

VILLAGE OF ALSIP, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2014



CliftonLarsonAllen

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Trustees
Village of Alsip, Illinois

Report on the Financial Statements

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 Alsip, Illinois (the "Village"), as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 the Village as of April 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Road and Bridge Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17 and the schedules of pension and OPEB funding progress on pages 70 through 72 be presented to supplement the basic financial statements. Such 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. 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.

Other 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 supporting schedules, and property tax levies and collections extended by funds and assessed valuation, and legal debt margin listed in the table of contents 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 supporting schedules, and property tax levies and collections extended by funds and assessed valuation, and legal debt margin are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and supporting schedules, and property tax levies and collections extended by funds and assessed valuation, and legal debt margin are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Mayor and Trustees
Village of Alsip, Illinois

The schedule of insurance coverage has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the Village's basic financial statements for the year ended April 30, 2013, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The combining and individual fund financial statements, related to the 2013 financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2013 combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.



CliftonLarsonAllen LLP

Oak Brook, Illinois
October 24, 2014

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

As the management of the Village of Alsip, Illinois (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the Village's financial activities for the fiscal year ended April 30, 2014. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activities, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

We encourage readers to consider information presented here in conjunction with the Village's financial statements which begins on page 18.

Financial Highlights

- The assets of the Village exceeded its liabilities at the close of the fiscal year by \$48,209,037. Net assets for governmental activities account for \$23,117,029 or 48.0% of the total and business-type activities account for \$25,092,008 or 52.0%.
- The government's total net assets increased by \$993,846 during fiscal year 2014, mainly due to cash and temporary cash investments being higher.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$21,500,343, an increase of \$2,015,924 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9,181,622 or 51.0% of total general fund expenditures for the fiscal year.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The focus of the financial statements is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

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 assets and liabilities, with the difference between the two reported as net position. This statement combines and consolidates governmental fund's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. 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.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

The *Statement of Activities* presents information on how the Village's net positions have changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused employee leave time). The *Statement of Activities* also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

Both of the government-wide financial statements distinguish functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including general government, finance, police, fire, 911 services, civil defense, road and bridge, health and welfare, and economic development. Shared state sales tax, property taxes, real estate taxes, and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations water, sewer, storm water management and senior housing where the charges for service typically cover all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The governmental major funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. The government-wide financial statements provide a long-term view. These two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances reconcile the differences between these two perspectives.

The Village adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement has been provided for the General and Road and Bridge funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 and 21 of this report.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

Proprietary Funds. The Village maintains proprietary funds, also referred to as enterprise funds, to account for its water, sewer, and senior housing activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements and use the economic resources measurement focus and accrual basis of accounting, similar to private-sector businesses.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and senior housing funds.

The basic proprietary fund financial statements can be found on pages 24 through 28 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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 much like that used for proprietary funds. The Village maintains two fiduciary funds which account for the resources of the Alsip Police and Fire Pension Funds.

The fiduciary funds financial statements can be found on pages 29 and 30 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31 through 68 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to employee retirement and other postemployment benefit plans. Required supplementary information can be found on pages 70 through 72 of this report. Combining and individual fund statements and schedules can be found on pages 74 through 115 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

Table 1 presents a condensed Statement of Net Position as of April 30, 2014 compared to the prior year ended April 30, 2013.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

**Table 1
Statement of Net Position
April 30, 2014**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets						
Current and other assets	\$ 27,758,807	\$ 25,657,163	\$ 10,298,815	\$ 9,719,152	\$ 38,057,622	\$ 35,376,315
Capital assets	<u>15,804,652</u>	<u>16,279,207</u>	<u>33,615,715</u>	<u>35,021,549</u>	<u>49,420,367</u>	<u>51,300,756</u>
Total assets	<u>\$ 43,563,459</u>	<u>\$ 41,936,370</u>	<u>\$ 43,914,530</u>	<u>\$ 44,740,701</u>	<u>\$ 87,477,989</u>	<u>\$ 86,677,071</u>
Liabilities						
Other liabilities	\$ 1,487,381	\$ 2,961,835	\$ 4,293,754	\$ 4,014,558	\$ 5,781,135	\$ 6,976,393
Long-term liabilities	<u>19,149,554</u>	<u>19,149,310</u>	<u>14,528,768</u>	<u>14,336,177</u>	<u>33,678,322</u>	<u>32,485,487</u>
Total liabilities	<u>\$ 20,636,935</u>	<u>\$ 22,111,145</u>	<u>\$ 18,822,522</u>	<u>\$ 18,350,735</u>	<u>\$ 39,459,457</u>	<u>\$ 39,461,880</u>
Net position						
Net investment in capital assets	\$ 7,374,989	\$ 6,609,013	\$ 19,257,458	\$ 23,108,772	\$ 26,632,447	\$ 29,717,785
Restricted	10,348,270	9,189,899	-	-	10,348,270	9,189,899
Unrestricted	<u>5,393,770</u>	<u>5,026,313</u>	<u>5,834,550</u>	<u>3,281,194</u>	<u>11,228,320</u>	<u>8,307,507</u>
Total net position	<u>\$ 23,117,029</u>	<u>\$ 20,825,225</u>	<u>\$ 25,092,008</u>	<u>\$ 26,389,966</u>	<u>\$ 48,209,037</u>	<u>\$ 47,215,191</u>

Net position may serve over time as one useful indicator of a government's financial condition. The assets of the Village of Alsip exceeded liabilities by \$48,209,037 as of April 30, 2014. Total net position increased \$993,846 in 2014 from the prior year. Of this amount, governmental activities accounted for an increase of \$2,291,804 while business-type activities decreased \$1,297,958. The largest contributing factor for the increase in governmental activities' net position is a larger temporary cash investments position and less other liabilities. The opposite happened with the business-type activities where there was a decrease in temporary cash investments position and more liabilities.

The largest portion of net position (55.2%) reflects the Village's investment in capital assets (land, streets, water mains, sewers, building, machinery, and equipment) less any related debt. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of debt, resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these debts.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Restricted net position represents resources that are subject to external restrictions on how they may be used. Governmental restricted assets include debt service, motor fuel tax funds for the maintenance of roadways, asset forfeiture funds, and drug prevention funds used for public safety/education. The increase in restricted assets for governmental activities was primarily due to an increase in monies restricted for special purposes.

Unrestricted net position for governmental activities, the part of net position that can be used to finance day to day operations had a balance of \$5,393,770 compared with a balance of \$5,026,313 in the previous year. This \$367,457 increase resulted primarily from revenue in excess of expenditures. Revenue in the General Fund exceeded budget at 101.0% while expenditures came in at 94.5% of budget.

Changes in Net Position (from the Statement of Activities)

For the fiscal year ended April 30, 2014, revenue from all sources totaled \$39,355,442. Governmental revenue accounted for \$24,180,285 of that total, while business-type activities accounted for \$15,175,157. Expenses for all functions totaled \$38,361,596 with \$22,120,481 for governmental activities and \$16,241,115 for business-type activities.

Table 2 summarizes the revenue and expenses of the Village's activities for fiscal year 2014 compared to the prior fiscal year 2013.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

**Table 2
Changes in Net Position
Fiscal Year Ending April 30, 2014**

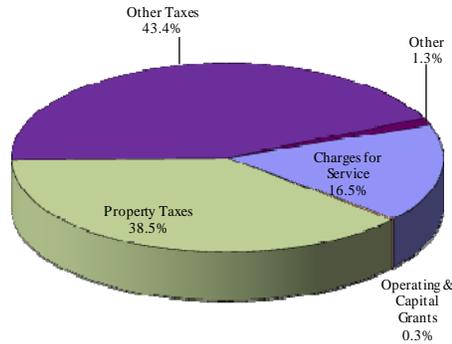
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenue						
Program revenues:						
Charges for service	\$ 3,991,886	\$ 3,739,079	\$ 15,133,038	\$ 14,152,980	\$ 19,124,924	\$ 17,892,059
Operating and capital grants	62,103	127,816	-	-	62,103	127,816
General revenue:						
Property taxes	9,318,749	8,872,061	-	-	9,318,749	8,872,061
Other taxes	10,504,350	10,270,587	-	-	10,504,350	10,270,587
Other	<u>303,197</u>	<u>319,383</u>	<u>42,119</u>	<u>17,529</u>	<u>345,316</u>	<u>336,912</u>
Total revenue	<u>24,180,285</u>	<u>23,328,926</u>	<u>15,175,157</u>	<u>14,170,509</u>	<u>39,355,442</u>	<u>37,499,435</u>
Expenses						
Governmental activities:						
General government	2,527,227	2,148,786	-	-	2,527,227	2,148,786
Public safety	15,338,829	14,157,775	-	-	15,338,829	14,157,775
Road and bridge	2,423,364	2,785,201	-	-	2,423,364	2,785,201
Building	40,083	242,235	-	-	40,083	242,235
Health and welfare	1,249,782	1,183,432	-	-	1,249,782	1,183,432
Other	19,539	52,627	-	-	19,539	52,627
Interest	521,657	429,452	-	-	521,657	429,452
Business-type:						
Water	-	-	11,899,218	10,021,742	11,899,218	10,021,742
Sewer	-	-	183,390	207,981	183,390	207,981
Senior Citizen Complex	-	-	<u>4,158,507</u>	<u>3,353,314</u>	<u>4,158,507</u>	<u>3,353,314</u>
Total expenses	<u>22,120,481</u>	<u>20,999,508</u>	<u>16,241,115</u>	<u>13,583,037</u>	<u>38,361,596</u>	<u>34,582,545</u>
Excess (deficiency) before transfers	2,059,804	2,329,418	(1,065,958)	587,472	993,846	2,916,890
Transfers	<u>232,000</u>	<u>398,143</u>	<u>(232,000)</u>	<u>(398,143)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ 2,291,804</u>	<u>\$ 2,727,561</u>	<u>\$ (1,297,958)</u>	<u>\$ 189,329</u>	<u>\$ 993,846</u>	<u>\$ 2,916,890</u>

Governmental Activities

Revenues - For the fiscal year ended April 30, 2014, governmental revenues total \$24,180,285, signifying an increase in revenues of \$851,359 with 82.0% coming from taxes. Property taxes totaled \$9,318,749 or 38.5% of governmental revenues; a slight increase of 5.0% from the prior year's property tax revenue of \$8,872,061. Other taxes, at \$10,504,350 are primarily attributable to the Village's sales, State income, fuel and real estate transfer taxes, realized an increase of \$233,763 over the 2013 fiscal year. Total sales taxes increased by 1.7% over the prior year. Charges for services, at \$3,991,886 represent 16.5% of total governmental revenues. Charges for services which include fees, licenses, and refuse removal were up from 2013 with an increase of \$252,807 or 6.8%.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

**Governmental Activities - Revenue
Fiscal 2014**



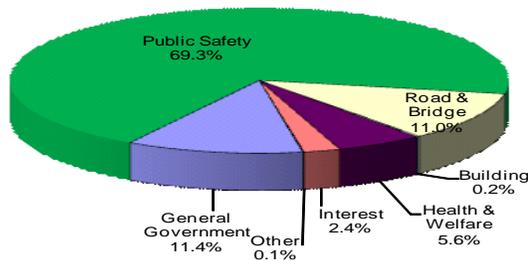
Expenses - Expenses for governmental activities totaling \$22,120,481 increased \$1,120,973 or 5.3% which includes general government, public safety, road and bridge, building, health and welfare, capital projects and interest.

Public safety expenses are mainly accounted for in the General Fund in the departments of Police and Fire and Ambulance Service and totaled \$15,338,829 or 69.3%. The largest component of public safety expenses is salaries and benefits accounting for \$7,490,414 or 49.2% and pensions for \$3,274,708 or 21.5% of all public safety expenses. Road and bridge made up 11.0% of all governmental expenses in 2014 with \$2,442,903. Health and welfare amounts to \$1,249,782 or 5.6% and includes the refuse contract expense of \$1,148,184.

General government expenses are also accounted for in the General Fund and include the Village board and administration, planning and police and fire commissions, finance, Village clerk, insurance, Social Security and IMRF, and boat launch departments. Total general government expenses were \$2,527,227 or 11.4% of all governmental expenses in 2014.

Interest expense of \$521,657 was accounted for mainly in the Debt Service Fund and is the interest paid on outstanding debt along with the costs of issuing and maintaining debt during the current year.

**Governmental Activities-Expenses
Fiscal 2014**



**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

Business-type Activities

Revenue - Charges for water service rose from the prior fiscal year 14.9% which was due primarily to the 15% increase in water rates passed on from the increase in water purchase price from the City of Chicago. Charges for service under business-type activities of \$15,133,038 increased 6.9% over the prior year.

Expenses - business-type expenses of \$16,241,115 increased 19.5% over the prior year. Change in net assets equaled a negative \$1,297,958.

Major Funds Discussion

General Fund Functions and Fund Balance

Revenue - The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery.

Table 3 presents a summary of General Fund revenues and other financing sources for the year ended April 30, 2014.

Table 3

	<u>2014</u>	<u>2013</u>	<u>Difference</u>	<u>% Increase (Decrease)</u>
Property taxes	\$ 6,792,224	\$ 6,304,630	\$ 487,594	7.7%
Other taxes	6,571,689	6,435,608	136,081	2.1%
Licenses and permits	464,467	473,640	(9,173)	-1.9%
Franchise fees	312,597	310,778	1,819	0.6%
Other fees	1,026,846	844,549	182,297	21.6%
Intergovernmental	2,639,485	2,753,902	(114,417)	-4.2%
Charges for services	591,726	562,738	28,988	5.2%
Police and court fines	476,369	431,330	45,039	10.4%
Investment income	1,774	4,487	(2,713)	-60.5%
Miscellaneous	<u>328,224</u>	<u>317,723</u>	<u>10,501</u>	<u>3.3%</u>
Total revenue	<u>\$ 19,205,401</u>	<u>\$ 18,439,385</u>	<u>\$ 766,016</u>	<u>4.2%</u>

Alsip's Equalized Assessed Valuation (EAV) actually increased in 2014 to \$550,595,790 from the 2013 EAV of \$548,725,983. In 2013, the property values decreased in the Village due to reevaluation. In 2010 the EAV was \$749,936,394.

The tax rate has increased from .9781 in 2010 to 1.5634 in 2014 (inclusive of debt). The real dollars in real estate taxes has increased from \$7,227,645 in 2010 to tax collections for 2013 of \$7,941,747 inclusive of debt. Taxes levied are collected in the subsequent fiscal year. Real estate taxes contribute approximately 35.3% of the General Fund revenue.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

Sales tax revenue (a major part of other taxes) continues to be a major source of revenue for the General Fund accounting for 29.5% of its revenue. The Village continues to try to diversify its tax base and encourage reinvestment by making improvements in its TIF areas.

Licenses, permits, and fees showed an increase of 10.7% from fiscal 2013 primarily due to the slight increase in ambulance collection fees during fiscal 2014.

Income tax revenue (part of Intergovernmental) showed a decrease of 2.8% over the prior year.

The Village charges residents for refuse on their monthly utility bill. Revenue for this service is recorded in the General Fund as charges for service. The Village then pays an independent waste hauler for this service. The increase in this revenue in 2014 is the annual increase in the contract with the waste hauler passed on to the residents.

Grants received in fiscal 2014 were \$62,103 for Public Safety and risk management.

Cash, cash equivalents, and investments available for investing increased from the prior fiscal year. This increase in available funds could not offset the poor interest rates that resulted in a decrease in interest income of \$2,713.

Expenditures - Table 4 presents a summary of General Fund expenditures for fiscal 2014.

**Table 4
General Fund Expenditures
As of April 30, 2014**

	<u>2014</u>	<u>2013</u>	<u>Difference</u>	<u>% Increase (Decrease)</u>
General government	\$ 1,556,367	\$ 1,321,430	\$ 234,937	17.8%
Public safety	11,665,891	10,740,083	925,808	8.6%
Building	218,364	217,836	528	0.2%
Health and environment	1,228,697	1,164,184	64,513	5.5%
Insurance	3,066,959	2,937,049	129,910	4.4%
Boat launch	15,680	13,598	2,082	15.3%
Capital outlay	142,541	286,617	(144,076)	-50.3%
Debt service	114,844	78,165	36,679	46.9%
Total expenditures	<u>\$ 18,009,343</u>	<u>\$ 16,758,962</u>	<u>\$ 1,250,381</u>	<u>7.5%</u>

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

General Government

The main factors that played into the cost increase of \$234,927 for 2014 were the Village Hall Department expending more on improvements and salary increases across departments.

Public Safety

The primary increase in public safety expenditures of \$925,808 was for personnel benefits.

Insurance

Insurance costs increased \$129,910 or 4.4% over the prior fiscal year.

Capital Outlay

Capital Outlay decreased \$144,076 or 50.3% over the prior fiscal year.

**Table 5
General Fund Budgetary Highlights**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
General government	\$ 18,858,859	\$ 18,858,859	\$ 19,050,770
Debt service	<u>18,833,410</u>	<u>19,047,653</u>	<u>17,807,848</u>
Net changes in fund balance	<u>\$ 25,449</u>	<u>\$ (188,794)</u>	<u>\$ 1,242,922</u>

General Fund Budgetary Highlights

The Village general fund in the Annual Financial Report is shown in comparison to the original and final budget. The revenues were conservatively budgeted and actual was \$191,911 or 1.0% higher. The expenses were \$1,239,805 or 6.5% lower than the final budget.

Business-type Activities

Enterprise Funds include Water/Sewer Fund and Senior Citizen Complex Funds. Business-type activities posted total revenues of \$15,170,229, while the cost of all business-type activities totaled \$16,468,187. This results in a change in net position of a negative \$1,297,958. Water and Sewer had a decrease in net position of \$1,080,701 and Senior Citizen Complex had a decrease of \$217,257.

Revenue

For the fiscal year ended April 30, 2014, revenues for the business-type activities totaled \$15,170,229, an increase of \$1,011,635, or 6.7%, due to increased charges for services in the Water and Sewer fund. This was from passing on a rate increase of 15% from the City of Chicago for the purchase of water.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

Expenses

At fiscal year-end the audited statements of the water/sewer fund include both depreciation and amortization. Without these two expenditures, the Water/Sewer and Senior Citizen Complex funds had operating income of \$1,487,705. However, with depreciation/amortization of \$1,565,389 and nonoperating expenses and transfer out of \$1,220,274, the change in net position totaled a negative \$1,297,958.

