62.79%	60.31%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed; and the amortization period was 19 years; the asset valuation method was five-year smoothing of asset gains and losses; and the significant actuarial assumptions were an investment rate of return at 7.00% annually; inflation at 2.25% annually; and projected salary increases of 3.50% - 23.99% compounded annually.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY (ASSET)

Last Eight Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
Employer's proportion of net pension liability	78.37%	85.17%	86.70%	85.96%	85.04%	87.07%	87.07%	87.07%
Employer's proportionate share of net pension liability (asset)	\$ 2,052,603	\$ 1,939,568	\$ 166,392	\$ 1,940,179	\$ 370,919	\$ (740,148)	\$ (2,095,002)	\$ 1,423,721
Employer's covered payroll	1,952,104	2,208,243	2,384,588	2,454,171	2,549,986	2,647,187	3,038,113	3,170,325
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	105.15%	87.83%	6.98%	79.06%	14.55%	(27.96%)	(68.96%)	44.91%
Plan fiduciary net position as a percentage of the total pension liability	85.62%	87.04%	98.87%	87.85%	97.77%	104.80%	112.64%	91.90%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

Last Nine Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service cost	\$ 858,402	\$ 716,448	\$ 822,491	\$ 867,482	\$ 863,183	\$ 751,204	\$ 1,065,450	\$ 1,101,039	\$ 919,340
Interest	2,193,585	2,459,556	2,498,136	2,665,732	2,763,167	2,860,735	3,103,389	3,052,703	3,294,924
Changes of benefit terms	-	-	-	-	-	110,915	-	-	(23,757)
Differences between expected and actual experience	-	235,922	1,538,589	(6,728)	(522)	1,304,342	135,086	(3,307,285)	1,155,494
Changes of assumptions	-	(423,034)	116,198	(1,287,730)	(1,329,209)	10,193,738	3,101,759	(6,138,423)	(1,446,439)
Benefit payments, including refunds of member contributions	(1,569,956)	(1,595,979)	(1,834,915)	(1,988,076)	(2,145,570)	(2,288,513)	(2,312,985)	(2,468,288)	(2,801,573)
Net change in total pension liability	1,482,031	1,392,913	3,140,499	250,680	151,049	12,932,421	5,092,699	(7,760,254)	1,097,989
Total pension liability - beginning	43,712,277	45,194,308	46,587,221	49,727,720	49,978,400	50,129,449	63,061,870	68,154,569	60,394,315
TOTAL PENSION LIABILITY - ENDING	\$ 45,194,308	\$ 46,587,221	\$ 49,727,720	\$ 49,978,400	\$ 50,129,449	\$ 63,061,870	\$ 68,154,569	\$ 60,394,315	\$ 61,492,304
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 1,239,849	\$ 1,271,953	\$ 1,275,609	\$ 1,445,650	\$ 1,635,049	\$ 1,698,732	\$ 1,674,340	\$ 2,271,517	\$ 2,159,332
Contributions - member	231,433	249,705	228,411	235,170	232,840	235,694	245,169	250,394	248,210
Contributions - other	-	-	-	-	-	-	-	-	115
Net investment income	1,136,292	163,852	1,330,311	934,047	1,130,596	815,501	3,914,962	(1,721,046)	438,053
Benefit payments, including refunds of member contributions	(1,569,956)	(1,595,979)	(1,834,915)	(1,988,076)	(2,145,570)	(2,288,513)	(2,312,985)	(2,468,288)	(2,801,573)
Administrative expense	(45,607)	(46,310)	(52,472)	(48,610)	(53,347)	(49,335)	(52,753)	(51,338)	(70,862)
Net change in plan fiduciary net position	992,011	43,221	946,944	578,181	799,568	412,079	3,468,733	(1,718,761)	(26,725)
Plan fiduciary net position - beginning	16,037,263	17,029,274	17,072,495	18,019,439	18,597,620	19,397,188	19,809,267	23,278,000	21,559,239
PLAN FIDUCIARY NET POSITION - ENDING	\$ 17,029,274	\$ 17,072,495	\$ 18,019,439	\$ 18,597,620	\$ 19,397,188	\$ 19,809,267	\$ 23,278,000	\$ 21,559,239	\$ 21,532,514
EMPLOYER'S NET PENSION LIABILITY	\$ 28,165,034	\$ 29,514,726	\$ 31,708,281	\$ 31,380,780	\$ 30,732,261	\$ 43,252,603	\$ 44,876,569	\$ 38,835,076	\$ 39,959,790

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	37.68%	36.65%	36.24%	37.21%	38.69%	31.41%	34.15%	35.70%	35.02%
Covered payroll	\$ 2,334,751	\$ 2,492,913	\$ 2,419,629	\$ 2,255,164	\$ 2,349,544	\$ 2,653,074	\$ 2,739,299	\$ 2,526,695	\$ 2,511,841
Employer's net pension liability as a percentage of covered payroll	1,206.34%	1,183.95%	1,310.46%	1,391.51%	1,308.01%	1,630.28%	1,638.25%	1,536.99%	1,590.86%

Assumption Changes:

2023: There were changes in assumptions related to bond rate and discount rate.

2022: There were changes in assumptions related to bond rate, discount rate, and expected rate of return on investments.

2021: There were changes in assumptions related to the bond rate and discount rate and the material assumption for retiree and disabled members to the actual spousal data.

2020: There were changes in assumptions related to bond rate and discount rate.

2019: There were changes in assumptions related to bond rate and discount rate.

2018: There were changes in assumptions related to bond rate and discount rate.

2017: There were changes in assumptions related to bond rate, discount rate, and mortality rates.

2016: There were changes in assumptions related to bond rate, discount rate, and demographic rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

Last Nine Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service cost	\$ 525,122	\$ 485,347	\$ 667,542	\$ 708,796	\$ 722,727	\$ 689,032	\$ 987,275	\$ 1,040,404	\$ 787,779
Interest	1,478,415	1,552,553	1,515,116	1,786,888	1,861,947	1,963,502	2,076,865	2,027,314	2,225,585
Changes of benefit terms	-	-	-	-	-	246,765	-	-	(64,991)
Differences between expected and actual experience	-	40,276	270,514	(16,982)	324,528	802,428	257,387	(2,412,770)	756,440
Changes of assumptions	-	1,285,596	3,022,618	519,736	(541,320)	5,906,819	130,775	(5,279,865)	102,570
Benefit payments, including refunds of member contributions	(884,902)	(1,003,953)	(1,049,352)	(1,107,031)	(1,267,521)	(1,374,884)	(1,437,391)	(1,601,259)	(1,708,383)
Net change in total pension liability	1,118,635	2,359,819	4,426,438	1,891,407	1,100,361	8,233,662	2,014,911	(6,226,176)	2,099,000
Total pension liability - beginning	21,562,664	22,681,299	25,041,118	29,467,556	31,358,963	32,459,324	40,692,986	42,707,897	36,481,721
TOTAL PENSION LIABILITY - ENDING	\$ 22,681,299	\$ 25,041,118	\$ 29,467,556	\$ 31,358,963	\$ 32,459,324	\$ 40,692,986	\$ 42,707,897	\$ 36,481,721	\$ 38,580,721
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 894,758	\$ 830,329	\$ 852,627	\$ 1,050,597	\$ 1,264,855	\$ 1,337,913	\$ 1,383,499	\$ 1,587,853	\$ 1,578,692
Contributions - employee	192,842	203,576	214,109	221,054	222,443	219,910	231,498	237,790	247,325
Contributions - other	-	-	-	-	-	-	-	-	1,222
Net investment income	230,635	(129,837)	797,944	702,847	558,576	24,323	3,269,101	(1,006,158)	17,159
Benefit payments, including refunds of member contributions	(884,902)	(1,003,953)	(1,049,352)	(1,107,031)	(1,267,521)	(1,374,884)	(1,437,391)	(1,601,259)	(1,708,383)
Administrative expense	(48,173)	(40,466)	(56,614)	(37,964)	(35,823)	(36,977)	(39,472)	(38,696)	(43,133)
Net change in plan fiduciary net position	385,160	(140,351)	758,714	829,503	742,530	170,285	3,407,235	(820,470)	92,882
Plan fiduciary net position - beginning	9,741,706	10,126,866	9,986,515	10,745,229	11,574,732	12,317,262	12,487,547	15,894,782	15,074,312
PLAN FIDUCIARY NET POSITION - ENDING	\$ 10,126,866	\$ 9,986,515	\$ 10,745,229	\$ 11,574,732	\$ 12,317,262	\$ 12,487,547	\$ 15,894,782	\$ 15,074,312	\$ 15,167,194
EMPLOYER'S NET PENSION LIABILITY	\$ 12,554,433	\$ 15,054,603	\$ 18,722,327	\$ 19,784,231	\$ 20,142,062	\$ 28,205,439	\$ 26,813,115	\$ 21,407,409	\$ 23,413,527

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	44.65%	39.88%	36.46%	36.91%	37.95%	30.69%	37.22%	41.32%	39.31%
Covered payroll	\$ 1,946,806	\$ 2,116,901	\$ 2,277,697	\$ 2,152,818	\$ 2,352,358	\$ 2,443,885	\$ 2,523,311	\$ 2,528,852	\$ 2,617,613
Employer's net pension liability as a percentage of covered payroll	644.87%	711.16%	821.98%	918.99%	856.25%	1,154.12%	1,062.62%	846.53%	894.46%

Assumption Changes:

2023: There were changes in assumptions related to bond rate and discount rate.