**Table 6
Enterprise Funds
As of April 30, 2014**

	Waterworks and Sewerage	Senior Citizen Complex	Totals		Difference	% Increase (Decrease)
			2014	2013		
Operating revenues						
Charges for services	\$ 10,989,280	\$ -	\$ 10,989,280	\$ 10,158,167	\$ 831,113	7.6%
Rental income	-	3,983,509	3,983,509	3,821,943	161,566	4.1%
Other income	153,289	44,151	197,440	178,484	18,956	9.6%
Total operating revenues	<u>11,142,569</u>	<u>4,027,660</u>	<u>15,170,229</u>	<u>14,158,594</u>	<u>1,011,635</u>	<u>6.7%</u>
Operating expenses						
Water department	10,441,719	-	10,441,719	8,971,409	1,470,310	14.1%
Sewer department	179,790	-	179,790	197,212	(17,422)	-9.7%
Senior citizen complex	-	3,061,015	3,061,015	2,375,588	685,427	0.0%
Depreciation and amortization	822,691	742,698	1,565,389	1,525,486	39,903	2.5%
Total operating expenses	<u>11,444,200</u>	<u>3,803,713</u>	<u>15,247,913</u>	<u>13,069,695</u>	<u>2,178,218</u>	<u>6.9%</u>
Nonoperating expenses and transfers out						
Amortization bond costs	62,549	113,761	176,310	7,044	169,266	0.0%
Net interest expense	572,521	239,443	811,964	494,383	317,581	39.1%
transfers out	144,000	88,000	232,000	398,143	(166,143)	-71.6%
Total nonoperating expenses and transfers out	<u>779,070</u>	<u>441,204</u>	<u>1,220,274</u>	<u>899,570</u>	<u>320,704</u>	<u>-32.5%</u>
Total expenses and transfers out	<u>12,223,270</u>	<u>4,244,917</u>	<u>16,468,187</u>	<u>13,969,265</u>	<u>2,498,922</u>	<u>15.2%</u>
Change in net position	<u>\$ (1,080,701)</u>	<u>\$ (217,257)</u>	<u>\$ (1,297,958)</u>	<u>\$ 189,329</u>	<u>\$ (1,487,287)</u>	<u>114.6%</u>

Capital Assets

The Village's Capital Assets are summarized in Table 7.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014**

Table 7

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Non-depreciable assets:						
Land	\$ 350,000	\$ 350,000	\$ 1,886,953	\$ 1,886,953	\$ 2,236,953	\$ 2,236,953
Construction-in-progress	350,793	240,226	607,418	3,619,926	958,211	3,860,152
Capital assets being depreciated:						
Buildings and improvements	10,552,356	10,170,438	26,700,297	26,608,494	37,252,653	36,778,932
Vehicles, machinery, and equipment	8,380,702	8,207,258	2,705,399	2,705,399	11,086,101	10,912,657
Infrastructure	40,291,444	40,128,291	28,636,245	25,555,985	68,927,689	65,684,276
Less accumulated depreciation	<u>(44,120,643)</u>	<u>(42,817,006)</u>	<u>(26,920,597)</u>	<u>(25,355,208)</u>	<u>(71,041,240)</u>	<u>(68,172,214)</u>
Capital assets	<u>\$ 15,804,652</u>	<u>\$ 16,279,207</u>	<u>\$ 33,615,715</u>	<u>\$ 35,021,549</u>	<u>\$ 49,420,367</u>	<u>\$ 51,300,756</u>

The Village's governmental capital assets increased \$829,082 and business-type assets had a net increase of \$159,555 for a combined increase of \$988,637 before depreciation during fiscal 2014. The primary increase in governmental activities was for system infrastructure, improvements and vehicles. The primary increase in business-type assets was from water system infrastructure. Additional detail regarding capital assets may be seen in the notes to the financial statements-Note 4C, pages 47-48.

Long-term debt

At the end of the fiscal year, the Village had total bonded debt outstanding of \$19.495 million. These amounts are funded directly from property taxes and revenues from the Senior Citizen Complex, Water/Sewer, Road and Bridge, TIF and Corporate funds. In fiscal year ended 2009, the Village was assigned an Aa2 rating from Moody's and AA rating from Standard & Poor's. In 2010, both ratings were affirmed by the respective rating agencies during a refinancing. In November 2013, Standard & Poor's did a routine review of the Village's outstanding bond ratings and affirmed its AA rating. As a home rule government, under Illinois law, the Village does not have a legal debt limit, except that any debt issue may not exceed a 40-year payment period.

Table 8 summarizes the Village's debt structure.

**Table 8
Outstanding General Obligation Debt (In Millions)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General obligation bonds	<u>\$ 8.0</u>	<u>\$ 9.3</u>	<u>\$ 11.5</u>	<u>\$ 11.9</u>	<u>\$ 19.5</u>	<u>\$ 21.2</u>

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

Economic Factors

Alsip is located approximately 19 miles southwest of downtown Chicago, along Interstate 294. The Village has accessibility via highway, rail, water, and air transportation. Interstate 57 and Interstate 80, two major interstate highways, are located in close proximity to the Village. Additionally, the Calumet Sag Channel allows the Village access to the Port of Chicago which includes major docks on Lake Calumet.

The Village is home to approximately 900 businesses, encompassing various segments of commerce, including retail, service and manufacturing. This diversity of business and industry provides a stable economic base, which in turn creates outstanding municipal services, educational systems, health and human care agencies and recreational facilities. The Village is centrally located to both O'Hare Airport, approximately 18 miles northwest of the Village, and Midway Airport, approximately seven miles north of the Village.

- Looking forward towards fiscal year 2015, the Village will continue negotiations dealing with the redevelopment of the 123rd Street TIF and the remainder of Cicero Avenue to 119th Street. This redevelopment is anticipated to bring retail growth, providing additional sales and property tax to the Village.
- The Village will be upgrading streetlights to L.E.D. infrastructure. The L.E.D. street light lamp conversion project will pay for itself through energy savings and significantly less maintenance while reducing the carbon footprint. There will also be some rebates attained from the Illinois Department of Commerce and Economic Opportunity program that provides incentives after the project is complete as well as a rebate from Cook county. The new LED street light fixtures have a ten year warranty on parts and labor. They emit brighter, more natural light which improves safety on the roadways. A monitoring system will let the Village know when a streetlight is out as well as dimming remote capabilities. Another project will be IDOT working towards converting all stop lights and go lights with L.E.D.'s which will be equipped with battery backups for power failures.
- Other infrastructure projects will be the continuation of Cicero Avenue sidewalks. On Pulaski there will be driveways, sidewalks, crosswalk work and corner pavers and then next will be signage and landscaping of parkways and new light pole banners. Several Pulaski Road businesses have expressed interest in the TIF financial assistance that is available for those within the TIF.
- The Village will be bringing back the Alsip Street Fair, as well as continuing the "National Night Out Against Crime" as ways to bring the community together. The events are free and much of it is made possible through Alsip business contributions.
- The Village will be contracting out to assist with the removal of dead ash trees from village parkways. There are over 900 infested trees throughout the village to be removed and stumps ground down. Replanting will be helped through a grant received through the Arboretum as well as budgeted monies.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2014

- In fiscal year 2015, the village anticipates issuing bonds to fund water and sewer projects needed within the Village. These capital improvements are necessary to maintain the quality of our current water/sewer system.
- It is projected in the fiscal year 2015, a slight increase in tax receipts, most notably sales taxes, property tax and state income tax. Other major revenue sources are budgeted to remain comparable to previous fiscal year levels. Other revenue, related to housing and reinvestment started to increase slightly. On the expense side, the Village continues to maintain expense increases to coincide with increase in revenues and to restrict capital purchases.

These factors will be prominent in the preparation of the Village's budget for the 2016 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Village's Finance Director, 4500 West 123rd Street., Alsip, IL, 60803 or access the Village website at www.villageofalsip.org.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 609,346	\$ 100	\$ 609,446
Temporary cash investments	17,564,443	4,776,705	22,341,148
Receivables (net of allowance for uncollectibles)	7,813,390	1,432,375	9,245,765
Internal balances	(171,707)	171,707	-
Deposits	-	179,524	179,524
Prepaid expenses	76,388	7,794	84,182
Restricted assets:			
Temporary cash investments	1,866,947	3,730,610	5,597,557
Capital assets (net of accumulated depreciation):			
Buildings	3,740,302	7,554,439	11,294,741
Improvements	922,399	4,391,118	5,313,517
System infrastructure	7,987,059	18,747,167	26,734,226
Machinery and equipment	746,995	340,820	1,087,815
Furniture and fixtures	14,810	-	14,810
Vehicles	1,692,294	87,800	1,780,094
Capital assets not being depreciated:			
Land	350,000	1,886,953	2,236,953
Construction in progress	350,793	607,418	958,211
	<u>15,804,652</u>	<u>33,615,715</u>	<u>49,420,367</u>
Total capital assets (net of accumulated depreciation)			
	<u>15,804,652</u>	<u>33,615,715</u>	<u>49,420,367</u>
Total assets	43,563,459	43,914,530	87,477,989
DEFERRED OUTFLOWS OF RESOURCES			
Charges on bond refunding	<u>190,505</u>	-	<u>190,505</u>
	<u>43,753,964</u>	<u>43,914,530</u>	<u>87,668,494</u>
Total assets and deferred outflows of resources			
LIABILITIES			
Accounts payable and other current liabilities	1,312,505	3,719,572	5,032,077
Accrued interest payable	132,136	186,726	318,862
Intergovernmental liability	14,546	-	14,546
Due to fiduciary funds	28,194	-	28,194
Deposits	-	356,805	356,805
Payable from restricted accounts:			
Customer deposits	-	30,651	30,651
Noncurrent liabilities:			
Due within one year	1,216,266	635,406	1,851,672
Due in more than one year	<u>17,933,288</u>	<u>13,893,362</u>	<u>31,826,650</u>
	<u>20,636,935</u>	<u>18,822,522</u>	<u>39,459,457</u>
Total liabilities			
NET POSITION			
Net investment in capital assets	7,374,989	19,257,458	26,632,447
Restricted for:			
Debt service	3,048,915	-	3,048,915
Special purposes	7,299,355	-	7,299,355
Unrestricted	<u>5,393,770</u>	<u>5,834,550</u>	<u>11,228,320</u>
TOTAL NET POSITION	<u>\$ 23,117,029</u>	<u>\$ 25,092,008</u>	<u>\$ 48,209,037</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2014

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
FUNCTIONS/PROGRAMS						
Primary government:						
Governmental activities:						
General government	\$ 2,527,227	\$ 951,796	\$ 40,723	\$ (1,534,708)	\$ -	\$ (1,534,708)
Public safety	15,338,829	1,764,951	21,380	(13,552,498)	-	(13,552,498)
Highway and streets	2,423,364	609,766	-	(1,813,598)	-	(1,813,598)
Building	40,083	73,647	-	33,564	-	33,564
Health and environmental control	1,249,782	591,726	-	(658,056)	-	(658,056)
Drainage and storm sewers	2,221	-	-	(2,221)	-	(2,221)
Forestry maintenance	17,318	-	-	(17,318)	-	(17,318)
Interest on long-term debt	521,657	-	-	(521,657)	-	(521,657)
Total governmental activities	<u>22,120,481</u>	<u>3,991,886</u>	<u>62,103</u>	<u>(18,066,492)</u>	<u>-</u>	<u>(18,066,492)</u>
Business-type activities:						
Water	11,899,218	10,348,108	-	-	(1,551,110)	(1,551,110)
Sewer	183,390	757,270	-	-	573,880	573,880
Senior Citizen Complex	4,158,507	4,027,660	-	-	(130,847)	(130,847)
Total business-type activities	<u>16,241,115</u>	<u>15,133,038</u>	<u>-</u>	<u>-</u>	<u>(1,108,077)</u>	<u>(1,108,077)</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 38,361,596</u>	<u>\$ 19,124,924</u>	<u>\$ 62,103</u>	<u>\$ (18,066,492)</u>	<u>\$ (1,108,077)</u>	<u>\$ (19,174,569)</u>
General revenues:						
Property taxes				\$ 9,318,749	\$ -	\$ 9,318,749
Sales taxes				5,666,029	-	5,666,029
State income taxes				2,223,042	-	2,223,042
Fuel use taxes				786,265	-	786,265
Motor fuel taxes				475,907	-	475,907
Replacement taxes				374,201	-	374,201
Real estate transfer taxes				169,163	-	169,163
Other taxes				771,228	-	771,228
Insurance proceeds				38,515	-	38,515
Unrestricted interest/investment earnings				3,768	415	4,183
Other				299,429	41,704	341,133
Transfers				<u>232,000</u>	<u>(232,000)</u>	<u>-</u>
Total general revenues and transfers				<u>20,358,296</u>	<u>(189,881)</u>	<u>20,168,415</u>
CHANGE IN NET POSITION				2,291,804	(1,297,958)	993,846
NET POSITION - BEGINNING				<u>20,825,225</u>	<u>26,389,966</u>	<u>47,215,191</u>
NET POSITION - ENDING				<u>\$ 23,117,029</u>	<u>\$ 25,092,008</u>	<u>\$ 48,209,037</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2014

	General	Road and Bridge	Special Tax Allocation	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 609,346	\$ -	\$ -	\$ -	\$ -	\$ 609,346
Temporary cash investments	7,449,074	999,654	3,989,839	2,903,718	2,222,158	17,564,443
Receivables (net of allowance for uncollectibles)	6,597,136	303,849	460,745	416,122	35,538	7,813,390
Due from other funds	368,571	-	50,525	239,019	342,297	1,000,412
Prepaid expenses	50,568	-	-	-	25,820	76,388
Restricted assets:						
Temporary cash investments	1,866,947	-	-	-	-	1,866,947
TOTAL ASSETS	\$ 16,941,642	\$ 1,303,503	\$ 4,501,109	\$ 3,558,859	\$ 2,625,813	\$ 28,930,926
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable and other current liabilities	\$ 1,168,876	\$ 56,580	\$ 56,731	\$ -	\$ 30,318	\$ 1,312,505
Intergovernmental liability	-	-	-	14,546	-	14,546
Due to other funds	909,878	-	211,159	79,276	-	1,200,313
Total liabilities	<u>2,078,754</u>	<u>56,580</u>	<u>267,890</u>	<u>93,822</u>	<u>30,318</u>	<u>2,527,364</u>
DEFERRED INFLOWS OF RESOURCES						
Subsequent year's property taxes	<u>3,763,751</u>	<u>262,601</u>	<u>460,745</u>	<u>416,122</u>	<u>-</u>	<u>4,903,219</u>
FUND BALANCES						
Nonspendable	<u>50,568</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,820</u>	<u>76,388</u>
Restricted for:						
Police department programs	213,841	-	-	-	-	213,841
Maintenance of 9-1-1 Emergency Telephone System	-	-	-	-	675,322	675,322
Tax Increment Financing allocation for project areas	-	-	3,772,474	-	-	3,772,474
Street maintenance and improvement programs	-	743,365	-	-	1,831,502	2,574,867
Fire department programs	-	-	-	-	62,851	62,851
Debt service	-	-	-	3,048,915	-	3,048,915
Total restricted fund balance	<u>213,841</u>	<u>743,365</u>	<u>3,772,474</u>	<u>3,048,915</u>	<u>2,569,675</u>	<u>10,348,270</u>
Assigned for insurance premiums, claims and related expenditures and street maintenance and improvement programs	<u>1,653,106</u>	<u>240,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,894,063</u>
Unassigned	<u>9,181,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,181,622</u>
Total fund balances	<u>11,099,137</u>	<u>984,322</u>	<u>3,772,474</u>	<u>3,048,915</u>	<u>2,595,495</u>	<u>21,500,343</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 16,941,642	\$ 1,303,503	\$ 4,501,109	\$ 3,558,859	\$ 2,625,813	

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 funds.	15,804,652
Receivables are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,903,219
Charges on bond refundings are not financial resources and, therefore, are not reported in the funds.	190,505
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(19,281,690)</u>

\$ 23,117,029

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) -
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2014

	<u>General</u>	<u>Road and Bridge</u>	<u>Special Tax Allocation</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
REVENUES						
Taxes	\$ 15,941,295	\$ 1,392,480	\$ 945,978	\$ 896,170	\$ 510,638	\$ 19,686,561
Fines	473,739	-	-	-	-	473,739
Licenses and permits	464,467	388,335	-	-	389,930	1,242,732
Grants	62,103	-	-	-	-	62,103
Charges for services	591,726	-	-	-	-	591,726
Investment income	1,774	1	296	1,370	327	3,768
Miscellaneous	1,670,297	240,956	-	-	119,488	2,030,741
	<u>19,205,401</u>	<u>2,021,772</u>	<u>946,274</u>	<u>897,540</u>	<u>1,020,383</u>	<u>24,091,370</u>
Total revenues						
EXPENDITURES						
Current: General government	1,556,367	-	-	-	-	1,556,367
Public safety	11,665,891	-	-	-	297,609	11,963,500
Highways and streets	-	1,378,418	-	-	425,404	1,803,822
Building	218,364	-	-	-	-	218,364
Health and environmental control	1,228,697	-	-	-	-	1,228,697
Insurance	3,066,959	-	-	-	-	3,066,959
Drainage and storm sewers	-	2,221	-	-	-	2,221
Forestry maintenance	-	76,139	-	-	-	76,139
Capital projects	142,541	-	-	-	102,532	245,073
Miscellaneous	15,680	-	345,067	827	-	361,574
Debt service: Principal retirement	104,722	24,290	-	1,354,860	16,991	1,500,863
Interest and fiscal charges	10,122	2,575	-	340,952	-	353,649
	<u>18,009,343</u>	<u>1,483,643</u>	<u>345,067</u>	<u>1,696,639</u>	<u>842,536</u>	<u>22,377,228</u>
Total expenditures						
Excess (deficiency) of revenues over expenditures	<u>1,196,058</u>	<u>538,129</u>	<u>601,207</u>	<u>(799,099)</u>	<u>177,847</u>	<u>1,714,142</u>
OTHER FINANCING SOURCES (USES)						
Loan proceeds	-	58,822	-	-	-	58,822
Transfer in	-	1,908,258	-	808,715	102,532	2,819,505
Transfer out	(1,908,258)	(120,000)	(409,615)	(102,532)	(47,100)	(2,587,505)
Sale of Village property	10,960	-	-	-	-	10,960
	<u>(1,897,298)</u>	<u>1,847,080</u>	<u>(409,615)</u>	<u>706,183</u>	<u>55,432</u>	<u>301,782</u>
Total other financing sources (uses)						
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(701,240)	2,385,209	191,592	(92,916)	233,279	2,015,924
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>11,800,377</u>	<u>(1,400,887)</u>	<u>3,580,882</u>	<u>3,141,831</u>	<u>2,362,216</u>	<u>19,484,419</u>
FUND BALANCES, END OF YEAR	<u>\$ 11,099,137</u>	<u>\$ 984,322</u>	<u>\$ 3,772,474</u>	<u>\$ 3,048,915</u>	<u>\$ 2,595,495</u>	<u>\$ 21,500,343</u>

The accompanying notes are an integral part of the financial statements.