2022: There were changes in assumptions related to bond rate, discount rate and individual pay increases.

2021: There were changes in assumptions related to bond rate and discount rate.

2020: There were changes in assumptions related to bond rate and discount rate.

2019: There were changes in assumptions related to bond rate and discount rate.

2018: There were changes in assumptions related to bond rate and discount rate.

2017: There were changes in assumptions related to bond rate, discount rate, and mortality rates.

2016: There were changes in assumptions related to bond rate, discount rate, and demographic rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

OTHER POSTEMPLOYMENT BENEFIT PLAN

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2019	2020	2021	2022	2023
TOTAL OPEB LIABILITY					
Service cost	\$ 136,088	\$ 145,452	\$ 176,298	\$ 167,868	\$ 145,672
Interest	324,724	321,861	270,961	273,619	342,719
Differences between expected and actual experience	-	-	554,912	-	(675,057)
Changes of assumptions	141,352	1,972,749	875,672	(1,346,617)	(127,770)
Benefit payments	(248,803)	(328,042)	(369,804)	(447,352)	(496,551)
Net change in total pension liability	353,361	2,112,020	1,508,039	(1,352,482)	(810,987)
Total OPEB liability - beginning	8,303,950	8,657,311	10,769,331	12,277,370	10,924,888
TOTAL OPEB LIABILITY - ENDING	\$ 8,657,311	\$ 10,769,331	\$ 12,277,370	\$ 10,924,888	\$ 10,113,901
Covered-employee payroll	\$ 7,471,804	\$ 7,425,368	\$ 8,229,606	\$ 8,355,691	\$ 9,012,452
Employer's total OPEB liability as a percentage of covered-employee payroll	115.87%	145.03%	149.19%	130.75%	112.22%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There was a change in assumptions related to the discount rate in 2023.

There was a change in assumptions related to the discount rate and the mortality, mortality improvement, retirement, termination, and disability rates in 2022.

There was a change to the discount rate and medical cost assumptions in 2021.

There was a change to the discount rate in 2019 and 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	7.25%	N/A	7.89%	5.26%	6.17%	4.26%	26.12%	(7.40%)	1.86%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	2.32%	N/A	7.90%	6.44%	4.85%	0.17%	20.11%	(5.94%)	(0.01%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2023

BUDGETS

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 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 Tax Increment Financing District Fund, Debt Service Fund, Motor Fuel Tax Fund, Capital Projects Fund, Disposal Service Fund, E 911 Fund, Roosevelt Road Tax Increment Financing District Fund, Water Fund, Sewer Fund, Police Pension Fund, and Firefighters' Pension Fund.

Expenditures exceeded budget in the following funds: Disposal Service Fund by \$9,350 and the Mannheim Road Tax Increment Financing District Fund by \$1,518,150.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the general government, except those accounted for in another fund.

Mannheim Road Tax Increment Financing District Fund - to account for the redevelopment costs within the Mannheim Road tax increment financing district.

Roosevelt Road Tax Increment Financing District Fund - to account for the redevelopment costs within the Roosevelt Road tax increment financing district.

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
TAXES			
Property tax	\$ 10,225,000	\$ 10,225,000	\$ 10,527,826
Municipal utility tax	800,000	800,000	772,017
Local use tax	300,000	300,000	341,167
Hotel/motel tax	300,000	300,000	334,111
Storage facility tax	75,000	75,000	86,653
Amusement tax	500	500	115
Video gaming tax	90,000	90,000	96,316
Real estate transfer tax	350,000	350,000	277,792
Sales tax	5,500,000	5,500,000	6,093,910
Cannabis tax	13,000	13,000	13,099
Total taxes	17,653,500	17,653,500	18,543,006
LICENSES AND PERMITS			
Business licenses	165,000	165,000	146,851
Liquor licenses	15,000	15,000	19,400
Contractors licenses	20,000	20,000	18,580
Other licenses	500	500	5
Alarm permits	30,000	30,000	36,004
Building permits	50,000	50,000	68,607
Sign permits	1,000	1,000	780
Apartment license/inspection	25,000	25,000	21,075
Fence permits	1,000	1,000	770
Sewer permits	500	500	75
Miscellaneous permits and fees	500	500	150
Total licenses and permits	308,500	308,500	312,297
CHARGES FOR SERVICES			
Home inspections	8,000	8,000	7,575
Postage	100	100	(6)
Plumbing inspections	10,000	10,000	10,850
Electrical inspections	15,000	15,000	19,525
Elevator inspections	8,000	8,000	19,400
Sidewalk replacement	10,000	10,000	5,260
Senior Taxi Cab	1,000	1,000	1,300
Rental inspection fees	500	500	450
Grass cutting	35,000	35,000	40,370
Antenna rental	95,000	95,000	82,806
Ambulance billing	1,200,000	1,200,000	1,199,230
CPR classes	2,500	2,500	1,945
Total charges for services	1,385,100	1,385,100	1,388,705

(This schedule is continued on the following page.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
FINES AND FORFEITS			
Zoning hearing fees	\$ 2,000	\$ 2,000	\$ 1,000
Village fines	100,000	100,000	130,762
Circuit court fines	35,000	35,000	24,421
Adjudication court fines	25,000	25,000	8,744
Police towing violation fee	25,000	25,000	38,350
Police department processing fee	5,000	5,000	4,829
Police finger printing fee	100	100	5
Red light camera violations	1,000,000	1,000,000	881,608
Truck fines	10,000	10,000	6,705
DUI fines	3,000	3,000	18
Total fines and forfeits	1,205,100	1,205,100	1,096,442
INTERGOVERNMENTAL			
Income tax	1,000,000	1,000,000	1,344,331
Replacement tax	350,000	350,000	582,045
Grants	815,000	815,000	1,183,750
Westchester dispatching	375,000	375,000	575,919
Berkeley dispatching	83,500	83,500	131,954
E911 ETSB Reimbursement	150,000	150,000	141,158
Berkeley prisoner detention	1,000	1,000	1,619
Westchester prisoner detention	1,000	1,000	1,676
Historical house donations	-	-	285
Reimbursement from FEMA	100,000	100,000	100,374
American Rescue Plan Act	539,000	539,000	539,780
Fire department grant	25,000	25,000	-
Total intergovernmental	3,439,500	3,439,500	4,602,891
INVESTMENT INCOME	50,000	50,000	470,152
MISCELLANEOUS			
Summer concert sponsorships	45,000	45,000	39,100
Police and fire reports	4,000	4,000	3,155
Training reimbursement	-	-	9,940
Other insurance claims	5,000	5,000	10,342
Zoning certificates	1,500	1,500	2,000
Employee health contributions	200,000	200,000	242,190
Other revenues	10,000	10,000	77,364
MLK breakfast	5,000	5,000	5,356
Franchise fees	90,000	90,000	89,930
Miscellaneous	31,000	31,000	8,947
Total miscellaneous	391,500	391,500	488,324
TOTAL REVENUES	\$ 24,433,200	\$ 24,433,200	\$ 26,901,817

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Mayor and village board			
Salaries and benefits	\$ 79,600	\$ 69,600	\$ 63,209
Contractual services	140	340	175
Travel and entertainment	5,000	6,000	5,250
Supplies and equipment	4,500	4,500	1,817
Miscellaneous expenses	70,400	79,200	73,771
Total mayor and village board	<u>159,640</u>	<u>159,640</u>	<u>144,222</u>
Administration			
Salaries and benefits	1,409,975	1,476,275	1,440,259
Contractual services	521,000	734,700	656,967
Travel and entertainment	500	500	156
Supplies and equipment	10,500	22,500	20,337
Miscellaneous expenses	338,300	385,300	344,612
Total administration	<u>2,280,275</u>	<u>2,619,275</u>	<u>2,462,331</u>
Zoning board of appeals			
Salaries and benefits	850	1,200	990
Miscellaneous expenses	1,200	1,200	1,038
Total zoning board of appeals	<u>2,050</u>	<u>2,400</u>	<u>2,028</u>
Community relations commission			
Travel and entertainment	56,000	56,000	47,012
Total community relations commission	<u>56,000</u>	<u>56,000</u>	<u>47,012</u>
Fire and police commission			
Salaries and benefits	1,200	350	-
Contractual services	25,000	27,000	26,493
Travel and entertainment	1,000	1,000	-
Miscellaneous expenses	18,300	16,800	6,621
Total fire and police commission	<u>45,500</u>	<u>45,150</u>	<u>33,114</u>
Youth commission			
Supplies and equipment	1,000	1,000	-
Miscellaneous expenses	16,600	23,100	21,521
Total youth commission	<u>17,600</u>	<u>24,100</u>	<u>21,521</u>
Community center			
Supplies and equipment	500	500	3
Contractual services	14,000	20,000	19,206
Miscellaneous expenses	3,000	3,000	109
Total community center	<u>17,500</u>	<u>23,500</u>	<u>19,318</u>

(This schedule is continued on the following pages.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Senior citizen program			
Supplies and equipment	\$ 200	\$ 200	\$ -
Contractual services	2,500	18,000	17,626
Miscellaneous expenses	4,000	4,000	2,510
Total senior citizen program	<u>6,700</u>	<u>22,200</u>	<u>20,136</u>
Crossing guards			
Salaries and benefits	19,500	22,500	21,778
Total crossing guards	<u>19,500</u>	<u>22,500</u>	<u>21,778</u>
Economic development			
Miscellaneous expenses	750,000	622,000	110,286
Total economic development	<u>750,000</u>	<u>622,000</u>	<u>110,286</u>
General village expenses			
Salaries and benefits	222,400	222,400	212,751
Contractual services	1,275,500	1,403,500	1,253,167
Total general village expenses	<u>1,497,900</u>	<u>1,625,900</u>	<u>1,465,918</u>
Total general government	<u>4,852,665</u>	<u>5,222,665</u>	<u>4,347,664</u>
HIGHWAYS AND STREETS			
Public works			
Salaries and benefits	520,300	505,800	490,972
Contractual services	787,500	901,000	884,515
Travel and entertainment	750	750	96
Supplies and equipment	85,750	104,750	93,917
Miscellaneous expenses	89,600	65,600	60,699
Total public works	<u>1,483,900</u>	<u>1,577,900</u>	<u>1,530,199</u>
Streets			
Salaries and benefits	637,275	627,275	492,117
Contractual services	457,750	467,750	344,662
Supplies and equipment	101,500	101,500	75,510
Miscellaneous expenses	230,000	230,000	4,878
Total streets	<u>1,426,525</u>	<u>1,426,525</u>	<u>917,167</u>
Village hall and grounds			
Contractual services	187,500	222,500	158,683
Supplies and equipment	23,000	23,000	4,138
Miscellaneous expenses	108,000	73,000	15,405
Total village hall and grounds	<u>318,500</u>	<u>318,500</u>	<u>178,226</u>
Total highways and streets	<u>3,228,925</u>	<u>3,322,925</u>	<u>2,625,592</u>

(This schedule is continued on the following page.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND - CORPORATE ACCOUNT

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
PUBLIC SAFETY			
Police department			
Salaries and benefits	\$ 6,759,900	\$ 6,225,400	\$ 6,185,637
Contractual services	164,750	196,750	183,759
Travel and entertainment	21,500	21,500	17,510
Supplies and equipment	146,500	213,000	220,674
Miscellaneous expenses	110,300	113,300	71,117
Total police department	<u>7,202,950</u>	<u>6,769,950</u>	<u>6,678,697</u>
Fire department			
Salaries and benefits	5,589,100	5,517,100	5,221,660
Contractual services	202,000	254,000	201,931
Travel and entertainment	19,400	21,400	17,989
Supplies and equipment	111,200	129,200	117,740
Miscellaneous expenses	80,500	80,500	694,526
Total fire department	<u>6,002,200</u>	<u>6,002,200</u>	<u>6,253,846</u>
EMA			
Contractual services	5,700	5,500	5,305
Supplies and equipment	4,300	6,500	6,231
Miscellaneous expenses	4,000	2,000	1,033
Total EMA	<u>14,000</u>	<u>14,000</u>	<u>12,569</u>
Dispatch center			
Salaries and benefits	1,894,000	1,814,700	1,386,084
Contractual services	195,000	235,000	230,591
Travel and entertainment	12,600	13,600	11,670
Supplies and equipment	14,100	16,400	10,427
Miscellaneous expenses	51,800	56,800	29,441
Total dispatch center	<u>2,167,500</u>	<u>2,136,500</u>	<u>1,668,213</u>
Inspection services			
Salaries and benefits	389,375	382,125	356,305
Contractual services	15,000	18,000	17,046
Travel and entertainment	1,500	1,500	350
Supplies and equipment	9,000	11,000	9,078
Miscellaneous expenses	6,600	8,850	4,795
Total inspection services	<u>421,475</u>	<u>421,475</u>	<u>387,574</u>
Total public safety	<u>15,808,125</u>	<u>15,344,125</u>	<u>15,000,899</u>
CAPITAL OUTLAY	<u>2,206,100</u>	<u>2,206,100</u>	<u>1,001,936</u>
DEBT SERVICE			
Principal	158,581	158,581	199,279
Interest and fiscal charges	14,419	14,419	14,419
Total debt service	<u>173,000</u>	<u>173,000</u>	<u>213,698</u>
TOTAL EXPENDITURES	<u>\$ 26,268,815</u>	<u>\$ 26,268,815</u>	<u>\$ 23,189,789</u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND

COMBINING BALANCE SHEET - BY SUBFUND

For the Year Ended April 30, 2023

	Corporate	Liability Insurance	Workmen's Compensation
ASSETS			
Cash and cash equivalents	\$ 10,321,542	\$ 676,851	\$ 933,843
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	5,590,527	120,566	125,925
Accounts	-	-	-
Leases	1,059,773	-	-
Inventory	6,714	-	-
Advance to other funds	1,455,880	-	-
Due from other funds	375,868	-	-
Due from other governments	1,835,163	-	-
TOTAL ASSETS	\$ 20,645,467	\$ 797,417	\$ 1,059,768
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 410,950	\$ 624	\$ -
Accrued payroll	159,788	-	-
Deposits payable	10,500	-	-
Unearned revenue	107,315	-	-
Due to fiduciary component units	119,254	-	-
Total liabilities	807,807	624	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	5,590,527	120,566	125,925
Unavailable tax revenue	547,308	-	-
Leases	1,037,204	-	-
Total deferred inflows of resources	7,175,039	120,566	125,925
Total liabilities and deferred inflows of resources	7,982,846	121,190	125,925
FUND BALANCES			
Nonspendable			
Advance to other funds	1,455,880	-	-
Inventory	6,714	-	-
Restricted			
Liability insurance	-	676,227	-
Workers' compensation	-	-	933,843
Unemployment compensation	-	-	-
Assigned			
Subsequent year's budget	2,457,260	-	-
Unrestricted			
Unassigned	8,742,767	-	-
Total fund balances	12,662,621	676,227	933,843
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 20,645,467	\$ 797,417	\$ 1,059,768

Unemployment Compensation	Equipment Replacement	Total
\$ 29,744	\$ 3,208,774	\$ 15,170,754
-	-	5,837,018
-	100,001	100,001
-	-	1,059,773
-	-	6,714
-	-	1,455,880
-	-	375,868
-	-	1,835,163
\$ 29,744	\$ 3,308,775	\$ 25,841,171
\$ -	\$ 559,226	\$ 970,800
-	-	159,788
-	-	10,500
-	-	107,315
-	-	119,254
-	559,226	1,367,657
-	-	5,837,018
-	-	547,308
-	-	1,037,204
-	-	7,421,530
-	559,226	8,789,187
-	-	1,455,880
-	-	6,714
-	-	676,227
-	-	933,843
29,744	-	29,744
-	-	2,457,260
-	2,749,549	11,492,316
29,744	2,749,549	17,051,984
\$ 29,744	\$ 3,308,775	\$ 25,841,171

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

GENERAL FUND

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY SUBFUND

For the Year Ended April 30, 2023

	Corporate	Liability Insurance	Workmen's Compensation
REVENUES			
Taxes	\$ 18,090,873	\$ 221,152	\$ 230,981
Licenses and permits	312,297	-	-
Charges for services	189,475	-	-
Fines and forfeits	1,089,737	-	-
Intergovernmental	4,602,891	-	-
Investment income	470,152	-	-
Miscellaneous	483,913	-	4,411
Total revenues	<u>25,239,338</u>	<u>221,152</u>	<u>235,392</u>
EXPENDITURES			
Current			
General government	3,924,808	196,383	222,485
Highways and streets	2,625,592	-	-
Public safety	15,000,899	-	-
Capital outlay	320,584	-	-
Debt service			
Principal	199,279	-	-
Interest	14,419	-	-
Total expenditures	<u>22,085,581</u>	<u>196,383</u>	<u>222,485</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,153,757</u>	<u>24,769</u>	<u>12,907</u>
OTHER FINANCING SOURCES (USES)			
Lease issuance	<u>125,700</u>	-	-
Total other financing sources (uses)	<u>125,700</u>	-	-
NET CHANGE IN FUND BALANCES	3,279,457	24,769	12,907
FUND BALANCES, MAY 1	<u>9,383,164</u>	<u>651,458</u>	<u>920,936</u>
FUND BALANCES, APRIL 30	<u><u>\$ 12,662,621</u></u>	<u><u>\$ 676,227</u></u>	<u><u>\$ 933,843</u></u>

Unemployment Compensation	Equipment Replacement	Total
\$ -	\$ -	\$ 18,543,006
-	-	312,297
-	1,199,230	1,388,705
-	6,705	1,096,442
-	-	4,602,891
-	-	470,152
-	-	488,324
-	1,205,935	26,901,817
3,988	-	4,347,664
-	-	2,625,592
-	-	15,000,899
-	681,352	1,001,936
-	-	199,279
-	-	14,419
3,988	681,352	23,189,789
(3,988)	524,583	3,712,028
-	-	125,700
-	-	125,700
(3,988)	524,583	3,837,728
33,732	2,224,966	13,214,256
\$ 29,744	\$ 2,749,549	\$ 17,051,984

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

MANNHEIM ROAD TAX INCREMENT FINANCING DISTRICT FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 3,000,000	\$ 3,000,000	\$ 3,463,982
Investment income	1,000	1,000	-
Total revenues	<u>3,001,000</u>	<u>3,001,000</u>	<u>3,463,982</u>
EXPENDITURES			
Debt service			
Principal	1,028,000	1,028,000	1,700,000
Interest and fiscal charges	3,100	3,100	849,250
Total expenditures	<u>1,031,100</u>	<u>1,031,100</u>	<u>2,549,250</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,969,900</u>	<u>\$ 1,969,900</u>	914,732
FUND BALANCE, MAY 1			<u>4,633,167</u>
FUND BALANCE, APRIL 30			<u><u>\$ 5,547,899</u></u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

ROOSEVELT ROAD TAX INCREMENT FINANCING DISTRICT FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 400,000	\$ 400,000	\$ 393,917
Investment income	500	500	-
Total revenues	<u>400,500</u>	<u>400,500</u>	<u>393,917</u>
EXPENDITURES			
Capital outlay	<u>1,000,000</u>	<u>1,000,000</u>	<u>214,947</u>
Total expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>214,947</u>
NET CHANGE IN FUND BALANCE	<u>\$ (599,500)</u>	<u>\$ (599,500)</u>	178,970
FUND BALANCE (DEFICIT), MAY 1			<u>(293,727)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u><u>\$ (114,757)</u></u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund - to account for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. Financing is provided from the Village's share of restricted gasoline taxes.