**VILLAGE OF ALSIP, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2014**

Amounts reported for governmental activities in the Statement of Activities
(page 19) are different because:

Net change in fund balances - total governmental funds (page 21)	\$ 2,015,924
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation, \$1,353,148, exceeded capital outlays, \$898,656, in the current period.	(454,492)
The effect of miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to decrease net position by the undepreciated balance of the capital assets.	(20,063)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the current year effect of these timing differences.	98,018
The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term and related items.	1,236,348
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(583,931)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (PAGE 19)	<u><u>\$ 2,291,804</u></u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD AND BRIDGE FUNDS (BUDGETARY BASIS)
For the Year Ended April 30, 2014

	General				Road and Bridge				Special Tax Allocation			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES												
Taxes	\$ 15,842,334	\$ 15,842,334	\$ 15,954,375	\$ 112,041	\$ 1,463,000	\$ 1,463,000	\$ 1,351,232	\$ (111,768)	\$ 915,000	\$ 915,000	\$ 891,670	\$ (23,330)
Fines	472,400	472,400	473,739	1,339	-	-	-	-	-	-	-	-
Licenses and permits	450,675	450,675	464,467	13,792	363,000	363,000	388,335	25,335	-	-	-	-
Grants	82,800	82,800	62,103	(20,697)	-	-	-	-	-	-	-	-
Charges for services	517,000	517,000	424,015	(92,985)	-	-	-	-	-	-	-	-
Investment income	4,000	4,000	1,774	(2,226)	100	100	1	(99)	-	-	296	296
Miscellaneous	1,489,650	1,489,650	1,670,297	180,647	229,845	229,845	240,956	11,111	-	-	-	-
Total revenues	18,858,859	18,858,859	19,050,770	191,911	2,055,945	2,055,945	1,980,524	(75,421)	915,000	915,000	891,966	(23,034)
EXPENDITURES												
Current:												
General government	1,400,471	1,426,720	1,392,083	34,637	-	-	-	-	-	-	-	-
Public safety	11,888,086	11,935,534	11,597,354	338,180	-	-	-	-	-	-	-	-
Highway and streets	-	-	-	-	1,774,981	1,774,981	1,399,067	375,914	-	-	-	-
Building	235,114	235,114	221,706	13,408	-	-	-	-	-	-	-	-
Health and environmental control	1,237,237	1,237,237	1,228,738	8,499	-	-	-	-	-	-	-	-
Drainage and storm sewers	-	-	-	-	669,700	669,700	2,221	667,479	-	-	-	-
Forestry maintenance	-	-	-	-	200,700	200,700	76,139	124,561	-	-	-	-
Insurance	3,797,041	3,935,597	3,094,739	840,858	-	-	-	-	-	-	-	-
Capital projects	160,500	160,500	142,541	17,959	-	-	-	-	469,000	496,000	303,435	192,565
Miscellaneous	16,420	18,410	15,843	2,567	-	-	-	-	-	-	-	-
Debt service: Principal retirement	89,137	89,137	104,722	(15,585)	24,300	24,300	24,290	10	-	-	-	-
Interest and fiscal charges	9,404	9,404	10,122	(718)	2,575	2,575	2,575	-	-	-	-	-
Total expenditures	18,833,410	19,047,653	17,807,848	1,239,805	2,672,256	2,672,256	1,504,292	1,167,964	469,000	496,000	303,435	192,565
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	1,908,258	1,908,258	-	-	-	-
Transfers out	-	-	(1,908,258)	(1,908,258)	(44,455)	(44,455)	(120,000)	(75,545)	(409,615)	(409,615)	(409,615)	-
Proceeds from sale of assets	-	-	10,960	10,960	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(1,897,298)	(1,897,298)	(44,455)	(44,455)	1,788,258	1,832,713	(409,615)	(409,615)	(409,615)	-
NET CHANGE IN FUND BALANCE	\$ 25,449	\$ (188,794)	(654,376)	\$ (465,582)	\$ (660,766)	\$ (660,766)	2,264,490	\$ 2,925,256	\$ 36,385	\$ 9,385	178,916	\$ 169,531
FUND BALANCE (DEFICIT), BEGINNING OF YEAR			11,800,377				(1,400,887)				3,580,882	
RECONCILING ITEMS FOR DIFFERENCES IN BUDGETARY AND ACCRUAL BASIS, NET			(46,864)				120,719				12,676	
FUND BALANCE, END OF YEAR			\$ 11,099,137				\$ 984,322				\$ 3,772,474	

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
April 30, 2014

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
ASSETS			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	3,914,877	861,828	4,776,705
Receivables (net of allowance for uncollectibles)	1,432,375	-	1,432,375
Prepaid insurance/expense	776	7,018	7,794
Due from other funds	412,000	46,876	458,876
Total current assets	<u>5,760,128</u>	<u>915,722</u>	<u>6,675,850</u>
Noncurrent assets:			
Restricted temporary cash investments	583,896	3,146,714	3,730,610
Deposits	-	179,524	179,524
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,735,812	18,559,681
Building improvements	36,138	7,344,806	7,380,944
Improvements other than building	-	759,672	759,672
System infrastructure	28,636,245	-	28,636,245
Machinery and equipment	1,638,351	877,991	2,516,342
Vehicles	189,057	-	189,057
Construction in progress	607,418	-	607,418
Less accumulated depreciation	<u>(14,562,277)</u>	<u>(12,358,320)</u>	<u>(26,920,597)</u>
Total capital assets, net of accumulated depreciation	<u>20,368,801</u>	<u>13,246,914</u>	<u>33,615,715</u>
Total noncurrent assets	<u>20,952,697</u>	<u>16,573,152</u>	<u>37,525,849</u>
TOTAL ASSETS	<u>\$ 26,712,825</u>	<u>\$ 17,488,874</u>	<u>\$ 44,201,699</u>

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 3,665,578	\$ 53,994	\$ 3,719,572
Accrued interest payable	84,311	102,415	186,726
Security deposits	-	356,805	356,805
Due to other funds	-	287,169	287,169
Current portion of notes payable	134,668	-	134,668
Current portion of general obligation bonds	<u>215,000</u>	<u>285,738</u>	<u>500,738</u>
Total current liabilities	<u>4,099,557</u>	<u>1,086,121</u>	<u>5,185,678</u>
Current liabilities payable from restricted assets:			
Deposits	<u>30,651</u>	<u>-</u>	<u>30,651</u>
Noncurrent liabilities:			
Compensated absences payable	71,223	-	71,223
Post employment benefit obligation	99,288	-	99,288
Notes payable	2,667,924	-	2,667,924
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>5,495,833</u>	<u>5,559,094</u>	<u>11,054,927</u>
Total noncurrent liabilities	<u>8,334,268</u>	<u>5,559,094</u>	<u>13,893,362</u>
Total liabilities	<u>12,464,476</u>	<u>6,645,215</u>	<u>19,109,691</u>
NET POSITION			
Net investment in capital assets	11,855,376	7,402,082	19,257,458
Unrestricted	<u>2,392,973</u>	<u>3,441,577</u>	<u>5,834,550</u>
Total net position	<u>14,248,349</u>	<u>10,843,659</u>	<u>25,092,008</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 26,712,825</u>	<u>\$ 17,488,874</u>	<u>\$ 44,201,699</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For the Year Ended April 30, 2014

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
OPERATING REVENUES			
Charges for sales and services:			
Water and sewer sales	\$ 10,989,280	\$ -	\$ 10,989,280
Rental income	-	3,983,509	3,983,509
Other sales and services	153,289	44,151	197,440
Total operating revenues	<u>11,142,569</u>	<u>4,027,660</u>	<u>15,170,229</u>
OPERATING EXPENSES			
Cost of sales and services	10,621,509	3,061,015	13,682,524
Depreciation	822,691	742,698	1,565,389
Total operating expenses	<u>11,444,200</u>	<u>3,803,713</u>	<u>15,247,913</u>
Operating income (loss)	<u>(301,631)</u>	<u>223,947</u>	<u>(77,684)</u>
NON-OPERATING REVENUES (EXPENSES)			
Amortization of bond issuance costs	(63,162)	(115,351)	(178,513)
Amortization of underwriter's discount	(2,310)	-	(2,310)
Amortization of bond premium	2,923	1,590	4,513
Note and bond interest and fiscal charges	(572,936)	(239,443)	(812,379)
Investment earnings	415	-	415
Total non-operating expenses	<u>(635,070)</u>	<u>(353,204)</u>	<u>(988,274)</u>
Loss before transfers	(936,701)	(129,257)	(1,065,958)
OPERATING TRANSFERS			
Transfer out	(144,000)	(88,000)	(232,000)
Change in net position	(1,080,701)	(217,257)	(1,297,958)
NET POSITION, BEGINNING OF YEAR	<u>15,329,050</u>	<u>11,060,916</u>	<u>26,389,966</u>
NET POSITION, END OF YEAR	<u>\$ 14,248,349</u>	<u>\$ 10,843,659</u>	<u>\$ 25,092,008</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For the Year Ended April 30, 2014

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 10,891,704	\$ 4,049,330	\$ 14,941,034
Payments to suppliers	(9,227,040)	(2,588,644)	(11,815,684)
Payments to employees	(592,337)	(549,833)	(1,142,170)
Net cash provided by operating activities	<u>1,072,327</u>	<u>910,853</u>	<u>1,983,180</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers out	<u>(144,000)</u>	<u>(88,000)</u>	<u>(232,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of property, building and equipment	(67,752)	(91,803)	(159,555)
Principal payments on bonds payable	(205,000)	(149,909)	(354,909)
Proceeds from issuance of notes payable	173,539	-	173,539
Principal payments on notes payable	(61,528)	-	(61,528)
Interest paid on notes and bonds	(575,670)	(241,342)	(817,012)
Net cash used in capital and related financing activities	<u>(736,411)</u>	<u>(483,054)</u>	<u>(1,219,465)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	<u>415</u>	<u>-</u>	<u>415</u>
NET INCREASE IN CASH AND TEMPORARY CASH INVESTMENTS	192,331	339,799	532,130
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>4,306,542</u>	<u>3,668,743</u>	<u>7,975,285</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 4,498,873</u>	<u>\$ 4,008,542</u>	<u>\$ 8,507,415</u>

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (301,631)	\$ 223,947	\$ (77,684)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	822,691	742,698	1,565,389
Effects of changes in operating assets and liabilities:			
Receivables - account customers	(349,465)	-	(349,465)
Receivables - unbilled charges	98,600	-	98,600
Due from other funds	54,966	(15,162)	39,804
Prepaid insurance/expense	1,524	(3,379)	(1,855)
Utility overpayment	(2,804)	-	(2,804)
Deposits	-	(13,130)	(13,130)
Accounts payable	725,502	(45,791)	679,711
Other accrued expenses	(1,741)	-	(1,741)
Security deposits	-	21,670	21,670
Post employment benefit obligation	17,779	-	17,779
Compensated absences payable	5,381	-	5,381
Restricted liabilities	1,525	-	1,525
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 1,072,327	\$ 910,853	\$ 1,983,180

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
April 30, 2014

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension</u>	<u>Firemen's Pension</u>	
ASSETS			
Cash and cash equivalents	\$ 3,125,667	\$ 390,215	\$ 3,515,882
Receivables:			
Contributions	1,234,268	864,119	2,098,387
Accrued interest	42,492	61,703	104,195
Due from other funds	109,596	-	109,596
Investments, at fair value:			
U.S. Government securities	3,022,081	6,123,551	9,145,632
Corporate and other bonds	1,369,004	3,414,839	4,783,843
Mutual funds	6,301,360	11,688,024	17,989,384
Stocks	3,063,036	-	3,063,036
	<u>18,267,504</u>	<u>22,542,451</u>	<u>40,809,955</u>
Total assets			
LIABILITIES			
Accrued liabilities	10,268	-	10,268
Unearned contributions	1,234,268	864,119	2,098,387
Due to other funds	-	81,402	81,402
	<u>1,244,536</u>	<u>945,521</u>	<u>2,190,057</u>
Total liabilities			
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	<u>\$ 17,022,968</u>	<u>\$ 21,596,930</u>	<u>\$ 38,619,898</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
For the Year Ended April 30, 2014

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension</u>	<u>Firemen's Pension</u>	
ADDITIONS			
Contributions:			
Employer	\$ 1,973,625	\$ 1,301,138	\$ 3,274,763
Employee	332,713	287,254	619,967
Total contributions	<u>2,306,338</u>	<u>1,588,392</u>	<u>3,894,730</u>
Investment earnings:			
Net appreciation in fair value of investments	911,879	1,403,768	2,315,647
Dividends	308,353	209,109	517,462
Interest	221,778	230,444	452,222
Miscellaneous income	-	6	6
Total investment earnings	<u>1,442,010</u>	<u>1,843,327</u>	<u>3,285,337</u>
Less investment expense	<u>94,274</u>	<u>90,790</u>	<u>185,064</u>
Net investment earnings	<u>1,347,736</u>	<u>1,752,537</u>	<u>3,100,273</u>
Total additions	<u>3,654,074</u>	<u>3,340,929</u>	<u>6,995,003</u>
DEDUCTIONS			
Retirement benefits	2,339,219	873,729	3,212,948
Duty disability benefits	189,042	543,530	732,572
Surviving spouse benefits	71,469	192,299	263,768
Miscellaneous	34,626	10,766	45,392
Total deductions	<u>2,634,356</u>	<u>1,620,324</u>	<u>4,254,680</u>
NET INCREASE	1,019,718	1,720,605	2,740,323
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR	<u>16,003,250</u>	<u>19,876,325</u>	<u>35,879,575</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR	<u>\$ 17,022,968</u>	<u>\$ 21,596,930</u>	<u>\$ 38,619,898</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Alsip (the "Village") was incorporated in 1927 and operates under a Mayor-Trustee form of government. The Village provides the following services as authorized by its Charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture recreation, education, public improvements, planning and zoning, and general administrative services. The Village has an April 30 year-end.

The following is a summary of the more significant policies:

A. Principles used to determine the scope of the reporting entity

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations, if its officials appoint a voting majority of an organization's governing body and, either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The Village's reporting entity includes the Village's governing board. There are no related organizations for which the Village is financially accountable.

B. 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 non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment 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 included among program revenues are reported instead as *general revenues*.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and fund financial statements (continued)

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 enterprise funds are reported as separate columns in the fund financial statements.

C. 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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are budgeted. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the Village considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. The policy for recognizing property tax collections as revenues of the current fiscal year is 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

Property taxes are recognized as a receivable and deferred inflows of resources at the time they are levied and the current taxes receivable represent the 2013 levy.

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the Village, except those required to be accounted for in another fund.

The *Road and Bridge Fund* accounts for the Village's share of fuel use tax, vehicle license and road and bridge property tax revenue that are utilized for the maintenance of the Village's roads and bridges, drainage and storm sewers, and forests.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The *Special Tax Allocation Fund* accounts for the resources related to the Village's tax incremental financing districts, 123rd Street TIF, 123rd Place and Cicero TIF and the Pulaski Road Corridor TIF.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The Village reports the following major proprietary funds:

The *Waterworks and Sewerage Fund* accounts for the activities of the Village's water distribution system, sewage pumping stations and collection systems and sewage treatment plant.

The *Senior Citizen Complex Fund* accounts for the activities of the Village's two senior citizen living facilities.

Additionally, the Village reports the following fund type:

The *Pension Trust Funds* account for the activities of the Police Pension and Firemen's Pension plans, which accumulate resources for pension benefit payments to qualified employees.

The financial statements of the Village are prepared in accordance with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the United States of America for state and local governments. Accounting principles generally accepted in the United States of America includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 55, *The Hierarchy of GAAP for State and Local Governments*.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Village's water and sewer function and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the waterworks and sewerage enterprise fund are charges to customers for sales and services. The principal operating revenues of the Senior Citizen Complex Enterprise Fund are charges to customers for rental of living facilities. The Waterworks and Sewerage Enterprise Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities, deferred inflows of resources, and net position

1. *Deposits and investments*

The Village's cash and cash equivalents are considered to be cash on hand and demand deposits.

The Village and the pension trusts' temporary cash investments are saving and money market accounts and certificates of deposit.

State statutes authorize the Village and the pension trusts to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, mutual funds, stocks and the State Treasurer's Investment Pool.

Investments for the Village, as well as for its pension trusts, are reported at fair value, which are based on quoted market prices. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, deferred inflows of resources, and net position (continued)

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 3% of the original levy amount, with the exception of the property tax receivable applicable to the bond and interest levies which is equal to 5%.

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is divided into two billings: the first billing (due March 1) is an estimate of the current year's levy based on the prior year's taxes: the second billing (due August 1) reflects adjustments to the current year's actual levy.