Debt Service Fund - to account for the accumulation of resources restricted for the payment of general obligation bond principal and interest.

Capital Projects Fund - to account for the resources assigned for the construction or acquisition of capital assets and other improvements except those financed by proprietary funds.

VILLAGE OF HILLSIDE, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
April 30, 2023

	<u>Special Revenue</u>		Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Motor Fuel Tax	Disposal Service			
ASSETS					
Cash and investments	\$ 1,169,558	\$ 207,762	\$ 287,540	\$ 1,206,827	\$ 2,871,687
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	-	412,605	319,232	-	731,837
Due from other governments	29,555	-	-	-	29,555
TOTAL ASSETS	\$ 1,199,113	\$ 620,367	\$ 606,772	\$ 1,206,827	\$ 3,633,079
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ 64,932	\$ -	\$ 14,872	\$ 79,804
Due to other funds	1,000	55,805	-	104,116	160,921
Total liabilities	1,000	120,737	-	118,988	240,725
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	-	412,605	319,232	-	731,837
Total deferred inflows of resources	-	412,605	319,232	-	731,837
Total liabilities and deferred inflows of resources	1,000	533,342	319,232	118,988	972,562
FUND BALANCES					
Restricted					
Highways and streets	1,198,113	-	-	-	1,198,113
Disposal service	-	87,025	-	-	87,025
Debt service	-	-	287,540	-	287,540
Assigned					
Capital projects	-	-	-	1,087,839	1,087,839
Total fund balances	1,198,113	87,025	287,540	1,087,839	2,660,517
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,199,113	\$ 620,367	\$ 606,772	\$ 1,206,827	\$ 3,633,079

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2023

	<u>Special Revenue</u>			<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Motor Fuel Tax</u>	<u>Disposal Service</u>	<u>Debt Service</u>		
REVENUES					
Taxes					
Property taxes	\$ -	\$ 786,156	\$ 587,352	\$ -	\$ 1,373,508
Intergovernmental	427,000	-	-	-	427,000
Investment income	57,924	-	-	-	57,924
	<hr/>				
Total revenues	484,924	786,156	587,352	-	1,858,432
	<hr/>				
EXPENDITURES					
Current					
General government	-	779,350	-	-	779,350
Capital outlay	-	-	-	118,988	118,988
Debt service					
Principal retirement	175,000	-	465,000	-	640,000
Interest and fiscal charges	48,950	-	124,000	-	172,950
	<hr/>				
Total expenditures	223,950	779,350	589,000	118,988	1,711,288
	<hr/>				
NET CHANGE IN FUND BALANCES	260,974	6,806	(1,648)	(118,988)	147,144
FUND BALANCES, MAY 1	937,139	80,219	289,188	1,206,827	2,513,373
	<hr/>				
FUND BALANCES, APRIL 30	\$ 1,198,113	\$ 87,025	\$ 287,540	\$ 1,087,839	\$ 2,660,517
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(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

MOTOR FUEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental revenues			
Allotments earned	\$ 300,000	\$ 300,000	\$ 337,404
Rebuild Illinois	89,000	89,000	89,596
Investment income	2,000	2,000	57,924
	<hr/>		
Total revenues	391,000	391,000	484,924
	<hr/>		
EXPENDITURES			
Debt service			
Principal	175,000	175,000	175,000
Interest and fiscal charges	49,450	49,450	48,950
	<hr/>		
Total expenditures	224,450	224,450	223,950
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ 166,550	\$ 166,550	260,974
	<hr/>		
FUND BALANCE, MAY 1			937,139
	<hr/>		
FUND BALANCE, APRIL 30			\$ 1,198,113
	<hr/>		

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

DISPOSAL SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 750,000	\$ 750,000	\$ 786,156
Total revenues	<u>750,000</u>	<u>750,000</u>	<u>786,156</u>
EXPENDITURES			
Current			
General government			
Contractual services	<u>770,000</u>	<u>770,000</u>	<u>779,350</u>
Total expenditures	<u>770,000</u>	<u>770,000</u>	<u>779,350</u>
NET CHANGE IN FUND BALANCE	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	6,806
FUND BALANCE, MAY 1			<u>80,219</u>
FUND BALANCE, APRIL 30			<u><u>\$ 87,025</u></u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

DEBT SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 650,000	\$ 650,000	\$ 587,352
Total revenues	<u>650,000</u>	<u>650,000</u>	<u>587,352</u>
EXPENDITURES			
Debt service			
Principal	465,000	465,000	465,000
Interest and fiscal charges	125,000	125,000	124,000
Total expenditures	<u>590,000</u>	<u>590,000</u>	<u>589,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 60,000</u>	<u>\$ 60,000</u>	(1,648)
FUND BALANCE, MAY 1			<u>289,188</u>
FUND BALANCE, ARIL 30			<u>\$ 287,540</u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

CAPITAL PROJECTS FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 500	\$ 500	\$ -
Total revenues	<u>500</u>	<u>500</u>	<u>-</u>
EXPENDITURES			
Capital outlay	<u>1,300,000</u>	<u>1,300,000</u>	<u>118,988</u>
Total expenditures	<u>1,300,000</u>	<u>1,300,000</u>	<u>118,988</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,299,500)</u>	<u>\$ (1,299,500)</u>	(118,988)
FUND BALANCE, MAY 1			<u>1,206,827</u>
FUND BALANCE, APRIL 30			<u><u>\$ 1,087,839</u></u>

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Police Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

Firefighters' Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn fire personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

VILLAGE OF HILLSIDE, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET POSITION

April 30, 2023

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and cash equivalents	\$ 541,075	\$ 2,863,091	\$ 3,404,166
Investments			
Held in the Illinois Police Officers' Pension Investment Fund	20,908,073	-	20,908,073
Held in the Illinois Firefighters' Pension Investment Fund	-	12,270,445	12,270,445
Due from Municipality	83,120	36,134	119,254
Prepaid items	4,110	530	4,640
Total assets	<u>21,536,378</u>	<u>15,170,200</u>	<u>36,706,578</u>
LIABILITIES			
Accounts payable	<u>3,864</u>	<u>3,006</u>	<u>6,870</u>
Total liabilities	<u>3,864</u>	<u>3,006</u>	<u>6,870</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 21,532,514</u>	<u>\$ 15,167,194</u>	<u>\$ 36,699,708</u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN NET POSITION

For the Year Ended April 30, 2023

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer contributions	\$ 2,159,332	\$ 1,578,692	\$ 3,738,024
Employee contributions	248,325	248,547	496,872
Total contributions	2,407,657	1,827,239	4,234,896
Investment income			
Net appreciation (depreciation) in fair value of investments	283,065	(106,204)	176,861
Interest	190,172	133,386	323,558
Total investment income	473,237	27,182	500,419
Less investment expense	(35,184)	(10,023)	(45,207)
Net investment income	438,053	17,159	455,212
Total additions	2,845,710	1,844,398	4,690,108
DEDUCTIONS			
Pension benefits	2,801,573	1,708,383	4,509,956
Administrative expenses	70,862	43,133	113,995
Total deductions	2,872,435	1,751,516	4,623,951
NET INCREASE (DECREASE)	(26,725)	92,882	66,157
NET POSITION RESTRICTED FOR PENSIONS			
May 1	21,559,239	15,074,312	36,633,551
April 30	\$ 21,532,514	\$ 15,167,194	\$ 36,699,708

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer contributions	\$ 2,000,000	\$ 2,000,000	\$ 2,159,332
Employee contributions	250,000	250,000	248,325
Total contributions	2,250,000	2,250,000	2,407,657
Investment income			
Net appreciation in fair value of investments	1,000,000	1,000,000	283,065
Interest	-	-	190,172
Total investment income	1,000,000	1,000,000	473,237
Less investment expense	(80,000)	(64,000)	(35,184)
Net investment income	920,000	936,000	438,053
Total additions	3,170,000	3,186,000	2,845,710
DEDUCTIONS			
Pension benefits	2,500,000	2,500,000	2,801,573
Administrative expenses	86,500	102,500	70,862
Total deductions	2,586,500	2,602,500	2,872,435
NET INCREASE (DECREASE)	\$ 583,500	\$ 583,500	(26,725)
NET POSITION RESTRICTED FOR PENSIONS			
May 1			21,559,239
April 30			\$ 21,532,514

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
ADDITIONS			
Employer contributions	\$ 1,500,000	\$ 1,500,000	\$ 1,578,692
Employee contributions	225,000	225,000	248,547
Total contributions	1,725,000	1,725,000	1,827,239
Investment income			
Net appreciation (depreciation) in fair value of investments	500,000	500,000	(106,204)
Interest	-	-	133,386
Total investment income	500,000	500,000	27,182
Less investment expense	(50,690)	(48,690)	(10,023)
Net investment income	449,310	451,310	17,159
Total additions	2,174,310	2,176,310	1,844,398
DEDUCTIONS			
Pension benefits	1,600,000	1,600,000	1,708,383
Administrative expenses	67,000	69,000	43,133
Total deductions	1,667,000	1,669,000	1,751,516
NET INCREASE	\$ 507,310	\$ 507,310	92,882
NET POSITION RESTRICTED FOR PENSIONS			
May 1			15,074,312
April 30			\$ 15,167,194

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

VILLAGE OF HILLSIDE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE BOND SERIES OF 2017A

April 30, 2023

Date of Issue	November 1, 2017
Date of Maturity	December 1, 2027
Authorized Issue	\$ 1,635,000
Denomination of Bonds	\$ 5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	BNY Mellon Trust Company, Chicago, IL

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year				Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 180,000	\$ 39,200	\$ 219,200	2023	\$ 19,600	2023	\$ 19,600
2025	190,000	32,000	222,000	2024	16,000	2024	16,000
2026	195,000	24,400	219,400	2025	12,200	2025	12,200
2027	205,000	16,600	221,600	2026	8,300	2026	8,300
2028	210,000	8,400	218,400	2027	4,200	2027	4,200
	<u>\$ 980,000</u>	<u>\$ 120,600</u>	<u>\$ 1,100,600</u>		<u>\$ 60,300</u>		<u>\$ 60,300</u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2017B

April 30, 2023

Date of Issue	November 1, 2017
Date of Maturity	December 1, 2027
Authorized Issue	\$ 3,075,000
Denomination of Bonds	\$ 5,000
Interest Rate	4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	BNY Mellon Trust Company, Chicago, IL

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year				Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 480,000	\$ 104,400	\$ 584,400	2023	\$ 52,200	2023	\$ 52,200
2025	500,000	85,200	585,200	2024	42,600	2024	42,600
2026	520,000	65,200	585,200	2025	32,600	2025	32,600
2027	545,000	44,400	589,400	2026	22,200	2026	22,200
2028	565,000	22,600	587,600	2027	11,300	2027	11,300
	<u>\$ 2,610,000</u>	<u>\$ 321,800</u>	<u>\$ 2,931,800</u>		<u>\$ 160,900</u>		<u>\$ 160,900</u>

(See independent auditor's report.)

VILLAGE OF HILLSIDE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

TAX INCREMENT REVENUE REFUNDING BOND SERIES 2018

April 30, 2023

Date of Issue	December 4, 2018
Date of Maturity	January 1, 2030
Authorized Issue	\$ 21,435,000
Denomination of Bonds	\$ 5,000
Interest Rates	6.55% to 7.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	BNY Mellon Trust Company, Chicago, IL

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year				Interest Due on			
	Principal	Interest	Total	July 1	Amount	January 1	Amount
2024	\$ 1,770,000	\$ 761,250	\$ 2,531,250	2023	\$ 380,625	2024	\$ 380,625
2025	-	672,750	672,750	2024	336,375	2025	336,375
2026	-	672,750	672,750	2025	336,375	2026	336,375
2027	-	672,750	672,750	2026	336,375	2027	336,375
2028	-	672,750	672,750	2027	336,375	2028	336,375
2029	-	672,750	672,750	2028	336,375	2029	336,375
2030	13,455,000	672,750	14,127,750	2029	336,375	2030	336,375
	<u>\$ 15,225,000</u>	<u>\$ 4,797,750</u>	<u>\$ 20,022,750</u>		<u>\$ 2,398,875</u>		<u>\$ 2,398,875</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Hillside, Illinois' annual comprehensive 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.

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	106-115
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue sources.	116-120
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	121-123
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	124-125
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	126-128

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF HILLSIDE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 19,146,258	\$ 18,943,396	\$ 18,973,640	\$ 19,110,583
Restricted	4,338,813	4,456,320	5,475,750	4,494,639
Unrestricted (deficit)	(1,077,647)	39,535	(37,653,546)	(39,318,299)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 22,407,424	\$ 23,439,251	\$ (13,204,156)	\$ (15,713,077)
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 5,269,032	\$ 5,123,740	\$ 4,977,322	\$ 4,830,904
Unrestricted	5,097,879	5,185,228	5,369,034	5,502,326
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 10,366,911	\$ 10,308,968	\$ 10,346,356	\$ 10,333,230
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 24,415,290	\$ 24,067,136	\$ 23,950,962	\$ 23,941,487
Restricted	4,338,813	4,456,320	5,475,750	4,494,639
Unrestricted (deficit)	4,020,232	5,224,763	(32,284,512)	(33,815,973)
TOTAL PRIMARY GOVERNMENT	\$ 32,774,335	\$ 33,748,219	\$ (2,857,800)	\$ (5,379,847)

Note: Accrual basis of accounting

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
\$ 16,176,087	\$ 21,839,428	\$ 24,223,318	\$ 22,445,521	\$ 22,591,754	\$ 22,554,323
8,166,958	5,108,643	5,798,656	4,860,118	7,545,839	8,760,391
(43,872,997)	(53,788,818)	(60,670,537)	(83,082,198)	(77,615,606)	(73,814,291)
<u>\$ (19,529,952)</u>	<u>\$ (26,840,747)</u>	<u>\$ (30,648,563)</u>	<u>\$ (55,776,559)</u>	<u>\$ (47,478,013)</u>	<u>\$ (42,499,577)</u>
\$ 4,685,612	\$ 4,726,383	\$ 4,608,511	\$ 4,495,287	\$ 4,382,793	\$ 5,128,542
5,251,147	4,672,807	4,440,894	4,510,342	4,743,541	3,730,248
<u>\$ 9,936,759</u>	<u>\$ 9,399,190</u>	<u>\$ 9,049,405</u>	<u>\$ 9,005,629</u>	<u>\$ 9,126,334</u>	<u>\$ 8,858,790</u>
\$ 20,861,699	\$ 26,565,811	\$ 28,831,829	\$ 26,940,808	\$ 26,974,547	\$ 27,682,865
8,166,958	5,108,643	5,798,656	4,860,118	7,545,839	8,760,391
(38,621,850)	(49,116,011)	(56,229,643)	(78,571,856)	(72,872,065)	(70,084,043)
<u>\$ (9,593,193)</u>	<u>\$ (17,441,557)</u>	<u>\$ (21,599,158)</u>	<u>\$ (46,770,930)</u>	<u>\$ (38,351,679)</u>	<u>\$ (33,640,787)</u>

VILLAGE OF HILLSIDE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
EXPENSES				
Governmental activities				
General government	\$ 8,567,571	\$ 8,019,865	\$ 7,436,786	\$ 8,055,368
Public safety	9,670,531	10,235,927	11,991,467	14,108,499
Highways and streets	3,127,665	3,412,507	3,663,435	3,878,759
Interest on debt	157,627	136,405	118,706	100,526
Total governmental activities expenses	21,523,394	21,804,704	23,210,394	26,143,152
Business-type activities				
Water	2,718,087	3,095,289	2,898,365	3,028,847
Sewer	81,188	95,285	98,312	64,331
Total business-type activities expenses	2,799,275	3,190,574	2,996,677	3,093,178
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 24,322,669	\$ 24,995,278	\$ 26,207,071	\$ 29,236,330
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 1,170,305	\$ 1,137,973	\$ 1,113,168	\$ 1,684,956
Public safety	2,010,476	1,800,684	1,865,432	1,425,082
Highways and streets	-	-	-	-
Operating grants and contributions	237,165	1,156,054	1,067,332	1,880,553
Capital grants and contributions	12,475	160,881	-	-
Total governmental activities program revenues	3,430,421	4,255,592	4,045,932	4,990,591
Business-type activities				
Charges for services				
Water	3,116,178	2,910,681	2,847,196	2,867,922
Sewer	136,674	126,911	121,916	119,880
Total business-type activities program revenues	3,252,852	3,037,592	2,969,112	2,987,802
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 6,683,273	\$ 7,293,184	\$ 7,015,044	\$ 7,978,393