The billings are considered past due 60 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. *Inventories and prepaid items*

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. *Restricted assets*

Certain assets of the Village are classified as restricted assets because their use is restricted for insurance requirements, waterworks and sewerage consumer deposits and federal and state seizure requirements.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, deferred inflows of resources, and net position (continued)

5. *Capital assets*

Capital assets, which include property, plant and equipment, 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 \$5,000 with an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, drainage systems, water and sewer systems and lighting systems.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the Village are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Improvements	10 - 40
System infrastructure	20
Vehicles	8
Machinery and equipment	5 - 15
Furniture and fixtures	10 - 15

6. *Compensated absences*

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated vacation time since the Village does not have a policy to pay any amounts when employees separate from service with the Village. Sick pay is accrued based on the Village employee's area of employment, an employee's years of service, the number of days accumulated, and a set maximum percentage of the total time accumulated. A liability is recognized in the government-wide and proprietary fund's financial statements for that portion of accumulated sick pay benefits that it is estimated will be taken as "terminal leave" prior to retirement.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, deferred inflows of resources, and net position (continued)

7. *Long-term obligations*

In the government-wide financial statements and proprietary fund types 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 type Statement of Net Position. Bond premium and discounts are deferred and amortized over the life of the bonds using the straight-line method. Losses on extinguishment of debt are deferred and amortized over the shorter of the life of the new or old bonds using the straight-line method. Using the straight-line method is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and any losses on extinguishment of debt. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts in debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. *Deferred Outflows of Resources*

The Village reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statement of net position or governmental fund balance sheet. Charges on bond refunding are reported as deferred outflows of resources on the government-wide statement of net position.

9. *Deferred Inflows of Resources*

The Village's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The Village will not recognize the related revenue until a future event occurs. The Village has one type of item which occurs related to revenue recognition, which occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, deferred inflows of resources, and net position (continued)

10. *Fund balances*

Fund balance is divided into five classifications based primarily on the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the governmental funds.

It is the Village's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted fund balances are available, followed by committed and then assigned resources. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

Within the governmental fund types, the Village's fund balances are reported in one of the following classifications:

- Nonspendable - includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact.
- Restricted - includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's board of trustees. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village does not have any committed fund balances.
- Assigned - includes amounts that are constrained by the Village's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village board of trustees itself; or b) a body or official to which the Village board of trustees has delegated the authority to assign amounts to be used for specific purposes. The finance director may assign resources and amounts of fund balance to a specific purpose. These assignments will follow Village policy.
- Unassigned - includes the residual fund balance that has not been restricted, committed, or assigned with the General Fund and deficit balances of other governmental funds.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, deferred inflows of resources, and net position (continued)

10. Fund balances (continued)

Net Position: Beginning with fiscal year 2013, the Village implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

Net position represents the difference between assets, liabilities, deferred inflows, and deferred outflows. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the net pension obligations and liabilities for postemployment benefits other than pensions.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The Governmental Fund Balance Sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds." The details of this \$19,281,690 difference are as follows:

Bonds and notes payable	\$ 8,563,858
Less net issuance (discount) premium (to be amortized over life of debt)	56,310
Accrued interest payable	132,136
Other payable	244,408
Compensated absences	223,043
Net pension obligation	7,921,352
Post retirement benefit obligation	<u>2,140,583</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 19,281,690</u>

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The detail of this \$(454,492) difference is as follows:

Capital outlay	\$ 898,656
Depreciation expense	<u>(1,353,148)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (454,492)</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities (continued)

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.” The detail of this \$1,236,348 difference is as follows:

Issuance of notes payable	\$ (58,822)
Principal repayments:	
Note payable debt	144,748
General obligation debt	1,356,116
Amortization of charge on refunding	(48,349)
Amortization of issuance costs	(168,626)
Amortization of bond premiums	19,479
Amortization of bond discounts	<u>(8,198)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,236,348</u>

Another element of that reconciliation states that “some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.” The details of this \$(583,931) difference are as follows:

Net pension obligation	\$ (198,942)
Post retirement benefit obligation	(344,820)
Accrued interest	5,189
Other liabilities	<u>(45,358)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (583,931)</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

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

1. The Village mayor and finance director propose an operating budget based upon requests submitted by individual departments for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Budget hearings are conducted.
3. The Village mayor is authorized to transfer budgeted amounts within departments. Any revision that alters the total expenditure of any department is made through the passage of a resolution. Any revision that alters the total expenditure of any fund is made through the passage of a supplemental appropriations ordinance. Appropriations lapse at year-end.
4. Expenditure budgets for the General Fund, Special Revenue Funds, the Debt Service Fund and the Capital Project Fund are legally adopted on the cash basis through passage of an appropriation ordinance.

Excess of expenditures over appropriations

No funds had an excess of expenditures over appropriations for the year ended April 30, 2014.

Deficit fund equity

No funds had a deficit fund balance at April 30, 2014.

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank or other financial institution failure, the government's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of April 30, 2014, none of the Village's bank balance of \$29,012,133 was exposed to custodial credit risk.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Deposits and investments (continued)

Investments

As of April 30, 2014, the Police and Firemen's Pension trust funds held all of the investments, which are comprised of the following:

<u>Investment Type</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 3,515,882
U. S. Government securities	9,145,632
Corporate bonds	4,783,843
Mutual funds	17,989,384
Domestic and international equities	<u>3,063,036</u>
Total	<u>\$ 38,497,777</u>

Interest Rate Risk. The pension funds have adopted investment policies to limit exposure to fair value losses arising from increasing interest rates. The Firemen's Pension fund has adopted a policy whereby investing in securities that would give the fixed-income portfolio a duration within 0.25 of the Lehman Intermediate Government Bond index. The Police Pension fund developed a strategy which maintains the average maturity of fixed-income securities at approximately five years, ranging from two to seven years. This strategy also increases the duration when interest rates are rising and decreases the duration when interest rates are declining.

The Village's Firemen's Pension and Police Pension funds had the following investments as of April 30, 2014:

	<u>Fair Value</u>	<u>Investment Maturity (Years)</u>			
		<u>≤1</u>	<u>1-5</u>	<u>6-10</u>	<u>>10</u>
U.S. Government Securities	\$ 9,145,632	\$ 1,879,370	\$ 3,052,562	\$ 3,218,560	\$ 995,140
Corporate and other bonds	4,783,843	293,120	2,655,543	1,782,393	52,787
Mutual funds	17,989,384	N/A	N/A	N/A	N/A
Common stocks	<u>3,063,036</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<u>\$ 34,981,895</u>	<u>\$ 2,172,490</u>	<u>\$ 5,708,105</u>	<u>\$ 5,000,954</u>	<u>\$ 1,047,927</u>

Credit Risk. State law limits the type of investments pension funds may choose. The Firemen's Pension fund has adopted a policy which restricts the amount that may be invested in any one debt issuer to 20%, excluding U.S. Treasury securities and issues of FNMA, FHLMC, FHLB, and GNMA. The Police Pension fund has set allocation guidelines by asset class in order to diversify its investment holding and limit credit risk.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Investments (continued)

As of April 30, 2014, the Village's Firemen's Pension and Police Pension funds were rated as follows:

<u>Investment Type</u>	<u>Standard & Poor's</u>
U.S. Government Securities:	
Government National Mortgage Association	AA+
Fed Home Loan Bank	AA+
Fed Home Loan Mortgage Corporation	AA+
Fed National Mortgage Association	AA+
U.S. Treasury Note	AA+
U.S. Treasury Inflation Index Notes	AA+
Federal Farm Credit Bank	AA+
Tenn Valley Authority Stripped INT Bond	AA+
Corporate Bonds:	
A T & T	A-
Amgen	A
Apple Inc.	AA+
Bank of New York Mellon	A+
Berkshire Hathaway	AA
Broadcom Corp	A-
Costco Wholesale Corp	A+
Ebay	A
GE Capital internotes	AA+
General Elec Cap Corp	AA
Hewlett Packard Co	BBB+
Home Depot	A
IBM Corp	AA-
Illinois Street	A-
JP Morgan Chase	A
Microsoft	AAA
Pepsico	A-
Praxair Inc	A
Regional Transit Auth	AA
Rosemont IL	AA
Staples Inc	BBB-
Texas Instrument	A+
Thermo Fisher Scientific	BBB
Toyota Motor Credit	AA-
Verizon	BBB+
Walt Disney Co	A
Wells Fargo	A+
Xerox	BBB

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Investments (continued)

<u>Investment Type</u>	<u>Standard & Poor's</u>
Mutual Funds	NR
Common Stocks	NR

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the pension fund investments are insured, registered or held by the pension fund or its agent in the pension fund's name.

Concentration of Credit Risk. The pension funds do limit the amount of funds that may be invested in any one issuer. However, more than 5% of the Firemen's Pension Fund's investments are in Guggenheim S&P 500 Pure Growth Fund, Fidelity Growth Company Fund and First Midwest EB Large Cap Equity Mutual Fund. These investments are 7.55%, 7.57% and 14.43%, respectively, of the Firemen's Pension Fund's total investments. The Police Pension Fund has no investments that represent more than 5% of the fund's total investments.

B. Receivables

Receivables as of year-end for the Village's individual major funds, non-major, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Special Tax Allocation</u>	<u>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Non-major and Fiduciary Funds</u>	<u>Total</u>
Receivables:							
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,195	\$ 104,195
Taxes	6,099,659	318,849	460,745	459,178	-	35,538	7,373,969
Accounts	<u>1,571,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,432,375</u>	<u>2,098,387</u>	<u>5,102,080</u>
Gross receivables	7,670,977	318,849	460,745	459,178	1,432,375	2,238,120	12,580,244
Less allowance for uncollectibles	<u>(1,073,841)</u>	<u>(15,000)</u>	<u>-</u>	<u>(43,056)</u>	<u>-</u>	<u>-</u>	<u>(1,131,897)</u>
Net total receivables	<u>\$ 6,597,136</u>	<u>\$ 303,849</u>	<u>\$ 460,745</u>	<u>\$ 416,122</u>	<u>\$ 1,432,375</u>	<u>\$ 2,238,120</u>	<u>\$11,448,347</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Deposits and investments (continued)

Receivables (continued)

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred inflows of resources* in the governmental funds were as follows:

	<u>Unavailable</u>
Property taxes receivable (General Fund)	\$ 3,763,751
Property taxes receivable (Special Revenue Funds)	723,346
Property taxes receivable (Debt Service Fund)	<u>416,122</u>
Total deferred inflows of resources for governmental funds	<u>\$ 4,903,219</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets

Capital asset activity for the year ended April 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 350,000	\$ -	\$ -	\$ 350,000
Construction in progress	<u>240,226</u>	<u>279,017</u>	<u>(168,450)</u>	<u>350,793</u>
Total capital assets, not being depreciated	<u>590,226</u>	<u>279,017</u>	<u>(168,450)</u>	<u>700,793</u>
Capital assets being depreciated:				
Buildings	8,473,041	-	-	8,473,041
Improvements	1,697,397	381,918	-	2,079,315
System infrastructure	40,128,291	163,153	-	40,291,444
Machinery and equipment	3,415,199	58,822	-	3,474,021
Furniture and fixtures	352,459	-	-	352,459
Vehicles	<u>4,439,600</u>	<u>184,196</u>	<u>(69,574)</u>	<u>4,554,222</u>
Total capital assets being depreciated	<u>58,505,987</u>	<u>788,089</u>	<u>(69,574)</u>	<u>59,224,502</u>
Less accumulated depreciation for:				
Buildings	(4,518,970)	(213,769)	-	(4,732,739)
Improvements	(1,091,574)	(65,342)	-	(1,156,916)
System infrastructure	(31,646,298)	(658,087)	-	(32,304,385)
Machinery and equipment	(2,499,873)	(227,153)	-	(2,727,026)
Furniture and fixtures	(329,252)	(8,397)	-	(337,649)
Vehicles	<u>(2,731,039)</u>	<u>(180,400)</u>	<u>49,511</u>	<u>(2,861,928)</u>
Total accumulated depreciation	<u>(42,817,006)</u>	<u>(1,353,148)</u>	<u>49,511</u>	<u>(44,120,643)</u>
Total capital assets being depreciated, net	<u>15,688,981</u>	<u>(565,059)</u>	<u>(20,063)</u>	<u>15,103,859</u>
Governmental activities capital assets, net	<u>\$ 16,279,207</u>	<u>\$ (286,042)</u>	<u>\$ (188,513)</u>	<u>\$ 15,804,652</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,886,953	\$ -	\$ -	\$ 1,886,953
Construction in progress	<u>3,619,926</u>	<u>28,314</u>	<u>(3,040,822)</u>	<u>607,418</u>
Total capital assets, not being depreciated	<u>5,506,879</u>	<u>28,314</u>	<u>(3,040,822)</u>	<u>2,494,371</u>
Capital assets being depreciated:				
Buildings	18,522,067	37,614	-	18,559,681
Improvements	8,086,427	54,189	-	8,140,616
System infrastructure	25,555,985	3,080,260	-	28,636,245
Machinery and equipment	2,516,342	-	-	2,516,342
Vehicles	<u>189,057</u>	<u>-</u>	<u>-</u>	<u>189,057</u>
Total capital assets being depreciated	<u>54,869,878</u>	<u>3,172,063</u>	<u>-</u>	<u>58,041,941</u>
Less accumulated depreciation for:				
Buildings	(10,503,767)	(501,475)	-	(11,005,242)
Improvements	(3,413,098)	(336,400)	-	(3,749,498)
System infrastructure	(9,263,446)	(625,632)	-	(9,889,078)
Machinery and equipment	(2,094,909)	(80,613)	-	(2,175,522)
Vehicles	<u>(79,988)</u>	<u>(21,269)</u>	<u>-</u>	<u>(101,257)</u>
Total accumulated depreciation	<u>(25,355,208)</u>	<u>(1,565,389)</u>	<u>-</u>	<u>(26,920,597)</u>
Total capital assets being depreciated, net	<u>29,514,670</u>	<u>1,606,674</u>	<u>-</u>	<u>31,121,344</u>
Business-type activities capital assets, net	<u>\$ 35,021,549</u>	<u>\$ 1,634,988</u>	<u>\$ (3,040,822)</u>	<u>\$ 33,615,715</u>

Depreciation expense was charged to functions/programs of the Village as follows:

Government activities:	
General government	\$ 154,518
Public safety	515,807
Highways and streets	619,276
Building	<u>63,547</u>
Total	<u>\$ 1,353,148</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables, and transfers

Interfund balances are the result of reimbursements due for expenditures paid on behalf of one fund for another fund and for corrections of allocations and deposits. The composition of interfund balances as of April 30, 2014, is as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
9-1-1 Emergency Telephone Fund	\$ -	\$ 76,954
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Debt Service Fund	-	27,860
Water and Sewer Fund	-	379,600
Senior Citizen Complex Fund	287,169	-
Police Pension Fund	-	109,596
Firemen's Pension Fund	<u>81,402</u>	<u>-</u>
Total	<u>368,571</u>	<u>909,878</u>
9-1-1 Emergency Telephone Fund:		
General Fund	<u>76,954</u>	<u>-</u>
Special Tax Allocation Fund:		
General Fund	50,525	-
Debt Service Fund	<u>-</u>	<u>211,159</u>
Total	<u>50,525</u>	<u>211,159</u>
Motor Fuel Tax Fund:		
General Fund	<u>265,343</u>	<u>-</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

	<u>Receivables</u>	<u>Payables</u>
Debt Service Fund:		
General Fund	27,860	-
Special Tax Allocation Fund	211,159	-
Water and Sewer Fund	-	32,400
Senior Citizen Complex Fund	-	46,876
	<u>239,019</u>	<u>79,276</u>
Total		
Water and Sewer Fund:		
General Fund	379,600	-
Debt Service Fund	32,400	-
	<u>412,000</u>	<u>-</u>
Total		
Senior Citizen Complex Fund:		
General Fund	-	287,169
Debt Service Fund	46,876	-
	<u>46,876</u>	<u>287,169</u>
Total		
Police Pension Fund:		
General Fund	109,596	-
	<u>109,596</u>	<u>-</u>
Firemen's Pension Fund:		
General Fund	-	81,402
	<u>-</u>	<u>81,402</u>
Total all funds	<u><u>\$ 1,568,884</u></u>	<u><u>\$ 1,568,884</u></u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

The composition of interfund transfers as of April 30, 2014, is as follows:

	Transfer In:			
	Road and Bridge Fund	Debt Service Fund	Capital Projects Fund	Total
Transfer out:				
General Fund	\$1,908,258	\$ -	\$ -	\$ 1,908,258
Road and Bridge Fund	-	120,000	-	120,000
9-1-1 Emergency Telephone Fund	-	47,100	-	47,100
Debt Service Fund	-	-	102,532	102,532
Waterworks and Sewerage Fund	-	144,000	-	144,000
Senior Citizen Complex Fund	-	88,000	-	88,000
Special Tax Allocation Fund	-	409,615	-	409,615
Total	<u>\$1,908,258</u>	<u>\$ 808,715</u>	<u>\$ 102,532</u>	<u>\$ 2,819,505</u>

The purpose of the interfund transfer into the Road and Bridge Fund is to fund operations and bring the net position into a positive balance. The purpose of the transfers into the Debt Service Fund is to support debt retirement as per the original bond and note ordinances. The purpose of the transfer from the Debt Service Fund to the Capital Projects Fund was to transfer a portion of bond proceeds to the Capital Projects Fund to be used for bond expenditures.

E. Long-term debt

General obligation bonds

The Village issues general obligation bonds to provide for the acquisition, construction and rehabilitation of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. These bonds generally are issued as 15 to 20-year serial bonds with various amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50 - 5.20%	\$ 4,290,314
Governmental activities - refunding	2.00 - 4.50%	3,690,000
Business-type activities	1.50 - 5.20%	<u>11,514,680</u>
Total general obligation bonds		<u>\$ 19,494,994</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,570,000	\$ 772,396	\$ 2,342,396
2016	1,460,000	716,240	2,176,240
2017	1,420,000	671,706	2,091,706
2018	1,460,000	621,952	2,081,952
2019	1,035,000	569,685	1,604,685
2020-2024	4,889,994	2,240,637	7,130,631
2025-2029	4,085,000	1,301,701	5,386,701
2030-2033	<u>3,575,000</u>	<u>361,159</u>	<u>3,936,159</u>
Total	<u>\$ 19,494,994</u>	<u>\$ 7,255,476</u>	<u>\$ 26,750,470</u>

Notes payable

The Village has entered into loan arrangements for the financing of the purchase of vehicles and radio equipment. Notes payable that are currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	2.39 - 4.72%	\$ 583,544
Business-type activities	1.25%	<u>2,802,592</u>
Total notes payable		<u>\$ 3,386,136</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Annual debt service requirements for the notes payable are as follows:

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 281,672	\$ 45,941	\$ 327,613
2016	259,699	43,761	303,460
2017	260,496	38,499	298,995
2018	218,281	33,335	251,616
2019	221,996	29,620	251,616
2020-2024	734,925	113,275	848,200
2025-2029	762,974	67,000	829,974
2030-2033	<u>646,093</u>	<u>18,338</u>	<u>664,431</u>
Total	<u>\$ 3,386,136</u>	<u>\$ 389,769</u>	<u>\$ 3,775,905</u>

Advance refunding

In November 2005, the Village issued \$3,060,000 and \$2,425,000 of general obligation refunding bonds to advance refund for general obligation bond issues, totaling \$7,770,000. The net proceeds of \$5,389,979 were used to purchase U.S. Government State and Local Government Series securities. Those securities were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, except for \$175,000, the refunded bonds are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of \$140,000. As of April 30, 2014, \$1,320,000 of the defeased debt is still outstanding.

In August 2009, the Village issued \$1,570,000 of general obligation refunding bonds to advance refund for a general obligation bond issued totaling \$3,245,000. The net proceeds of \$1,527,367 were used to purchase U.S. Government State and Local Government Series securities. Those securities are placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, the refunded securities are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of approximately \$35,000. As of April 30, 2014, the defeased debt is no longer outstanding.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Advance refunding (continued)

In August 2010, the Village issued \$3,550,000 of general obligation refunding bonds to advance refund for two general obligation bonds issued totaling \$3,805,000. The net proceeds of \$3,634,838 were used to purchase U.S. Government State and Local Government Series securities. Those securities are placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, the refunded securities are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of approximately \$290,948. As of April 30, 2014, \$2,100,000 of the defeased debt is still outstanding.

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Government activities:					
Bonds payable:					
General obligation bonds	\$ 9,336,430	\$ -	\$ (1,356,116)	\$ 7,980,314	\$ 1,069,262
Net deferred amounts:					
For discounts and premiums	<u>(101,035)</u>	<u>-</u>	<u>157,345</u>	<u>56,310</u>	<u>-</u>
Total bonds payable	9,235,395	-	(1,198,771)	8,036,624	1,069,262
Notes payable	669,470	58,822	(144,748)	583,544	147,004
Compensated absences	177,685	135,194	(89,836)	223,043	-
Other long-term liabilities	244,408	-	-	244,408	-
Net pension obligation	7,722,410	198,942	-	7,921,352	-
Post retirement benefit obligation	<u>1,795,763</u>	<u>344,820</u>	<u>-</u>	<u>2,140,583</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 19,845,131</u>	<u>\$ 737,778</u>	<u>\$ (1,433,355)</u>	<u>\$ 19,149,554</u>	<u>\$ 1,216,266</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Changes in long-term liabilities (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$11,869,589	\$ -	\$ (354,909)	\$11,514,680	\$ 500,738
Less deferred amounts:					
For premiums and discounts	<u>43,188</u>	<u>2,310</u>	<u>(4,513)</u>	<u>40,985</u>	<u>-</u>
Total bonds payable	11,912,777	2,310	(359,422)	11,555,665	500,738
Notes payable	2,690,581	173,539	(61,528)	2,802,592	134,668
Compensated absences	65,842	5,381	-	71,223	-
Post employment benefit obligation	<u>81,509</u>	<u>17,779</u>	<u>-</u>	<u>99,288</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$14,750,709</u>	<u>\$ 199,009</u>	<u>\$ (420,950)</u>	<u>\$14,528,768</u>	<u>\$ 635,406</u>

F. Segment information

The Village maintains two enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended April 30, 2014 is presented below:

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Total</u>
Operating revenues	\$ 11,142,569	\$ 4,027,660	\$15,170,229
Depreciation expense	822,691	742,698	1,565,389
Operating income (loss)	(301,631)	223,947	(77,684)
Change in net position	(1,080,701)	(217,257)	(1,297,958)
Property, plant and equipment additions	67,752	91,803	159,555
Net working capital	1,674,873	(170,399)	1,504,474
Total assets	26,712,825	17,488,874	44,201,699
Noncurrent portion of bonds payable and other long-term debt	8,348,570	5,559,094	13,907,664
Net position	14,248,349	10,843,659	25,092,008
Operating transfers out	144,000	88,000	232,000

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 5 - OTHER INFORMATION

A. Risk management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In February 1986, the Village joined together with other municipal units in the state to form the Illinois Public Risk Fund (IPRF), a public entity risk pool currently operating as a common provider for the defense and payment of members' workers' compensation claims for approximately 465 member municipal units. The Village pays an annual premium to IPRF for its workers' compensation insurance coverage. Village costs are proportional, based on contributions developed by a payroll audit of all members.

The Village has adopted a risk management program to provide group health insurance to its employees. Payments are made monthly and deposited into a savings account to be used to pay claims. The program has a stop-loss clause in effect which limits the Village's liability to \$70,000 per individual. After \$70,000, the underwriter reimburses the Village for paid claims. At April 30, 2014, the Village owes \$113,021 for medical claims; this liability is accrued in the General Fund.

B. Subsequent events

Subsequent to April 30, 2014 and through the date of the report, the Village had committed to or approved approximately \$5,100,000 of contracts for capital improvements related to government-wide activities.

Management evaluated subsequent events through October 24, 2014, the date the financial statements were available to be issued.

C. Contingent liabilities

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 5 - OTHER INFORMATION (continued)

C. Contingent liabilities (continued)

The Village is a member of the South Suburban Joint Action Water Agency (JAWA). As of April 30, 2014, the JAWA is conducting a feasibility study regarding the construction and distribution of a water pipeline to member communities with the objective to lower water rates for their residents. In order to conduct this study, the JAWA issued bonds, which are guaranteed by its members based on a pro-rata share, of which the Village is obligated for approximately \$1,576,000. In connection with its guarantee, the Village made a payment of approximately \$289,000 during the year ended April 30, 2014 as the JAWA bond payment was due but the project was still in the feasibility stage. This payment is recorded in the Waterworks and Sewer Fund in the note and bond interest and fiscal charges line item in the statement of revenues, expenses, and changes in net position. The Village could be liable for its remaining share if the feasibility of the project is not favorable.

NOTE 6 - DEFINED BENEFIT PENSION PLANS

Illinois Municipal Retirement Fund

Plan Description

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

Funding Policy

As set by statute, the Village's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2013 was 16.68%. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Illinois Municipal Retirement Fund (continued)

Annual Pension Cost

For the calendar year ending December 31, 2013, the Village's actual contribution for pension cost for the regular plan was \$532,427. The Village's required contribution for the calendar year 2013 was \$532,427.

Three Year Trend Information

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
December 31, 2013	\$2,198,108	100.0%	\$0
December 31, 2012	\$2,403,463	100.0%	\$0
December 31, 2011	\$2,307,763	100.0%	\$0

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflations, (c) additional projected salary increases ranging from 0.4 to 10% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of the Village's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Funded Status and Progress

As of December 31, 2013, the most recent actuarial valuation date, the plan was 71.79% funded. The actuarial accrued liability for benefits was \$8,651,426 and the actuarial value of assets was \$6,210,946, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,440,480. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$3,192,009 and the ratio of the UAAL to the covered payroll was 76%.

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Police Pension

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. The plan does not issue a stand alone financial report; it is included as a Pension Trust Fund in the Annual Financial Report. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by the Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a Pension Trust Fund. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

As of April 30, 2013, the date of the latest actuarial valuation, the plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not receiving them.	35
Current employees, vested and nonvested.	<u>38</u>
Total	<u><u>73</u></u>

The plan provides retirement benefits, as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service. Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary. The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of increase.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village's annual contribution to the plan is provided by a property tax levy. These tax levies are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Police Pension (continued)

For employees hired after January 1, 2011, the normal retirement age is attainment of age 55 and completion of 10 years of service. Early retirement age is attainment of age 50, completion of 10 years of service and the early retirement factor is 6% per year; the employee's accrued benefit is based on the employee's final 8-year average salary not to exceed \$106,800 (as indexed). Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; surviving spouse's benefits are 66 2/3% of the employees benefit at the time of death.

Administrative costs are financed with revenues of the Police Pension Fund.

Annual Pension Cost and Net Pension Obligation

The Village's annual pension cost and net pension obligation to the Police Pension Plan for the year ended April 30, 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Annual required contribution	\$ 2,007,930	\$ 1,827,374
Interest on net pension obligation	352,245	340,076
Adjustment to annual required contribution	<u>(298,679)</u>	<u>(276,858)</u>
Annual pension cost	2,061,496	1,890,592
Contributions made	<u>(1,973,625)</u>	<u>(1,716,750)</u>
Increase in net pension obligation	87,871	173,842
Net pension obligation, beginning of year	<u>5,033,335</u>	<u>4,859,493</u>
Net pension obligation, end of year	<u>\$ 5,121,206</u>	<u>\$ 5,033,335</u>

The annual required contribution for the current year was determined as part of the April 30, 2013 actuarial valuation using the entry age normal cost funding method. The actuarial assumptions included (a) 7.0% investment rate of return compounded annually at April 30, 2013 and (b) projected salary increases attributable to inflation at 5.5% compounded annually at April 30, 2013. Both (a) and (b) included an inflation component of 3%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a closed period, level percentage of payroll. The remaining amortization period as of the April 30, 2013 actuarial valuation was 20 years.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Police Pension (continued)

Annual Pension Cost and Net Pension Obligation

Three Year Trend Information

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
April 30, 2013	\$2,061,496	96%	\$5,121,206
April 30, 2012	\$1,891,414	91%	\$5,033,335
April 30, 2011	\$1,741,031	99%	\$4,859,493

Funded Status and Funding Progress

As of May 1, 2013, the most recent actuarial valuation date, the plan was 36.5% funded. The actuarial accrued liability for benefits was \$43,899,360 and the actuarial value of assets was \$16,003,250, resulting in an unfunded actuarial liability (UAAL) of \$27,896,110. The covered payroll (annual payroll of active employees covered by the plan) was \$2,930,511 and the UAAL to the covered payroll was 951.9%.

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

Firemen's Pension

Fire sworn personnel are covered by the Firemen's Pension Plan, which is a defined benefit single employer pension plan. The plan does not issue a stand alone financial report; it is included as a Pension Trust Fund in the Annual Financial Report. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by the Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a Pension Trust Fund. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

As of April 30, 2013, the date of the latest actuarial valuation, the plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not receiving them.	31
Current employees, vested and nonvested.	<u>35</u>
Total	<u><u>66</u></u>

The plan provides retirement benefits, as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half the salary attached to the rank held on the last day of service. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month of service over 20 years up to 30 years, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit ranging from 15% of final salary for 10 years of service to 45.6% for 19 years of service. Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of final salary or the monthly retirement pension that the deceased fireman was receiving at the time of death. Surviving children receive 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary. The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the originally granted pension.

Covered employees are required to contribute 9.455% of their base salary to the Firemen's 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's annual contribution to the plan is provided by a property tax levy. These tax levies are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary.

For employees hired after January 1, 2011, the normal retirement age is attainment of age 55 and completion of 10 years of service; early retirement age is attainment of age 50, completion of 10 years of service and the early retirement factor is 6% per year; the employee's accrued benefit is based on the employee's final 8-year average salary not to exceed \$106,800 (as indexed). Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; surviving spouse's benefits are 66 2/3% of the employees benefit at the time of death.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Firemen's Pension (continued)

Administrative costs are financed with revenues of the Firemen's Pension Fund.

Annual Pension Cost and Net Pension Obligation

The Village's annual pension cost and net pension obligation to the Firemen's Pension Plan for the year ended April 30, 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Annual required contribution	\$ 1,383,585	\$ 1,233,192
Interest on net pension obligation	188,235	185,054
Adjustment to annual required contribution	<u>(159,611)</u>	<u>(150,654)</u>
Annual pension cost	1,412,209	1,267,592
Contributions made	<u>(1,301,138)</u>	<u>(1,222,157)</u>
Increase in net pension obligation	111,071	45,435
Net pension obligation, beginning of year	<u>2,689,075</u>	<u>2,643,640</u>
Net pension obligation, end of year	<u>\$ 2,800,146</u>	<u>\$ 2,689,075</u>

The annual required contribution for the current year was determined as part of the April 30, 2013 actuarial valuation using the entry age normal cost funding method. The actuarial assumptions included (a) 7.0% investment rate of return compounded annually at April 30, 2013 and (b) projected salary increases attributable to inflation at 5.5% compounded annually at April 30, 2013. Both (a) and (b) included an inflation component of 3%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a closed period, level percentage of payroll. The remaining amortization period as of the April 30, 2013 actuarial valuation was 20 years.

Annual Pension Cost and Net Pension Obligation

Three Year Trend Information

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
April 30, 2013	\$1,412,209	92%	\$2,800,146
April 30, 2012	\$1,267,592	96%	\$2,689,075
April 30, 2011	\$1,218,953	104%	\$2,643,640

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 6 - DEFINED BENEFIT PENSION PLANS (continued)

Firemen's Pension (continued)

Funded Status and Funding Progress

As of May 1, 2013, the most recent actuarial valuation date, the plan was 56.5% funded. The actuarial accrued liability for benefits was \$35,156,942 and the actuarial value of assets was \$19,876,326, resulting in an unfunded actuarial liability (UAAL) of \$15,280,616. The covered payroll (annual payroll of active employees covered by the plan) was \$2,770,376 and the UAAL to the covered payroll was 551.6%.

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

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Village sponsors a single-employer health care plan that provides medical and prescription drug coverage to all eligible retirees, their spouses, and their eligible dependents. The other postemployment benefit plan (OPEB) is considered part of the Village's reporting entity and is presented as part of the governmental activities and business-type activities in the basic financial statements. A separate audit report is not prepared.

As of April 30, 2012, the date of the latest actuarial valuation, the plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not receiving them.	67
Current employees, vested and nonvested.	<u>126</u>
Total	<u><u>193</u></u>

Funding Policy

The plan contributions (premiums) made on behalf of employees are negotiated by management and the union and governed by the Village's union contracts. The Village pays 100% of the premium for active employees and 50% of the premium for eligible retirees under the age of 65 with 20 years of service. The current funding policy of the Village is to pay health claims as they occur through internally assigned funds.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Funding Policy (continued)

The annual required contribution (ARC) is the basic annual expense recognized under GASB Statement No. 45, though there is no requirement to fund the ARC. The ARC is calculated under the actuarial cost method that was chosen and is made up of the normal cost plus amortization of the unfunded actuarial accrued liability (UAAL - excess of the pas service liability over the actuarial value of asset). The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually. For fiscal year 2014, the Village contributed \$644,653 to the plan, all of which was for current premiums. Plan members receiving benefits from OPEB contributed \$241,109.

The monthly premium for retirees under the age of 65 is \$617 and \$575 for a retiree's spouse. The monthly premium for retirees over the age of 65 is \$617 for retiree only and \$617 for a retiree's spouse.

Annual OPEB Cost and Net OPEB Obligation

The Village's annual OPEB cost (expense) is calculated based on the ARC of the employer. The ARC represents a level of funding that, if paid on an on-going basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the Village's OPEB cost for 2014:

The annual required contribution was determined as follows:

Normal cost	\$ 547,895
Amortization	408,583
Interest	<u>38,259</u>
Total annual required contribution	<u>\$ 994,737</u>
Annual required contribution	\$ 994,737
Interest on net OPEB obligation	75,091
Adjustment to annual required contribution	<u>(62,576)</u>
Annual OPEB cost	1,007,252
Contributions made	<u>(644,653)</u>
Increase in net OPEB obligation	362,599
Net OPEB obligation, beginning of year	<u>1,877,272</u>
Net OPEB obligation, end of year	<u>\$ 2,239,871</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Annual OPEB Cost and Net OPEB Obligation (continued)

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the 2012-2014 fiscal years are as follows:

<u>Fiscal Year End</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
April 30, 2014	\$1,007,252	64%	\$2,239,871
April 30, 2013	\$1,004,851	64%	\$1,877,272
April 30, 2012	\$701,243	49%	\$1,644,951

Annual OPEB Cost and Net OPEB Obligation

As of April 30, 2014, the plan was 0% funded. The actuarial accrued liability for benefits was \$12,257,486 and the actuarial value of assets was \$0 resulting in an unfunded actuarial liability of \$12,257,486.

Actuarial valuations of an on-going plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents only seven years of information.

Actuarial Methods and Assumptions

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions (continued)

In the April 30, 2012 actuarial valuation, entry age normal cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 8% initially, reduced to an ultimate 6% after five years. A discount rate of 4% was used. The salary progression was 4% per year. Rates include a 3% general inflation assumption. The Village's unfunded actuarial accrued liability is being amortized as a level percent of payroll over an open period. The remaining amortization period was 30 years.

NOTE 8 - FUTURE CHANGE IN ACCOUNTING PRINCIPLES

The Governmental Accounting Standards Board (GASB) has issued new accounting standards, effective for April 2015 and 2016, that may impact the Village's financial statements in future periods. Listed below is the statement and a short summary of the standard's objective that will be effective for the April 30, 2015 financial statements:

GASB issued Statement No. 67, *Financial Reporting for Pension Plan – an amendment of GASB Statement No. 25*, issued June 2012. This statement established accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this statement, as well as for non employer governments that have a legal obligation to contribute to those plans. The impact on the Village will be reviewed.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued January 2013. The objective of this statement is to improve financial reportings by addressing accounting and financial reporting for government combinations and disposals of government operations. The impact on the Village will be reviewed.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued April 2013. The objective of this statement is to enhance comparability of financial statements among government by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive financial guarantees. This statement will also enhance the information disclosed about a government's obligations and risk exposure from extending nonexchange financial guarantees. The impact on the Village will be reviewed.