	2018	2019	2020	2021*	2022	2023
\$	9,426,432	\$ 8,029,708	\$ 10,440,665	\$ 4,617,077	\$ 4,371,727	\$ 5,467,386
	14,338,416	12,791,069	17,247,933	20,199,072	14,644,781	17,266,894
	3,135,971	3,400,610	2,318,267	2,815,197	3,478,424	3,373,650
	241,591	214,716	187,459	1,136,515	1,061,816	938,527
	27,142,410	24,436,103	30,194,324	28,767,861	23,556,748	27,046,457
	3,034,019	3,418,789	3,390,255	2,901,008	2,886,504	3,124,475
	403,704	164,350	151,632	124,457	29,292	198,491
	3,437,723	3,583,139	3,541,887	3,025,465	2,915,796	3,322,966
\$	30,580,133	\$ 28,019,242	\$ 33,736,211	\$ 31,793,326	\$ 26,472,544	\$ 30,369,423
\$	1,571,217	\$ 1,355,305	\$ 1,533,018	\$ 438,426	\$ 405,084	\$ 509,003
	1,121,360	1,121,079	1,306,580	1,650,965	2,466,061	2,752,996
	-	-	-	109,976	86,430	131,521
	235,605	209,303	455,862	871,778	814,343	957,384
	-	-	934,152	222,097	179,254	699,352
	2,928,182	2,685,687	4,229,612	3,293,242	3,951,172	5,050,256
	2,825,488	3,041,223	2,921,114	2,722,874	2,773,059	2,793,139
	120,427	124,998	120,327	113,240	115,727	114,849
	2,945,915	3,166,221	3,041,441	2,836,114	2,888,786	2,907,988
\$	5,874,097	\$ 5,851,908	\$ 7,271,053	\$ 6,129,356	\$ 6,839,958	\$ 7,958,244

VILLAGE OF HILLSIDE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
NET (EXPENSES) REVENUES				
Governmental activities	\$ (18,092,973)	\$ (17,549,112)	\$ (19,164,462)	\$ (21,152,561)
Business-type activities	453,577	(152,982)	(27,565)	(105,376)
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES	<u>\$ (17,639,396)</u>	<u>\$ (17,702,094)</u>	<u>\$ (19,192,027)</u>	<u>\$ (32,621,755)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property taxes	\$ 11,135,175	\$ 11,253,214	\$ 11,489,444	\$ 11,006,606
Taxes	5,929,414	6,293,146	7,206,753	6,515,374
Unrestricted intergovernmental revenue	951,246	928,657	1,000,788	991,710
Investment income	7,435	5,357	15,960	57,548
Gain on sale of capital assets	19,969	6,017	113	9,345
Miscellaneous	67,939	94,548	129,394	63,057
Total governmental activities	<u>18,111,178</u>	<u>18,580,939</u>	<u>19,842,452</u>	<u>18,643,640</u>
Business-type activities				
Property taxes	95,501	95,039	96,763	92,250
Total business-type activities	<u>95,501</u>	<u>95,039</u>	<u>96,763</u>	<u>92,250</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 18,206,679</u>	<u>\$ 18,675,978</u>	<u>\$ 19,939,215</u>	<u>\$ 18,735,890</u>
CHANGE IN NET POSITION				
Governmental activities	\$ 18,205	\$ 1,031,827	\$ 677,990	\$ (2,508,921)
Business-type activities	549,078	(57,943)	69,198	(13,126)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ 567,283</u>	<u>\$ 973,884</u>	<u>\$ 747,188</u>	<u>\$ (2,522,047)</u>

Note: Accrual basis of accounting

*Reclassifications were made to more accurately state charges for services revenue. The reduction in general governmental expenses relates to the restatement of TIF Revenue Bonds payable as documented in Note 12 and utilizing the principal payment as a direct reduction of the liability as opposed to classifying as a functional expenditure. In addition, the decrease in general government expenses relates to classifying capital outlay accurately amongst the functional expenses. All changes were made on a prospective basis.

Data Source

Audited Financial Statements

2018	2019	2020	2021*	2022	2023
\$ (24,214,228)	\$ (21,750,416)	\$ (25,964,712)	\$ (25,474,619)	\$ (19,605,576)	\$ (21,996,201)
(491,808)	(416,918)	(500,446)	(189,351)	(27,010)	(414,978)
<hr/>					
\$ (34,858,473)	\$ (33,827,414)	\$ (26,465,158)	\$ (25,663,970)	\$ (19,632,586)	\$ (22,411,179)
<hr/>					
\$ 11,808,713	\$ 13,036,272	\$ 14,133,795	\$ 12,785,071	\$ 17,307,503	\$ 15,759,233
6,889,247	6,761,854	6,797,691	6,685,411	7,933,509	7,981,623
1,127,387	990,360	957,510	1,046,800	2,288,787	2,607,314
129,579	214,761	195,699	21,984	21,984	528,076
87,369	-	-	-	-	-
355,058	330,630	72,201	322,000	322,000	488,324
<hr/>					
20,397,353	21,333,877	22,156,896	20,861,266	27,873,783	27,364,570
<hr/>					
95,337	125,132	150,661	145,575	145,575	147,434
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95,337	125,132	150,661	145,575	145,575	147,434
<hr/>					
\$ 20,492,690	\$ 21,459,009	\$ 22,307,557	\$ 21,006,841	\$ 28,019,358	\$ 27,512,004
<hr/>					
\$ (3,816,875)	\$ (416,539)	\$ (3,807,816)	\$ (4,613,353)	\$ (4,613,353)	\$ 5,368,369
(396,471)	(291,786)	(349,785)	(43,776)	(43,776)	(267,544)
<hr/>					
\$ (4,213,346)	\$ (708,325)	\$ (4,157,601)	\$ (4,657,129)	\$ (4,657,129)	\$ 5,100,825
<hr/>					

VILLAGE OF HILLSIDE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
GENERAL FUND				
Nonspendable	\$ 163,031	\$ 365,645	\$ 16,334	\$ 3,915
Restricted	142,149	170,864	440,109	583,957
Unrestricted				
Assigned	-	-	-	-
Unassigned	4,945,695	5,589,212	7,947,656	8,686,906
TOTAL GENERAL FUND	\$ 5,250,875	\$ 6,125,721	\$ 8,404,099	\$ 9,274,778
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	6,330,855	5,883,574	5,878,590	4,014,775
Unrestricted				
Assigned	-	-	-	-
Unassigned (deficit)	-	-	(20,215)	(44,392)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 6,330,855	\$ 5,883,574	\$ 5,858,375	\$ 3,970,383

Note: Modified accrual basis of accounting

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
\$ 1,096,079	\$ 483,709	\$ 279,849	\$ 1,467,710	\$ 1,482,412	\$ 1,462,594
771,768	976,249	1,195,134	1,479,497	1,606,126	1,639,814
-	-	-	2,192,465	2,332,615	2,457,260
5,692,569	6,246,471	6,668,070	5,329,305	7,793,103	11,492,316
<u>\$ 7,560,416</u>	<u>\$ 7,706,429</u>	<u>\$ 8,143,053</u>	<u>\$ 10,468,977</u>	<u>\$ 13,214,256</u>	<u>\$ 17,051,984</u>
\$ -	\$ -	\$ -	\$ 16,500	\$ -	\$ -
7,425,857	6,402,911	5,933,062	3,364,121	5,939,713	7,120,577
-	-	-	1,214,073	1,206,827	1,087,839
(62,577)	(84,411)	(11,653)	(852,526)	(293,727)	(114,757)
<u>\$ 7,363,280</u>	<u>\$ 6,318,500</u>	<u>\$ 5,921,409</u>	<u>\$ 3,742,168</u>	<u>\$ 6,852,813</u>	<u>\$ 8,093,659</u>

VILLAGE OF HILLSIDE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
REVENUES				
Taxes	\$ 17,042,682	\$ 17,546,360	\$ 18,714,431	\$ 17,403,371
Intergovernmental	1,188,411	2,080,904	2,232,808	2,540,441
Licenses, fees, and permits	294,866	282,049	266,139	252,877
Charges for services	355,695	412,714	440,420	413,482
Fines and forfeitures	2,186,324	1,963,519	2,018,041	1,554,239
Investment earnings	7,435	5,357	15,960	57,548
Other revenues	411,835	374,923	383,394	952,497
Total revenues	21,487,248	22,665,826	24,071,193	23,174,455
EXPENDITURES				
General government	8,130,832	7,937,751	7,181,461	8,142,200
Public safety	9,727,666	10,228,430	10,366,548	11,426,573
Highway and streets	2,930,524	3,227,744	3,465,030	3,825,007
Capital outlay	-	-	-	-
Debt service				
Principal	738,593	702,718	675,000	695,000
Interest	168,702	147,635	130,088	112,333
Total expenditures	21,696,317	22,244,278	21,818,127	24,201,113
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(209,069)	421,548	2,253,066	(1,026,658)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of debt	-	-	-	-
Lease issuance	-	-	-	-
Sale of capital assets	19,969	-	113	9,345
Transfers in	47,272	39,587	2,132,832	130,785
Transfers (out)	(47,272)	(783,889)	(2,132,832)	(130,785)
Total other financing sources (uses)	19,969	(744,302)	113	9,345
NET CHANGE IN FUND BALANCES	\$ (189,100)	\$ (322,754)	\$ 2,253,179	\$ (1,017,313)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.40%	3.90%	3.80%	3.40%

Note: Modified accrual basis of accounting

*Reclassifications were made to more accurately state charges for services, fine and forfeitures, and other revenues. The increase in debt service relates to the restatement of TIF Revenue Bonds payable as documented in Note 12 and is also reasoning for the decrease in general government expenditures. In addition, the decrease in general government expenditures is attributed to the reclassification of capital outlay from a functional expenditure on the governmental income statement. All described changes have been made on a prospective basis.