Listed below is the statement and a short summary of the standard's objective that will be effective for the April 30, 2016 financial statements:

VILLAGE OF ALSIP, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
April 30, 2014

NOTE 8 - FUTURE CHANGE IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No. 68, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 27*, issued June 2012. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that met certain criteria. The impact on the Village will be reviewed.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, issued November 2013. The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The impact on the Village will be reviewed.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2014

I. SCHEDULE OF FUNDING PROGRESS

Illinois Municipal Retirement Fund

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)
12/31/04	\$6,146,998	\$6,376,910	\$ 229,913	96.39%	\$2,198,108	10.46%
12/31/05	\$4,025,870	\$5,132,842	\$1,106,972	78.43%	\$2,403,463	46.06%
12/31/06	\$4,312,748	\$6,004,736	\$1,692,988	71.81%	\$2,307,763	73.36%
12/31/07	\$4,998,559	\$6,258,388	\$1,259,829	79.87%	\$2,551,900	49.37%
12/31/08	\$3,336,332	\$5,926,929	\$2,590,597	56.29%	\$2,766,516	93.64%
12/31/09	\$4,105,809	\$6,670,414	\$2,564,605	61.55%	\$3,048,486	84.13%
12/31/10	\$4,633,689	\$7,141,226	\$2,507,537	64.89%	\$3,130,680	80.10%
12/31/11	\$5,094,069	\$7,846,334	\$2,752,265	64.92%	\$3,014,722	91.29%
12/31/12	\$5,985,191	\$8,494,289	\$2,509,098	70.46%	\$2,994,461	83.79%
12/31/13	\$6,210,946	\$8,651,426	\$2,440,480	71.79%	\$3,192,009	76.46%

Police Pension Fund

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liabilities (AAL)	(3) Unfunded AAL (2) - (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/04	\$13,238,404	\$28,721,804	\$15,483,400	46.91%	\$2,587,530	598.39%
4/30/05	\$13,393,892	\$28,999,241	\$15,605,349	46.19%	\$2,481,395	629.89%
4/30/06	\$14,030,355	\$32,678,836	\$18,648,481	42.93%	\$2,483,080	751.02%
4/30/07	\$14,790,406	\$32,492,365	\$17,701,959	45.52%	\$2,538,657	697.30%
4/30/08	\$14,442,626	\$36,548,413	\$22,105,787	39.50%	\$2,822,581	783.20%
4/30/09	\$13,073,668	\$38,700,846	\$26,627,208	31.20%	\$2,857,149	931.95%
4/30/10	\$13,897,458	\$37,750,857	\$23,853,399	36.81%	\$2,571,316	927.67%
4/30/11	\$15,120,768	\$39,303,606	\$24,182,838	38.47%	\$2,642,413	915.18%
4/30/12	\$15,198,174	\$41,470,346	\$26,272,172	36.65%	\$2,921,239	899.35%
4/30/13	\$16,003,250	\$43,899,360	\$27,896,110	36.45%	\$2,930,511	951.9%

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2014

I. SCHEDULE OF FUNDING PROGRESS (continued)

Firemen's Pension Fund

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/04	\$12,716,680	\$19,774,070	\$ 8,057,390	59.25%	\$2,385,475	337.77%
4/30/05	\$13,643,083	\$20,135,387	\$ 7,482,304	62.82%	\$2,370,182	315.68%
4/30/06	\$13,862,998	\$20,410,714	\$ 6,547,716	67.92%	\$2,247,854	291.29%
4/30/07	\$15,253,135	\$22,372,210	\$ 7,129,075	68.18%	\$2,558,973	278.20%
4/30/08	\$15,721,646	\$24,757,356	\$ 9,035,710	63.50%	\$2,567,263	351.96%
4/30/09	\$14,171,338	\$25,998,247	\$12,826,909	54.51%	\$2,723,064	434.32%
4/30/10	\$16,451,367	\$28,812,898	\$13,360,531	57.10%	\$2,680,721	461.09%
4/30/11	\$17,994,677	\$31,388,304	\$13,393,627	57.33%	\$2,467,342	542.84%
4/30/12	\$18,590,714	\$32,803,218	\$14,212,504	56.67%	\$2,653,763	535.54%
4/30/13	\$19,876,326	\$35,156,942	\$15,280,616	56.54%	\$2,770,376	551.57%

Health Insurance for Retired Employees

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/07	\$ -	\$ 7,345,789	\$ 7,345,789	0.00%	N/A	N/A
4/30/09	\$ -	\$ 8,628,731	\$ 8,628,731	0.00%	N/A	N/A
4/30/10	\$ -	\$ 8,628,731	\$ 8,628,731	0.00%	N/A	N/A
4/30/11	\$ -	\$ 8,628,731	\$ 8,628,731	0.00%	N/A	N/A
4/30/12	\$ -	\$12,257,486	\$12,257,486	0.00%	N/A	N/A
4/30/13	\$ -	\$12,257,486	\$12,257,486	0.00%	N/A	N/A
4/30/14	\$ -	\$12,257,486	\$12,257,486	0.00%	N/A	N/A

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2014

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

	<u>Actuarial Valuation Date</u>	<u>Annual Pension/ OPEB Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension/ OPEB Obligation</u>
Illinois Municipal Retirement Fund	12/31/04	161,781	100%	-
	12/31/05	199,968	100%	-
	12/31/06	216,007	100%	-
	12/31/07	328,429	100%	-
	12/31/08	407,231	100%	-
	12/31/09	408,192	100%	-
	12/31/10	493,395	89%	-
	12/31/11	461,252	98%	-
	12/31/12	457,853	100%	-
	12/31/13	532,427	100%	-
Police Pension Fund	4/30/04	1,099,096	67%	3,412,507
	4/30/05	1,125,147	79%	3,646,700
	4/30/06	1,275,727	71%	4,012,069
	4/30/07	1,282,803	67%	4,429,918
	4/30/08	1,678,103	67%	4,986,137
	4/30/09	1,822,271	102%	4,944,152
	4/30/10	1,664,129	104%	4,891,889
	4/30/11	1,741,031	99%	4,858,198
	4/30/12	1,891,414	91%	5,032,887
	4/30/13	2,061,496	96%	5,119,935
Firemen's Pension Fund	4/30/04	909,508	83%	2,068,123
	4/30/05	892,675	92%	2,137,975
	4/30/06	836,301	95%	2,178,582
	4/30/07	909,275	81%	2,352,766
	4/30/08	1,033,558	77%	2,593,442
	4/30/09	1,212,395	87%	2,745,186
	4/30/10	1,179,034	103%	2,721,705
	4/30/11	1,219,299	104%	2,643,626
	4/30/12	1,268,040	96%	2,689,523
	4/30/13	1,412,209	92%	2,800,147
Retired Employees' Health Insurance	4/30/06	613,210	56%	270,021
	4/30/07	647,321	71%	456,694
	4/30/08	650,433	71%	646,477
	4/30/09	713,077	43%	1,052,726
	4/30/10	697,298	66%	1,289,373
	4/30/11	701,243	49%	1,644,951
	4/30/12	1,004,851	64%	1,877,272
	4/30/13	1,007,252	64%	2,239,871

SUPPLEMENTARY INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Cash	\$ 609,346	\$ 349,690
Temporary cash investment	7,449,074	6,878,371
Restricted assets:		
Temporary cash investment	1,866,947	1,547,046
Receivables (net of allowance for uncollectibles):		
Taxes	5,990,791	5,881,057
Accounts	606,345	438,634
Due from other funds	368,571	2,457,666
Prepaid expense	<u>50,568</u>	<u>51,315</u>
TOTAL ASSETS	<u>\$ 16,941,642</u>	<u>\$ 17,603,779</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 518,660	\$ 451,768
Accrued medical claims	113,021	105,556
Other accrued expenses	537,195	668,157
Due to other funds	<u>909,878</u>	<u>936,984</u>

Total liabilities	<u>2,078,754</u>	<u>2,162,465</u>
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DEFERRED INFLOWS OF RESOURCES

Subsequent year's property taxes	<u>3,763,751</u>	<u>3,640,937</u>
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FUND BALANCES

Nonspendable	50,568	51,315
Restricted for police department programs	213,841	104,970
Assigned for insurance premiums, claims and related expenditures	1,653,106	1,335,972
Unassigned	<u>9,181,622</u>	<u>10,308,120</u>

Total fund balances	<u>11,099,137</u>	<u>11,800,377</u>
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**TOTAL LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES**

	<u>\$ 16,941,642</u>	<u>\$ 17,603,779</u>
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**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Taxes:		
Property tax	\$ 6,792,224	\$ 6,304,630
Sales tax	5,666,029	5,572,201
State income tax	2,223,042	2,287,977
Mini-warehouse tax	221,654	208,412
Hotel/motel tax	514,843	461,340
Replacement tax	354,340	338,109
Transfer tax	169,163	193,655
	<hr/>	<hr/>
Total taxes	15,941,295	15,366,324
Miscellaneous revenue:		
Flea market fees	153,107	168,173
Miscellaneous income	290,016	270,300
Police seizure income	2,630	-
Damage to Village property - insurance reimbursements	38,208	47,423
Miscellaneous fees	863,603	665,624
Cable TV franchise fees	312,597	310,778
Boat launch fee	10,136	10,752
	<hr/>	<hr/>
Total miscellaneous revenue	1,670,297	1,473,050
Police and court fines	473,739	431,330
Licenses and permits	464,467	473,640
Grants	62,103	127,816
Charges for services	591,726	562,738
Interest	1,774	4,487
	<hr/>	<hr/>
Total	1,593,809	1,600,011
	<hr/>	<hr/>
Total revenues	19,205,401	18,439,385
EXPENDITURES		
General government:		
Administrative department	311,234	290,671
Planning commission	2,511	874
Police and fire commission	19,486	25,108
Social Security and IMRF	568,281	526,839
Finance department	260,765	248,948
Village clerk department	128,900	129,967
Village hall department	265,190	99,023
	<hr/>	<hr/>
Total general government	1,556,367	1,321,430

	<u>2014</u>	<u>2013</u>
EXPENDITURES (continued)		
Public safety:		
Civil defense	9,569	9,569
Fire department	3,725,126	3,379,089
Fire department ambulance service	1,441,430	1,405,230
Police department	<u>6,489,766</u>	<u>5,946,195</u>
Total public safety	<u>11,665,891</u>	<u>10,740,083</u>
Building department	218,364	217,836
Health and environmental control department	1,228,697	1,164,184
Insurance department	3,066,959	2,937,049
Boat launch	15,680	13,598
Capital improvements	142,541	286,617
Debt service	<u>114,844</u>	<u>78,165</u>
Total	<u>4,787,085</u>	<u>4,697,449</u>
Total expenditures	<u>18,009,343</u>	<u>16,758,962</u>
Excess of revenues over expenditures	<u>1,196,058</u>	<u>1,680,423</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	16,004
Transfers out	(1,908,258)	-
Sale of Village property	<u>10,960</u>	<u>19,653</u>
Total other financing sources (uses)	<u>(1,897,298)</u>	<u>35,657</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(701,240)	1,716,080
FUND BALANCE, BEGINNING OF YEAR	<u>11,800,377</u>	<u>10,084,297</u>
FUND BALANCE, END OF YEAR	<u>\$ 11,099,137</u>	<u>\$ 11,800,377</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
GENERAL GOVERNMENT		
Administrative Department:		
Salary - mayor	\$ 76,089	\$ 98,401
Salary - admin assistant	54,107	51,524
Compensation - trustees	63,130	72,357
Hotel/motel tax	80,988	73,542
Membership and dues	7,102	7,078
Legal retainer	12,000	12,000
Legal fees - other	163,810	146,103
Engineering fees	-	2,853
Contingent expenses	20,766	20,506
Newsletter expense	18,558	5,487
Employee travel	1,700	195
Office expense	1,309	573
Beautification	9,007	1,950
Street fair	4,648	-
Other expense	183,066	149,746
Reimbursements from other funds	<u>(385,046)</u>	<u>(351,644)</u>
Total administrative department	<u>311,234</u>	<u>290,671</u>
Planning Commission:		
Staff expense	1,926	465
Secretarial services	281	-
Contingent expense	<u>304</u>	<u>409</u>
Total planning commission	<u>2,511</u>	<u>874</u>
Police and Fire Commission:		
Secretarial service	-	970
Examinations	15,153	20,640
Staff expense	3,771	3,445
Office supplies	83	-
Printing and publications	<u>479</u>	<u>53</u>
Total police and fire commission	<u>19,486</u>	<u>25,108</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
GENERAL GOVERNMENT		
Social Security and IMRF:		
Social Security and IMRF	553,326	506,707
Unemployment insurance	14,955	20,132
	<hr/>	<hr/>
Total Social Security and IMRF	568,281	526,839
Finance Department:		
Salary - finance director and staff	264,158	267,961
Salary - computer operator	119,774	134,582
Payroll service and administrator	15,008	15,205
Purchase computer equipment	19,626	8,138
Computer forms and supplies	5,884	5,523
Computer maintenance	79,195	48,718
Office supplies	3,824	1,917
Accounting service	67,462	62,075
Contingent expense	8,443	5,997
Reimbursements from other funds	(322,609)	(301,168)
	<hr/>	<hr/>
Total finance department	260,765	248,948
Village Clerk Department:		
Salary - village clerk	11,785	17,677
Salary - recording secretary	5,022	4,672
Salaries - clerical	184,698	175,118
Telephone expense	40,658	47,769
Postage expense	18,000	18,289
Contingent expense	4,349	4,539
Legal advertising	3,259	1,772
Codification	700	3,056
Decals and tags	165	785
Repair - office equipment	143	437
Equipment purchase	867	-
Equipment rental	9,934	8,948
Office supplies	4,817	3,155
Printing	3,973	979
Reimbursements from other funds	(159,470)	(157,229)
	<hr/>	<hr/>
Total village clerk department	128,900	129,967

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
GENERAL GOVERNMENT		
Village Hall Department:		
Salary - wages	27,325	27,364
Salary - custodian	8,427	10,858
Maintain village hall	77,823	34,445
Contract repair and utilities	142,354	20,829
Cleaning supplies	9,037	4,971
Contingencies	224	556
	<hr/>	<hr/>
Total village hall department	265,190	99,023
	<hr/>	<hr/>
Total General Government	1,556,367	1,321,430
	<hr/>	<hr/>
PUBLIC SAFETY		
Civil Defense:		
Salary - director	8,487	8,487
Repair - warning systems	1,082	1,082
	<hr/>	<hr/>
Total civil defense	9,569	9,569
	<hr/>	<hr/>
Fire Department:		
Salaries - all firemen	1,798,552	1,602,320
Volunteers, paid calls, and overtime	223,255	221,386
Holiday pay	32,784	28,449
Salaries - incentive pay	30,700	26,258
Retirement buyout	52,000	29,165
Publications and membership	7,644	4,309
Repair - fire trucks	44,916	58,080
Repair - radio equipment	5,849	6,572
Maintenance - fire stations	67,594	24,921
Utilities - fire stations	5,138	1,521
Fire prevention expense	5,143	4,434
Contingent expense	2,023	2,712
Purchase fire equipment	32,730	39,331
Purchase radio equipment	9,127	48,227
Education reimbursement	5,600	1,341
Gasoline and oil	14,999	12,224
Clothing allowance	11,650	4,050
Training materials	2,316	2,329
Physical examinations	11,727	11,834
Copy machine rental	3,134	3,078

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
PUBLIC SAFETY		
Fire Department: (continued)		
Office supplies	25,060	24,410
State grant expenses	32,071	-
Firemen's pension contribution	<u>1,301,114</u>	<u>1,222,138</u>
Total fire department	<u>3,725,126</u>	<u>3,379,089</u>
Fire Department Ambulance Service:		
Salaries - ambulance personnel	1,248,981	1,210,235
Holiday pay	30,476	29,428
Repairs - ambulance	31,357	16,099
Maintenance - stations	49,455	39,663
Contingent expense	509	6,226
Ambulance supplies	15,566	31,885
Gasoline and oil	7,917	13,884
Clothing allowance	12,501	16,300
Office supplies	1,237	3,586
Collection fees	<u>43,431</u>	<u>37,924</u>
Total fire department ambulance service	<u>1,441,430</u>	<u>1,405,230</u>
Police Department:		
Salaries - policemen	3,172,751	2,957,398
Salaries - clerical	146,754	140,392
Salaries - communications	446,945	406,369
Salaries - overtime	148,633	126,572
Salaries - crossing guards	24,623	25,654
Salaries - municipal court	36,000	36,000
Holiday pay	97,960	80,232
Impoundments	2,354	4,196
Clothing allowance	40,949	24,597
Miscellaneous vehicle equipment	81,200	99,564
Equipment poundmasters and traffic safety	-	1,210
Computer purchase	16,497	17,035
Purchase office furniture	2,747	3,197
Photo supplies and rental	9,949	8,293
Gasoline and oil	121,460	109,245
Firearms and ammunition	15,095	15,923
Investigative aids	14,073	39,466
Training	10,422	7,635
Crime prevention	7,545	5,773