Data Source

Audited Financial Statements

2018	2019	2020	2021*	2022	2023
\$ 18,386,501	\$ 20,086,511	\$ 21,038,878	\$ 19,270,185	\$ 25,171,700	\$ 23,774,413
1,650,850	1,219,747	1,277,301	2,908,257	3,967,106	5,029,891
381,879	276,017	285,544	278,075	227,953	312,297
501,337	489,210	449,149	1,016,405	1,013,446	1,388,705
1,268,151	1,262,207	1,433,468	904,889	1,133,028	1,096,442
129,579	214,761	195,699	21,984	13,788	528,076
896,268	785,840	879,022	321,997	360,535	488,324
23,214,565	24,334,293	25,559,061	24,721,792	31,887,556	32,618,148
10,131,055	8,750,485	10,557,759	3,805,725	4,455,198	5,127,014
11,803,062	11,548,749	11,386,584	12,826,469	14,278,424	15,000,899
3,872,973	4,165,235	3,382,706	2,469,882	2,267,171	2,625,592
-	-	-	1,713,949	1,322,558	1,335,871
715,000	731,600	741,190	2,358,971	2,542,728	2,539,279
265,066	184,637	243,228	1,235,856	1,165,553	1,036,619
26,787,156	25,380,706	26,311,467	24,410,852	26,031,632	27,665,274
(3,572,591)	(1,046,413)	(752,406)	310,940	5,855,924	4,952,874
5,163,757	141,858	791,252	-	-	-
-	-	-	-	-	125,700
87,369	5,788	687	186,394	-	-
1,000	-	-	551,788	-	-
(1,000)	-	-	(551,788)	-	-
5,251,126	147,646	791,939	186,394	-	125,700
\$ 1,678,535	\$ (898,767)	\$ 39,533	\$ 497,334	\$ 5,855,924	\$ 5,078,574
4.00%	4.10%	4.60%	15.64%	14.50%	12.93%

VILLAGE OF HILLSIDE, ILLINOIS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	Property*	Sales and Use	Utility	Property Transfer	Hotel Motel	Other	Total
2014	\$ 11,135,175	\$ 4,190,731	\$ 933,571	\$ 226,761	\$ 390,606	\$ 86,499	\$ 16,963,343
2015	11,253,214	4,400,222	868,597	404,442	430,457	104,543	17,461,475
2016	11,489,444	5,059,449	816,141	703,080	448,230	109,024	18,625,368
2017	11,006,606	4,746,997	820,943	148,250	364,226	224,389	17,311,411
2018	11,808,713	4,803,857	805,123	195,951	464,171	216,571	18,294,386
2019	13,036,272	4,969,876	804,714	438,840	435,458	313,929	19,999,089
2020	14,133,795	5,093,704	739,180	314,912	386,083	283,393	20,951,067
2021	12,785,071	5,162,250	727,223	282,948	201,721	110,972	19,270,185
2022	17,307,503	6,089,410	790,382	563,842	237,395	183,168	25,171,700
2023	15,759,233	6,435,077	772,017	277,792	334,111	196,183	23,774,413

*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. This also includes Tax Increment Financing (TIF) property taxes which are based on the equalized assessed value of the TIF.

Note: Modified accrual basis of accounting

Data Source

Audited Financial Statements

VILLAGE OF HILLSIDE, ILLINOIS

EQUALIZED ASSESSED VALUE AND TOTAL DIRECT TAX RATE

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad	Total Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Equalized Assessed Value to Total Estimated Actual Value
2013	\$ 82,818,443	\$ 45,710,231	\$ 72,309,300	\$ 130,360	\$ 200,968,334	\$ 4.425	\$ 602,905,002	33.33%
2014	78,722,411	65,516,394	46,803,240	176,344	191,218,389	4.841	573,655,167	33.33%
2015	76,983,032	68,413,187	44,159,446	191,500	189,747,165	5.079	569,241,495	33.33%
2016	80,985,578	71,433,224	43,487,347	234,456	196,140,605	5.096	588,421,815	33.33%
2017	95,189,705	77,473,462	47,315,612	190,254	220,169,033	4.857	660,507,099	33.33%
2018	90,786,636	74,587,590	47,142,512	172,397	212,689,135	5.288	638,067,405	33.33%
2019	89,444,897	75,441,219	48,104,467	164,326	213,154,909	5.532	639,464,727	33.33%
2020	122,977,297	86,964,692	58,050,659	179,096	268,171,744	4.583	804,515,232	33.33%
2021	110,457,672	76,582,387	55,680,440	179,096	242,899,595	4.583	728,698,785	33.33%
2022*	110,457,672	76,582,387	55,680,440	179,096	242,899,595	4.583	728,698,785	33.33%

Data Source

Office of the County Clerk and Treasurer

* Reports for tax levy year 2022 were not available at time of printing.

VILLAGE OF HILLSIDE, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Tax Levy Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*
VILLAGE DIRECT RATES										
Village of Hillside	4.425	4.841	5.079	5.096	4.857	5.288	5.532	4.583	5.134	5.259
Hillside Library	0.503	0.554	0.586	0.595	0.555	0.603	0.631	0.553	0.609	0.639
County of Cook	0.560	0.568	0.552	0.533	0.496	0.489	0.454	0.453	0.446	0.446
Consolidated Elections	0.031	-	0.034	-	0.031	-	0.030	-	0.019	0.019
Forest Preserve District of Cook County	0.069	0.069	0.069	0.063	0.062	0.060	0.059	0.058	0.058	0.058
Proviso Township	0.110	0.106	0.115	0.119	0.107	0.113	0.116	0.099	0.111	0.111
General Assistance - Proviso Township	0.052	0.053	0.057	0.059	0.053	0.056	0.058	0.049	0.055	0.055
Metropolitan Water Reclamation District	0.417	0.430	0.426	0.406	0.402	0.396	0.389	0.378	0.382	0.382
Community College District #504	0.325	0.336	0.352	0.330	0.306	0.324	0.306	0.282	0.315	0.315
Proviso Township High School #209	2.722	2.913	3.060	2.988	2.658	2.806	2.859	2.372	2.644	2.644
School District #93	2.401	2.543	2.695	2.625	2.358	2.441	2.488	2.142	2.326	2.326
Proviso Mental Health District	0.150	0.150	0.150	0.144	0.130	0.137	0.141	0.119	0.133	0.133
Des Plaines Valley Mosquito Abatement	0.016	0.016	0.017	0.017	0.015	0.015	0.014	0.012	0.014	0.014
Total direct rate	11.781	12.579	13.192	12.975	12.030	12.728	13.077	11.100	12.246	12.401
OVERLAPPING RATES										
School District #87	4.701	4.958	5.099	4.812	4.509	4.754	4.591	4.566	5.267	5.267
School District #88	4.376	4.759	4.888	4.911	4.507	4.919	5.095	4.237	4.746	4.746
School District #92 1/2	3.073	3.626	3.815	3.679	3.178	3.338	3.385	3.066	3.409	3.409
School District #93	2.401	2.543	2.695	2.625	2.358	2.441	2.488	2.142	2.326	2.326
Memorial Park District	0.610	0.657	0.676	0.669	0.607	0.658	0.675	0.541	0.615	0.615
Westchester Park District	0.381	0.406	0.422	0.408	0.355	0.353	0.360	0.327	0.359	0.359
TOTAL DIRECT AND OVERLAPPING TAX RATE	27.323	29.528	30.787	30.079	27.544	29.191	29.671	25.979	28.968	29.123

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

Data Source

Cook County Clerk's Office

*Tax rate for Village of Hillside and Hillside Library are 2022 tax rates, the other taxing bodies are 2021 tax rates.

*Cook County reports for tax year 2022 were not available at time of printing.

VILLAGE OF HILLSIDE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Target Corp T 2490	\$ 14,628,965	1	5.86%	\$ 9,383,900	2	4.55%
SVAP III Hillside TC	7,869,927	2	4.08%	-	-	-
Carmax	5,939,208	3	3.15%	4,832,404	5	-
Corwn Enterprises Inc	5,918,151	4	2.38%	5,157,808	3	2.28%
Warburg Storgemart	5,424,119	5	2.37%	3,440,692	9	2.72%
Invesque	5,264,042	6	1.84%	-	-	1.78%
Markwell Hillside LLC	4,181,335	7	1.82%	3,682,800	8	1.67%
11525 N Community House	4,146,570	8	1.61%	-	-	-
CPT Prime Industrial	4,021,726	9	1.60%	-	-	-
Chicago W Investment	3,930,444	10	1.43%	-	-	-
Par Development	-	-	-	14,716,169	1	5.94%
Encore Realty Partners	-	-	-	5,151,472	4	2.50%
Marc Realty	-	-	-	4,144,805	6	2.23%
Partipilo Fam Prtns	-	-	-	3,819,262	7	2.01%
Realty Assoc Fund VII	-	-	-	2,952,695	10	1.85%
TOTAL	<u>\$ 61,324,487</u>		<u>26.14%</u>	<u>\$ 57,282,007</u>		<u>27.53%</u>