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
PUBLIC SAFETY		
Police Department: (continued)		
Vehicle maintenance	38,653	47,783
Radio equipment repair and maintenance contract	36,781	44,227
Repair - office equipment	201	194
Contingent expense	14,068	13,961
Publications, membership and dues	3,392	1,569
Prisoner food/care	1,249	875
Physical examination fee	3,613	3,315
Office supplies	8,393	8,867
Building security	13,865	-
Police pension contribution	<u>1,973,594</u>	<u>1,716,653</u>
 Total police department	 <u>6,489,766</u>	 <u>5,946,195</u>
 Total Public Safety	 <u>11,665,891</u>	 <u>10,740,083</u>
 BUILDING DEPARTMENT		
Salary - commissioner	96,245	93,735
Salaries - clerical	91,102	88,501
Salaries - building inspectors	10,314	11,124
Salaries - electrical inspectors	3,105	2,682
Salaries - plumbing inspectors	1,638	2,574
Outside inspection fee	3,392	3,728
Contingent expense	1,288	764
Research, testing, and plan review	8,497	9,403
Office equipment and supplies	<u>2,783</u>	<u>5,325</u>
 Total Building Department	 <u>218,364</u>	 <u>217,836</u>
 HEALTH AND ENVIRONMENTAL CONTROL DEPARTMENT		
Salary - commissioner	18,039	17,500
Part-time inspector/office assistant	39,652	37,226
Dues and memberships	400	200
Refuse contract	1,148,184	1,104,194
Rodent control contract	2,640	2,640
Vehicle purchase	18,940	-
Equipment maintenance	-	812
Contingent expense	<u>842</u>	<u>1,612</u>
 Total Health and Environmental Control Department	 <u>1,228,697</u>	 <u>1,164,184</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
INSURANCE DEPARTMENT		
General liability	-	15,289
Liability - public official and police	97,244	108,159
Comprehensive general, automobile, umbrella and workmen's compensation	594,037	575,854
Group health and life	2,659,428	2,597,747
Reimbursements from other funds	<u>(283,750)</u>	<u>(360,000)</u>
Total Insurance Department	<u>3,066,959</u>	<u>2,937,049</u>
 BOAT LAUNCH		
Salary - wages	7,035	6,844
Utilities	436	754
Grounds and maintenance	7,497	5,504
Telephone expense	508	476
Contingent expense - boat	-	20
Physicals - boat	<u>204</u>	<u>-</u>
Total Boat Launch	<u>15,680</u>	<u>13,598</u>
 CAPITAL IMPROVEMENTS	<u>142,541</u>	<u>286,617</u>
 DEBT SERVICE	<u>114,844</u>	<u>78,165</u>
 TOTAL GENERAL FUND EXPENDITURES	<u>\$ 18,009,343</u>	<u>\$ 16,758,962</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
April 30, 2014
with Comparative Totals at April 30, 2013**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2014	2013
ASSETS							
Temporary cash investments	\$ 999,654	\$ 598,368	\$ 3,989,839	\$ 1,560,939	\$ 62,851	\$ 7,211,651	\$ 6,490,705
Receivables (net of allowance for uncollectibles):							
Taxes	262,601	-	460,745	-	-	723,346	719,281
Other	41,248	-	-	35,538	-	76,786	33,151
Prepaid expense	-	25,820	-	-	-	25,820	3,341
Due from other funds	-	76,954	50,525	265,343	-	392,822	392,822
TOTAL ASSETS	\$ 1,303,503	\$ 701,142	\$ 4,501,109	\$ 1,861,820	\$ 62,851	\$ 8,430,425	\$ 7,639,300
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 34,843	\$ -	\$ 56,731	\$ 30,318	\$ -	\$ 121,892	\$ 63,440
Other accrued expenses	21,737	-	-	-	-	21,737	35,882
Due to other funds	-	-	211,159	-	-	211,159	2,278,486
Total liabilities	<u>56,580</u>	<u>-</u>	<u>267,890</u>	<u>30,318</u>	<u>-</u>	<u>354,788</u>	<u>2,377,808</u>
Deferred inflows of resources:							
Subsequent year's property taxes	262,601	-	460,745	-	-	723,346	719,281
Fund balances (deficit):							
Nonspendable	-	25,820	-	-	-	25,820	3,341
Restricted for:							
Maintenance of 9-1-1 Emergency Telephone System	-	675,322	-	-	-	675,322	649,389
Tax Increment Financing allocation for project areas	-	-	3,772,474	-	-	3,772,474	3,580,882
Street maintenance and improvement programs	743,365	-	-	1,831,502	-	2,574,867	1,661,236
Fire department programs	-	-	-	-	62,851	62,851	51,591
Total restricted fund balance	<u>743,365</u>	<u>675,322</u>	<u>3,772,474</u>	<u>1,831,502</u>	<u>62,851</u>	<u>7,085,514</u>	<u>5,943,098</u>
Assigned for street maintenance and improvement programs	240,957	-	-	-	-	240,957	-
Unassigned	-	-	-	-	-	-	(1,404,228)
Total fund balances	<u>984,322</u>	<u>701,142</u>	<u>3,772,474</u>	<u>1,831,502</u>	<u>62,851</u>	<u>7,352,291</u>	<u>4,542,211</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,303,503	\$ 701,142	\$ 4,501,109	\$ 1,861,820	\$ 62,851	\$ 8,430,425	\$ 7,639,300

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2014	2013
REVENUES							
Taxes	\$ 1,392,480	\$ -	\$ 945,978	\$ 475,907	\$ 34,731	\$ 2,849,096	\$ 2,639,431
Licenses and permits	388,335	389,930	-	-	-	778,265	775,908
Interest	1	-	296	275	52	624	1,140
Miscellaneous	240,956	-	-	119,488	-	360,444	395,422
Total revenues	<u>2,021,772</u>	<u>389,930</u>	<u>946,274</u>	<u>595,670</u>	<u>34,783</u>	<u>3,988,429</u>	<u>3,811,901</u>
EXPENDITURES							
Public safety	-	291,077	-	-	6,532	297,609	525,267
Highways and streets	1,378,418	-	-	425,404	-	1,803,822	1,709,994
Drainage and storm sewers	2,221	-	-	-	-	2,221	2,665
Forestry maintenance	76,139	-	-	-	-	76,139	22,315
Miscellaneous	-	-	345,067	-	-	345,067	209,290
Debt service	26,865	-	-	-	16,991	43,856	63,015
Total expenditures	<u>1,483,643</u>	<u>291,077</u>	<u>345,067</u>	<u>425,404</u>	<u>23,523</u>	<u>2,568,714</u>	<u>2,532,546</u>
Excess of revenues over expenditures	<u>538,129</u>	<u>98,853</u>	<u>601,207</u>	<u>170,266</u>	<u>11,260</u>	<u>1,419,715</u>	<u>1,279,355</u>
OTHER FINANCING SOURCES (USES)							
Loan proceeds	58,822	-	-	-	-	58,822	-
Transfers in	1,908,258	-	-	-	-	1,908,258	-
Transfers out	(120,000)	(47,100)	(409,615)	-	-	(576,715)	(153,175)
Total other financing sources (uses)	<u>1,847,080</u>	<u>(47,100)</u>	<u>(409,615)</u>	<u>-</u>	<u>-</u>	<u>1,390,365</u>	<u>(153,175)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>2,385,209</u>	<u>51,753</u>	<u>191,592</u>	<u>170,266</u>	<u>11,260</u>	<u>2,810,080</u>	<u>1,126,180</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(1,400,887)</u>	<u>649,389</u>	<u>3,580,882</u>	<u>1,661,236</u>	<u>51,591</u>	<u>4,542,211</u>	<u>3,416,031</u>
FUND BALANCES, END OF YEAR	<u>\$ 984,322</u>	<u>\$ 701,142</u>	<u>\$ 3,772,474</u>	<u>\$ 1,831,502</u>	<u>\$ 62,851</u>	<u>\$ 7,352,291</u>	<u>\$ 4,542,211</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Temporary cash investment	\$ 999,654	\$ 740,328
Receivable (net of allowance for uncollectibles):		
Taxes	262,601	285,690
Other	41,248	-
Prepaid expense	<u>-</u>	<u>3,341</u>
TOTAL ASSETS	<u>\$ 1,303,503</u>	<u>\$ 1,029,359</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICIT)

LIABILITIES

Accounts payable	\$ 34,843	\$ 41,347
Other accrued expenses	21,737	35,882
Due to other funds	<u>-</u>	<u>2,067,327</u>
Total liabilities	<u>56,580</u>	<u>2,144,556</u>

DEFERRED INFLOWS OF RESOURCES

Subsequent year's property taxes	<u>262,601</u>	<u>285,690</u>
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FUND BALANCE (DEFICIT)

Nonspendable	-	3,341
Restricted for street maintenance and improvement programs	743,365	-
Assigned for street maintenance and improvement programs	240,957	-
Unassigned	<u>-</u>	<u>(1,404,228)</u>
Total fund balance (deficit)	<u>984,322</u>	<u>(1,400,887)</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICIT)

	<u>\$ 1,303,503</u>	<u>\$ 1,029,359</u>
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VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT)
For the Years Ended April 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
REVENUES		
Property taxes	\$ 586,354	\$ 569,790
Replacement tax	19,861	10,985
Fuel use tax	786,265	663,633
Vehicle license	388,335	353,063
Garage fees	199,000	199,000
Waste transfer fee	8,031	7,508
Property rental	14,400	14,400
Miscellaneous income	19,525	20,016
Interest income	1	1
	<hr/>	<hr/>
Total revenues	<u>2,021,772</u>	<u>1,838,396</u>
 EXPENDITURES		
Street department:		
Salary - superintendent	147,164	93,020
Wages	627,866	626,037
Engineering fees	2,879	3,963
Purchase new equipment and vehicles	9,640	14,470
Uniforms	6,223	5,775
Purchase street signs	5,994	15,050
Resurface and repair streets	95,499	68,678
Sidewalk repair and maintenance	74,807	48,056
Purchase salt	-	60,257
Village vehicle stickers	13,214	9,004
Gasoline and oil	49,709	38,070
Equipment and repair	17,336	20,895
Equipment maintenance	15,500	15,965
Purchase radio communication	90	869
Garage maintenance and supplies	12,900	110,544
Utilities	7,733	4,728
Energy charge - street lights	29,127	34,196
Insurance and administrative	33,750	110,000
Social Security and IMRF	185,040	166,739
Unemployment insurance	2,577	3,749
Contingent expense	944	2,689
Dumping charges	14,969	16,620
Office supplies	3,514	1,994
Training	1,239	1,691
Refunds	272	464
Equipment rental - pagers	2,098	2,932
Cleaning supplies	15,911	17,653
Physicals	1,264	954
JULIE charges	1,159	1,445
	<hr/>	<hr/>
Total street department	<u>1,378,418</u>	<u>1,496,507</u>

	<u>2014</u>	<u>2013</u>
EXPENDITURES (continued)		
Drainage and storm sewers:		
Engineering fees	-	1,125
Maintenance - storm sewers	124	-
Supplies	908	-
Contingent expense	<u>1,189</u>	<u>1,540</u>
Total drainage and storm sewers	<u>2,221</u>	<u>2,665</u>
Forestry maintenance:		
Equipment purchase	3,919	736
Equipment maintenance	1,912	1,118
Forestry maintenance	67,819	17,875
Equipment repairs	2,380	2,293
Training	<u>109</u>	<u>293</u>
Total forestry maintenance	<u>76,139</u>	<u>22,315</u>
Debt service	<u>26,865</u>	<u>35,276</u>
Total expenditures	<u>1,483,643</u>	<u>1,556,763</u>
Excess of revenues over expenditures	538,129	281,633
 OTHER FINANCING SOURCES (USES)		
Loan proceeds	58,822	-
Transfers in	1,908,258	-
Transfers out	<u>(120,000)</u>	<u>(110,000)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	2,385,209	171,633
 FUND DEFICIT, BEGINNING OF YEAR	<u>(1,400,887)</u>	<u>(1,572,520)</u>
 FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 984,322</u>	<u>\$ (1,400,887)</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Temporary cash investment	\$ 598,368	\$ 572,435
Prepaid expense	25,820	-
Due from other funds	<u>76,954</u>	<u>76,954</u>
 TOTAL ASSETS	 <u>\$ 701,142</u>	 <u>\$ 649,389</u>

FUND BALANCE

FUND BALANCE

Nonspendable	\$ 25,820	\$ -
Restricted for maintenance of 9-1-1 Emergency Telephone System	<u>675,322</u>	<u>649,389</u>
 TOTAL FUND BALANCE	 <u>\$ 701,142</u>	 <u>\$ 649,389</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Surcharge fees	\$ 389,930	\$ 422,845
 EXPENDITURES		
Wages	100,000	100,000
Telephone charges	63,915	49,421
Equipment purchases	59,680	109,489
Communication room improvements	67,102	152,666
Maintenance	380	885
Debt service	-	27,739
Total expenditures	<u>291,077</u>	<u>440,200</u>
Excess (deficiency) of revenues over expenditures	98,853	(17,355)
 OTHER FINANCING USES		
Transfers out	<u>(47,100)</u>	<u>(43,175)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	51,753	(60,530)
 FUND BALANCE, BEGINNING OF YEAR	 <u>649,389</u>	 <u>709,919</u>
 FUND BALANCE, END OF YEAR	 <u>\$ 701,142</u>	 <u>\$ 649,389</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	123rd Street	123rd Place and Cicero	Totals	
	2014	2013	2014	2013
Temporary cash investment	\$ 3,643,997	\$ 345,842	\$ 3,989,839	\$ 3,756,615
Receivable (net of allowance for uncollectibles):				
Taxes	446,025	14,720	460,745	433,591
Due from other funds	50,525	-	50,525	50,525
TOTAL ASSETS	\$ 4,140,547	\$ 360,562	\$ 4,501,109	\$ 4,240,731

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 55,027	\$ 1,704	\$ 56,731	\$ 15,099
Due to other funds	211,159	-	211,159	211,159
Total liabilities	266,186	1,704	267,890	226,258

DEFERRED INFLOWS OF RESOURCES

Subsequent year's property taxes	446,025	14,720	460,745	433,591
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FUND BALANCE

Restricted for Tax Increment Financing allocation for project areas	3,428,336	344,138	3,772,474	3,580,882
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**TOTAL LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCE**

	\$ 4,140,547	\$ 360,562	\$ 4,501,109	\$ 4,240,731
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**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	123rd Street	123rd Place and Cicero	Pulaski Road Corridor	Eliminations	Totals	
					2014	2013
REVENUES						
Property taxes	\$ 945,698	\$ 280	\$ -	\$ -	\$ 945,978	\$ 903,456
Interest income	203	93	-	-	296	18
Total revenues	945,901	373	-	-	946,274	903,474
EXPENDITURES						
Construction costs	-	-	88,572	-	88,572	24,099
Legal fees	-	45,502	161,444	-	206,946	175,775
Contingencies and other	-	15,925	33,624	-	49,549	9,416
Total expenditures	-	61,427	283,640	-	345,067	209,290
Excess (deficiency) of revenues over expenditures	945,901	(61,054)	(283,640)	-	601,207	694,184
OTHER FINANCING USES						
Transfers in	-	-	283,640	(283,640)	-	-
Transfers out	(693,255)	-	-	283,640	(409,615)	-
Total other financing uses	(693,255)	-	283,640	-	(409,615)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	252,646	(61,054)	-	-	191,592	694,184
FUND BALANCE, BEGINNING OF YEAR	3,175,690	405,192	-	-	3,580,882	2,886,698
FUND BALANCE, END OF YEAR	\$ 3,428,336	\$ 344,138	\$ -	\$ -	\$ 3,772,474	\$ 3,580,882

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Temporary cash investment	\$ 1,560,939	\$ 1,369,736
Receivables:		
Allotments from the State of Illinois	35,538	33,151
Due from other funds	<u>265,343</u>	<u>265,343</u>
TOTAL ASSETS	<u>\$ 1,861,820</u>	<u>\$ 1,668,230</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 30,318	\$ 6,994
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FUND BALANCE

Restricted for street maintenance and improvement programs	<u>1,831,502</u>	<u>1,661,236</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,861,820</u>	<u>\$ 1,668,230</u>
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**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
State allotments	\$ 475,907	\$ 459,034
Interest income	275	989
Miscellaneous income	<u>119,488</u>	<u>154,498</u>
Total revenues	<u>595,670</u>	<u>614,521</u>
 EXPENDITURES		
General maintenance	135,825	87,721
Road maintenance	<u>289,579</u>	<u>125,766</u>
Total expenditures	<u>425,404</u>	<u>213,487</u>
Excess of revenues over expenditures	170,266	401,034
 FUND BALANCE, BEGINNING OF YEAR	<u>1,661,236</u>	<u>1,260,202</u>
 FUND BALANCE, END OF YEAR	<u>\$ 1,831,502</u>	<u>\$ 1,661,236</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Temporary cash investment	\$ <u>62,851</u>	\$ <u>51,591</u>
TOTAL ASSETS	<u>\$ 62,851</u>	<u>\$ 51,591</u>

FUND BALANCE

FUND BALANCE

Restricted for fire department programs	\$ <u>62,851</u>	\$ <u>51,591</u>
TOTAL FUND BALANCE	<u>\$ 62,851</u>	<u>\$ 51,591</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Foreign fire insurance tax	\$ 34,731	\$ 32,533
Interest income	<u>52</u>	<u>132</u>
Total revenues	<u>34,783</u>	<u>32,665</u>
 EXPENDITURES		
Clothing allowance	1,111	13,370
Ambulance supplies	-	12,425
Furniture and fixtures	162	10,045
Equipment and supplies	1,032	60,761
Public education materials	-	2,923
Training	715	5,259
Vehicle	-	5,000
Contingent expense	3,512	3,023
Debt service	<u>16,991</u>	<u>-</u>
Total expenditures	<u>23,523</u>	<u>112,806</u>
Excess (deficiency) of revenues over expenditures	11,260	(80,141)
FUND BALANCE, BEGINNING OF YEAR	<u>51,591</u>	<u>131,732</u>
FUND BALANCE, END OF YEAR	<u>\$ 62,851</u>	<u>\$ 51,591</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Temporary cash investment	\$ 2,903,718	\$ 3,031,100
Receivable (net of allowance for uncollectibles):		
Taxes	416,122	444,983
Due from other funds	<u>239,019</u>	<u>211,159</u>
 TOTAL ASSETS	 <u>\$ 3,558,859</u>	 <u>\$ 3,687,242</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

LIABILITIES

Intergovernmental liability	\$ 14,546	\$ 14,546
Due to other funds	<u>79,276</u>	<u>85,882</u>
Total liabilities	93,822	100,428

DEFERRED INFLOWS OF RESOURCES

Subsequent year's property taxes	416,122	444,983
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FUND BALANCE