Data Source

Office of the Cook County Clerk

VILLAGE OF HILLSIDE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Fiscal Period Ended	Tax Levied	Collected Within the Fiscal Period of the Levy		Collections in Subsequent Periods	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	April 30, 2014	\$ 8,622,770	\$ 4,187,067	48.56%	\$ 4,222,525	\$ 8,409,592	97.53%
2014	April 30, 2015	8,981,570	4,311,948	48.01%	4,260,533	8,572,481	95.45%
2015	April 30, 2016	9,351,500	4,797,419	51.30%	4,371,549	9,168,968	98.05%
2016	April 30, 2017	9,718,500	4,605,149	47.39%	4,699,550	9,304,699	95.74%
2017	April 30, 2018	10,201,500	4,891,274	47.95%	5,198,556	10,089,830	98.91%
2018	April 30, 2019	10,833,500	5,357,039	49.45%	5,452,471	10,809,510	99.78%
2019	April 30, 2020	11,368,500	5,696,825	50.11%	5,597,969	11,294,794	99.35%
2020	April 30, 2021	12,288,043	5,452,132	44.37%	6,030,434	11,482,566	93.45%
2021	April 30, 2022	12,469,610	6,048,502	48.51%	5,916,992	11,965,494	95.96%
2022	April 30, 2023	13,905,400	6,131,777	44.10%	-	6,131,777	44.10%

Data Source

Village records

VILLAGE OF HILLSIDE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Total Primary Government	Accumulated Resources Restricted to Repaying the Principal of Bonded Debt	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	Promissory Note	Increment Revenue Bonds	Lease Payable						
2014	\$ 5,129,246	\$ 37,718	\$ -	\$ -	\$ 5,166,964	\$ 266,658	\$ 5,433,622	2.70%	3.90%	\$ 666
2015	4,460,418	-	-	-	4,460,418	257,029	4,717,447	2.47%	3.40%	578
2016	3,781,434	-	-	-	3,781,434	262,994	4,044,428	2.13%	2.90%	496
2017	3,082,288	-	-	-	3,082,288	250,696	3,332,984	1.70%	2.40%	409
2018	7,514,535	-	-	-	7,514,535	262,128	7,776,663	3.53%	5.60%	953
2019	6,752,239	-	-	135,258	6,887,497	229,880	7,117,377	3.35%	5.20%	873
2020	6,015,095	-	-	875,320	6,890,415	276,348	7,166,763	3.36%	5.20%	879
2021	5,454,986	-	18,560,000	686,349	24,701,335	361,703	24,014,986	8.96%	17.40%	2,886
2022	4,668,874	-	16,925,000	511,563	22,105,437	289,188	21,593,874	8.89%	10.00%	2,595
2023	3,962,762	-	15,225,000	437,984	19,625,746	287,540	19,187,762	7.90%	8.90%	2,306

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

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

Data Source

Village records

VILLAGE OF HILLSIDE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

April 30, 2023

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.

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

VILLAGE OF HILLSIDE, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2023

Governmental Unit	Outstanding GO Bonded Debt		Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Hillside	\$ 19,625,746		100.00%	\$ 19,625,746
School District #87	90,680,000		8.91%	8,079,588
School District #88	33,073,279	(4)	7.22%	2,387,891
School District #92 1/2	11,760,000		1.26%	148,176
School District #93	3,165,000		48.87%	1,546,736
High School District 209	64,245,000		8.93%	5,737,079
Community College 504	-	(3)	2.44%	-
Total school districts	<u>202,923,279</u>			<u>17,899,470</u>
County of Cook	2,251,061,750		0.14%	3,151,486
Forest Preserve District of Cook County	61,505,000	(3)	0.14%	86,107
Metropolitan Water Reclamation of Greater Chicago	2,462,169,076	(2)(3)	0.14%	3,447,037
Memorial Park District	-	(3)	17.98%	-
Westchester Park District	601,620	(3)	1.21%	7,280
Total other	<u>4,775,337,446</u>			<u>6,691,910</u>
Total overlapping debt	<u>4,978,260,725</u>			<u>24,591,380</u>
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 4,997,886,471			\$ 44,217,126

Note: Tax levy year 2022 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.

Data Sources

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

VILLAGE OF HILLSIDE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2014	8,157	\$ 137,770,570	\$ 16,894	33.0	12.7	2,018	3.20%
2015	8,157	137,770,570	16,894	33.0	12.7	2,018	3.20%
2016	8,157	137,770,510	16,894	33.0	12.7	2,018	3.20%
2017	8,157	137,770,510	16,894	33.0	12.7	2,018	3.20%
2018	8,157	137,770,510	16,894	33.0	12.7	2,018	3.20%
2019	8,157	137,770,510	16,894	33.0	12.7	2,018	3.20%
2020	8,157	137,770,510	16,894	33.0	12.7	2,018	3.20%
2021	8,320	137,770,510	26,019	33.0	12.7	2,018	3.20%
2022	8,320	215,928,960	25,953	40.2	12.7	1,846	3.20%
2023	8,320	215,928,960	25,953	40.2	12.7	1,846	3.20%

Data Source

2010 & 2020 Federal Census

VILLAGE OF HILLSIDE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2023			2014		
	Number of Employees	Rank	*Percentage of Total Village Employment	Number of Employees	Rank	**Percentage of Total Village Employment
FedEx Ship Center	300	1	7.66%			
Dynamic Manufacturing	250	2	6.38%	300	2	7.97%
Admiral Heating & Ventalating	200	3	5.11%	200	4	5.31%
RTS Packaging, LLC	200	4	5.11%	150	6	3.99%
Executive Construction, Inc.	180	5	4.60%			
Darwill	175	6	4.47%	150	6	3.99%
Orange Crush	170	7	4.34%	170	5	4.52%
MTH Enterprises, LLC	163	8	4.16%			
United RX, LLC	160	9	4.09%			
Linde Gas & Equipment, Inc.	135	10	3.45%			
V Mark, Inc				200	4	5.31%
Gas Tech Inc.				364	1	9.67%
Creative Automation Co.				250	3	6.64%
Mechanical, Inc.				200	4	5.31%
Glass Services				200	4	5.31%
RR Donnelly				170	5	4.52%
Bekins Van Lines, LLC.				150	6	3.99%
	<u>1,933</u>		<u>49.37%</u>	<u>2,504</u>		<u>66.53%</u>
<u>Data Source</u>						

2023 IL Manufactures and Services Directories

*The U.S. Census Bureau (American Community Survey) reports that 3,916 persons age 16 and older were employed in Hillside based on the 2021 5-year estimate, most recent available.

**The U.S. Census Bureau (American Community Survey) reports that 3,764 persons age 16 and older were employed in

VILLAGE OF HILLSIDE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Administration	7	7	7	7	8	8	8	5	7	9
PUBLIC SAFETY										
POLICE										
Officers	25	25	25	25	25	23	23	23	26	24
Civilians	8	8	8	8	7	7	7	11	14	14
FIRE										
Firefighters	20	23	23	25	25	23	22	25	25	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	3	3	3	3	4	3	3	3	3	4
Building services	3	3	3	3	3	3	3	3	3	3
WATER AND SEWER	3	3	3	3	3	4	4	4	4	3
TOTAL	73	76	76	78	79	75	74	78	86	86

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.

Data Source

Village records

VILLAGE OF HILLSIDE, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Building permits issued	700	564	768	760	820	776	815	869	713	654
Building inspections conducted	1,932	1,623	2,119	2,057	2,460	2,328	2,445	2,607	2,139	1,962
PUBLIC SAFETY										
Police										
Calls for service	22,601	24,170	21,992	20,821	21,807	22,488	15,411	14,262	14,958	18,741
Physical arrests	364	344	344	310	247	236	118	115	195	229
Parking tickets issued	2,433	2,818	2,398	2,201	2,315	1,967	1,511	2,189	2,180	2,296
Traffic tickets issued	2,583	2,126	1,726	1,005	1,274	943	1,100	671	1,109	1,438
Fire										
Number of fire calls	826	808	774	937	764	726	812	896	823	990
Number of ambulance calls	1,379	1,489	1,674	1,459	1,456	1,588	1,663	1,684	1,960	2,060
ALS	556	643	694	639	658	655	601	649	871	810
BLS	329	369	460	371	463	506	585	568	578	778
Training hours	9,006	11,140	11,328	10,231	14,600	14,620	13,134	8,802	10,423	14,647
Inspections initial	139	132	263	235	623	421	571	180	357	417
Inspections follow-up	11	32	100	97	129	131	62	18	31	23
Streets (public works)										
Street resurfacing (miles)	-	1	-	2	1	1	6	3	2	0.231
Sewer inspections conducted	16	13	8	7	-	-	60	46	12	3
Library										
Volumes in collections	55,598	52,279	51,386	51,280	52,746	60,247	57,404	59,893	152,668	160,611
Total volumes borrowed	63,539	53,877	50,683	40,100	46,056	40,378	35,085	26,168	32,398	39,278
Water										
Water meters installed	224	201	140	139	96	225	96	75	94	14
Water main breaks	42	34	14	30	49	48	35	42	30	27
Average daily consumption (1,000 gallons)	923	1,120	723	905	904	890	739	721	818	984

Data Source

Village records

VILLAGE OF HILLSIDE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	25	25	25	25	25	25	25	20	20	15
Fire										
Fire stations	1	1	1	1	1	1	1	1	1	1
PUBLIC WORKS										
Streets (miles)	22.30	22.30	22.30	22.30	22.30	22.30	22.30	22.30	22.30	22.30
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	12	12
Playgrounds	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
WATER										
Water mains (miles)	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21	38.21
Fire hydrants	722	722	453	453	453	453	453	453	453	453
Storage capacity	1,000	1,000	1,000	1,000	1,000	1,000	1,000	2,353	2,353	2,353
WASTEWATER										
Sewers (miles)	26	26	26	26	26	26	26	26	26	26

Note: No capital asset indicators are available for the general government function.

Data Source

Village records