Restricted for debt service	<u>3,048,915</u>	<u>3,141,831</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,558,859</u>	<u>\$ 3,242,259</u>
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**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Taxes	\$ 896,170	\$ 840,966
Interest income	<u>1,370</u>	<u>7,825</u>
Total revenues	<u>897,540</u>	<u>848,791</u>
 EXPENDITURES		
Debt service:		
Principal retirement	1,354,860	1,815,663
Interest and fiscal charges	340,952	391,959
Contingencies	801	1,200
Miscellaneous	<u>26</u>	<u>14,445</u>
Total expenditures	<u>1,696,639</u>	<u>2,223,267</u>
Deficiency of revenues over expenditures	<u>(799,099)</u>	<u>(1,374,476)</u>
 OTHER FINANCING SOURCES (USES)		
Transfers in	808,715	535,314
Transfers out	<u>(102,532)</u>	<u>(710,572)</u>
Total other financing sources (uses)	<u>706,183</u>	<u>(175,258)</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	(92,916)	(1,549,734)
 FUND BALANCE, BEGINNING OF YEAR	<u>3,141,831</u>	<u>4,691,565</u>
 FUND BALANCE, END OF YEAR	<u>\$ 3,048,915</u>	<u>\$ 3,141,831</u>

**VILLAGE OF ALSIP, ILLINOIS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
EXPENDITURES		
Construction services	\$ -	\$ 621,411
Engineering fees	101,504	88,133
Bank fees	<u>1,028</u>	<u>1,028</u>
Total expenditures	102,532	710,572
 OTHER FINANCING SOURCES		
Operating transfers in	<u>102,532</u>	<u>710,572</u>
Excess of other financing sources over expenditures	-	-
 FUND BALANCE, BEGINNING OF YEAR		
	<u>-</u>	<u>-</u>
 FUND BALANCE, END OF YEAR		
	<u>\$ -</u>	<u>\$ -</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
April 30, 2014
With Comparative Totals at April 30, 2013

	ASSETS			
	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2014	2013
CURRENT ASSETS				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	3,914,877	861,828	4,776,705	4,468,734
Receivables (net of allowance for uncollectibles):				
Account customers	605,181	-	605,181	255,716
Estimated unbilled water and sewer charges	827,194	-	827,194	925,794
Prepaid expense/insurance	776	7,018	7,794	5,939
Due from other funds	<u>412,000</u>	<u>46,876</u>	<u>458,876</u>	<u>513,680</u>
Total current assets	<u>5,760,128</u>	<u>915,722</u>	<u>6,675,850</u>	<u>6,169,963</u>
RESTRICTED ASSETS				
Temporary cash investments	<u>583,896</u>	<u>3,146,714</u>	<u>3,730,610</u>	<u>3,506,451</u>
FIXED ASSETS				
Property, building and equipment, net	<u>20,368,801</u>	<u>13,246,914</u>	<u>33,615,715</u>	<u>35,021,549</u>
OTHER ASSETS				
Bond issuance costs	-	-	-	178,513
Deposits	<u>-</u>	<u>179,524</u>	<u>179,524</u>	<u>166,394</u>
Total other assets	<u>-</u>	<u>179,524</u>	<u>179,524</u>	<u>344,907</u>
 TOTAL ASSETS	 <u>\$ 26,712,825</u>	 <u>\$ 17,488,874</u>	 <u>\$ 44,201,699</u>	 <u>\$ 45,042,870</u>

LIABILITIES AND NET POSITION

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2014	2013
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)				
Accounts payable	\$ 2,108,866	\$ 53,994	\$ 2,162,860	\$ 1,483,149
Other accrued expenses	1,552,641	-	1,552,641	1,554,382
Current portion of notes payable	134,668	-	134,668	59,623
Current portion of general obligation bonds	215,000	285,738	500,738	354,909
Due to other funds	-	287,169	287,169	302,169
Security deposits	-	356,805	356,805	335,135
Utility overpayments	4,071	-	4,071	6,875
Accrued interest payable	84,311	102,415	186,726	191,359
	<u>4,099,557</u>	<u>1,086,121</u>	<u>5,185,678</u>	<u>4,287,601</u>
Total current liabilities (payable from current assets)				
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)				
Deposits	30,651	-	30,651	29,126
	<u>30,651</u>	<u>-</u>	<u>30,651</u>	<u>29,126</u>
LONG-TERM LIABILITIES				
Compensated absences payable	71,223	-	71,223	65,842
Post employment benefit obligation	99,288	-	99,288	81,509
Notes payable	2,667,924	-	2,667,924	2,630,958
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	5,495,833	5,559,094	11,054,927	11,557,868
	<u>8,334,268</u>	<u>5,559,094</u>	<u>13,893,362</u>	<u>14,336,177</u>
Total long-term liabilities				
	<u>12,464,476</u>	<u>6,645,215</u>	<u>19,109,691</u>	<u>18,652,904</u>
Total liabilities				
NET POSITION				
Net investment in capital assets	11,855,376	7,402,082	19,257,458	20,418,191
Unrestricted	2,392,973	3,441,577	5,834,550	5,971,775
	<u>14,248,349</u>	<u>10,843,659</u>	<u>25,092,008</u>	<u>26,389,966</u>
Total net position				
	<u>14,248,349</u>	<u>10,843,659</u>	<u>25,092,008</u>	<u>26,389,966</u>
TOTAL LIABILITIES AND NET POSITION				
	<u>\$ 26,712,825</u>	<u>\$ 17,488,874</u>	<u>\$ 44,201,699</u>	<u>\$ 45,042,870</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2014	2013
OPERATING REVENUES				
Charges for services	\$ 10,989,280	\$ -	\$ 10,989,280	\$ 10,158,167
Rental income	-	3,983,509	3,983,509	3,821,943
Other income	153,289	44,151	197,440	178,484
Total operating revenues	11,142,569	4,027,660	15,170,229	14,158,594
OPERATING EXPENSES				
Water department	10,441,719	-	10,441,719	8,971,409
Sewer department	179,790	-	179,790	197,212
Senior citizen complex	-	3,061,015	3,061,015	2,375,588
Total operating expenses	10,621,509	3,061,015	13,682,524	11,544,209
Operating income before depreciation	521,060	966,645	1,487,705	2,614,385
DEPRECIATION				
	822,691	742,698	1,565,389	1,525,486
Operating income (loss)	(301,631)	223,947	(77,684)	1,088,899
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond premium	2,923	1,590	4,513	4,513
Amortization of bond issue costs	(63,162)	(115,351)	(178,513)	(9,247)
Amortization of underwriter's discount	(2,310)	-	(2,310)	(2,310)
Note and bond interest and fiscal charges	(572,936)	(239,443)	(812,379)	(501,787)
Transfers out	(144,000)	(88,000)	(232,000)	(398,143)
Interest income	415	-	415	7,404
Total non-operating expenses and transfers	(779,070)	(441,204)	(1,220,274)	(899,570)
NET INCOME (LOSS)	(1,080,701)	(217,257)	(1,297,958)	189,329
NET POSITION, BEGINNING OF YEAR	15,329,050	11,060,916	26,389,966	26,200,637
NET POSITION, END OF YEAR	\$ 14,248,349	\$ 10,843,659	\$ 25,092,008	\$ 26,389,966

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (301,631)	\$ 223,947	\$ (77,684)	\$ 1,088,899
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Gain on sale of equipment	-	-	-	(5,464)
Depreciation	822,691	742,698	1,565,389	1,525,486
Effects of changes in operating assets and liabilities:				
Receivables - account customers	(349,465)	-	(349,465)	(8,110)
Receivables - unbilled charges	98,600	-	98,600	(102,919)
Due from other funds	54,966	(15,162)	39,804	895
Prepaid insurance/expense	1,524	(3,379)	(1,855)	(2,378)
Utility overpayment	(2,804)	-	(2,804)	(6,029)
Deposits	-	(13,130)	(13,130)	7,376
Accounts payable	725,502	(45,791)	679,711	280,074
Other accrued expenses	(1,741)	-	(1,741)	7,092
Security deposits	-	21,670	21,670	3,075
Post employment benefit obligation	17,779	-	17,779	11,329
Compensated absences payable	5,381	-	5,381	4,965
Restricted liabilities	1,525	-	1,525	2,307
	<u>1,072,327</u>	<u>910,853</u>	<u>1,983,180</u>	<u>2,806,598</u>
Net cash provided by operating activities				
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfers out	<u>(144,000)</u>	<u>(88,000)</u>	<u>(232,000)</u>	<u>(398,143)</u>
Net cash used in non-capital financing activities	<u>(144,000)</u>	<u>(88,000)</u>	<u>(232,000)</u>	<u>(398,143)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	(67,752)	(91,803)	(159,555)	(4,392,349)
Proceeds from sale of equipment	-	-	-	9,464
Principal payments on bonds payable	(205,000)	(149,909)	(354,909)	(345,745)
Proceeds from issuance of notes payable	173,539	-	173,539	2,690,581
Principal payments on notes payable	(61,528)	-	(61,528)	-
Interest paid on notes and bonds	<u>(575,670)</u>	<u>(241,342)</u>	<u>(817,012)</u>	<u>(509,612)</u>
Net cash used in capital and related financing activities	<u>(736,411)</u>	<u>(483,054)</u>	<u>(1,219,465)</u>	<u>(2,547,661)</u>

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	415	-	415	7,404
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	192,331	339,799	532,130	(131,802)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	4,306,542	3,668,743	7,975,285	8,107,087
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 4,498,873</u>	<u>\$ 4,008,542</u>	<u>\$ 8,507,415</u>	<u>\$ 7,975,285</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF NET POSITION
April 30, 2014 and 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash	\$ 100	\$ 100
Temporary cash investments	3,914,877	3,637,921
Receivables (net of allowance for uncollectibles):		
Account customers	605,181	255,716
Estimated unbilled water and sewer charges	827,194	925,794
Prepaid expense	776	2,300
Due from other funds	<u>412,000</u>	<u>466,966</u>
Total current assets	5,760,128	5,288,797
 RESTRICTED ASSETS		
Temporary cash investments	583,896	668,521
 PROPERTY, BUILDING AND EQUIPMENT, NET	20,368,801	21,123,740
 OTHER ASSETS		
Bond issue costs	<u>-</u>	<u>63,162</u>
 TOTAL ASSETS	 <u><u>\$ 26,712,825</u></u>	 <u><u>\$ 27,144,220</u></u>

LIABILITIES AND NET POSITION

	<u>2014</u>	<u>2013</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	\$ 2,108,866	\$ 1,383,364
Accrued interest payable	84,311	87,045
Other accrued expenses	1,552,641	1,554,382
Utility overpayments	4,071	6,875
Current portion of notes payable	134,668	59,623
Current portion of general obligation bonds	<u>215,000</u>	<u>205,000</u>
Total current liabilities (payable from current assets)	<u>4,099,557</u>	<u>3,296,289</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Deposits	<u>30,651</u>	<u>29,126</u>
LONG-TERM LIABILITIES		
Compensated absences payable	71,223	65,842
Post employment benefit obligation	99,288	81,509
Notes payable	2,667,924	2,630,958
General obligation bonds (net of unamortized discount and premium)	<u>5,495,833</u>	<u>5,711,446</u>
Total long-term liabilities	<u>8,334,268</u>	<u>8,489,755</u>
Total liabilities	<u>12,464,476</u>	<u>11,815,170</u>
NET POSITION		
Net investment in capital assets	11,855,376	12,516,713
Unrestricted	<u>2,392,973</u>	<u>2,812,337</u>
Total net position	<u>14,248,349</u>	<u>15,329,050</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 26,712,825</u>	<u>\$ 27,144,220</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Years Ended April 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Charges for services:		
Water	\$ 10,030,761	\$ 9,183,153
Sewer	756,670	758,380
Tapping fees	100,585	116,991
Fines and penalties	101,264	99,643
Other income	<u>153,289</u>	<u>102,708</u>
Total operating revenues	<u>11,142,569</u>	<u>10,260,875</u>
 OPERATING EXPENSES		
Water department	10,441,719	8,971,409
Sewer department	<u>179,790</u>	<u>197,212</u>
Total operating expenses	<u>10,621,509</u>	<u>9,168,621</u>
Operating income before depreciation	521,060	1,092,254
 DEPRECIATION	<u>822,691</u>	<u>788,939</u>
Operating income (loss)	<u>(301,631)</u>	<u>303,315</u>
 NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS		
Amortization of bond premium	2,923	2,923
Amortization of underwriter's discount	(2,310)	(2,310)
Amortization of bond issue costs	(63,162)	(3,384)
Note and bond interest and fiscal charges	(572,936)	(266,469)
Operating transfers out	(144,000)	(132,000)
Interest income	<u>415</u>	<u>27</u>
Total non-operating expenses and transfers	<u>(779,070)</u>	<u>(401,213)</u>
 NET LOSS	(1,080,701)	(97,898)
 NET POSITION, BEGINNING OF YEAR	<u>15,329,050</u>	<u>15,426,948</u>
 NET POSITION, END OF YEAR	<u>\$ 14,248,349</u>	<u>\$ 15,329,050</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (301,631)	\$ 303,315
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Gain on sale of equipment	-	(5,464)
Depreciation	822,691	788,939
Effects of changes in operating assets and liabilities:		
Receivables - account customers	(349,465)	(8,110)
Receivables - unbilled charges	98,600	(102,919)
Prepaid expense	1,524	(2,300)
Due from other funds	54,966	2,620
Accounts payable	725,502	252,644
Other accrued expenses	(1,741)	7,029
Utility overpayments	(2,804)	(6,029)
Post employment benefit obligation	17,779	11,392
Compensated absences payable	5,381	4,965
Restricted liabilities	<u>1,525</u>	<u>2,307</u>
Net cash provided by operating activities	<u>1,072,327</u>	<u>1,248,389</u>
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Operating transfers out	<u>(144,000)</u>	<u>(132,000)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property, building and equipment	(67,752)	(3,796,077)
Proceeds from sale of equipment	-	9,464
Principal payments on bonds payable	(205,000)	(200,000)
Proceeds from issuance of notes payable	173,539	2,690,581
Principal payments on notes payable	(61,528)	-
Interest paid on notes and bonds	<u>(575,670)</u>	<u>(269,136)</u>
Net cash used in capital and related financing activities	<u>(736,411)</u>	<u>(1,565,168)</u>

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	<u>415</u>	<u>27</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	192,331	(448,752)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>4,306,542</u>	<u>4,755,294</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 4,498,873</u>	<u>\$ 4,306,542</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF OPERATING EXPENSES
For the Years Ended April 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
WATER DEPARTMENT		
Salary - commissioner	\$ 95,819	\$ 93,020
Salary - clerical	60,488	46,712
Wages - meter readers	14,425	16,406
Wages - general labor	301,079	268,782
Uniforms	2,013	849
Engineering fees	44,068	21,665
Audit fee	3,400	10,000
Tools and equipment	9,425	6,713
Purchase - office equipment	115	3,066
Purchase - new equipment	16,982	32,355
Purchase - meters	238,186	44,921
Purchase - radio equipment	307	4,030
Purchase - computer	12,308	2,047
Repairs - equipment	11,454	17,576
Restoration (main breaks)	159,998	81,464
Maintenance water system	589,629	402,277
Utilities	199,731	188,494
Water tap-ons	54,150	93,399
Purchase - water	7,180,241	6,316,995
Social Security and IMRF	130,269	116,237
Insurance and administrative expense	974,093	922,721
Contingent expense	35,833	19,396
Water system expense	63,988	16,945
Building and grounds maintenance	182,295	185,958
Pager service	7,961	5,543
Office supplies	3,364	4,042
Water sampling fees	6,764	6,464
Purchase chlorine	1,563	2,051
Gasoline and oil	8,545	13,491
Water billing charges	17,810	17,137
Dues and memberships	2,059	2,094
Post employment benefit obligation	<u>13,357</u>	<u>8,559</u>
Total water department	<u>10,441,719</u>	<u>8,971,409</u>
SEWER DEPARTMENT		
Salary - clerical	60,852	73,495
Wages - general labor	65,055	67,144
Purchase - new equipment	-	6,116
Material and supplies	18,925	15,999
Repair - equipment	119	2,248
Maintenance - sanitary sewers	2,995	643
Contingent expense - sewer	350	-
Uniforms	72	1,734
Garage rentals	27,000	27,000
Post employment benefit obligation	<u>4,422</u>	<u>2,833</u>
Total sewer department	<u>179,790</u>	<u>197,212</u>
TOTAL OPERATING EXPENSES	<u>\$ 10,621,509</u>	<u>\$ 9,168,621</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF NET POSITION
April 30, 2014 and 2013**

	ASSETS			Totals	
	Heritage I	Heritage II	Eliminations	2014	2013
CURRENT ASSETS					
Temporary cash investments	\$ -	\$ 861,828	\$ -	\$ 861,828	\$ 830,813
Due from other funds	46,876	184,290	(184,290)	46,876	46,714
Prepaid insurance	1,244	5,774	-	7,018	3,639
Total current assets	<u>48,120</u>	<u>1,051,892</u>	<u>(184,290)</u>	<u>915,722</u>	<u>881,166</u>
RESTRICTED ASSETS					
Temporary cash investments	-	3,146,714	-	3,146,714	2,837,930
PROPERTY, BUILDING AND EQUIPMENT, NET	<u>5,366,692</u>	<u>7,880,222</u>	<u>-</u>	<u>13,246,914</u>	<u>13,897,809</u>
OTHER ASSETS					
Bond issuance costs	-	-	-	-	115,351
Deposits	178,524	1,000	-	179,524	166,394
Total other assets	<u>178,524</u>	<u>1,000</u>	<u>-</u>	<u>179,524</u>	<u>281,745</u>
TOTAL ASSETS	<u>\$ 5,593,336</u>	<u>\$ 12,079,828</u>	<u>\$ (184,290)</u>	<u>\$ 17,488,874</u>	<u>\$ 17,898,650</u>
	LIABILITIES AND NET POSITION				
CURRENT LIABILITIES					
Accrued interest payable	\$ 22,592	\$ 79,823	\$ -	\$ 102,415	\$ 104,314
Accounts payable	-	53,994	-	53,994	99,785
Current portion of general obligation bonds	126,160	159,578	-	285,738	149,909
Due to other funds	471,459	-	(184,290)	287,169	302,169
Security deposits	117,100	239,705	-	356,805	335,135
Total current liabilities	<u>737,311</u>	<u>533,100</u>	<u>(184,290)</u>	<u>1,086,121</u>	<u>991,312</u>
LONG-TERM LIABILITIES					
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>1,394,400</u>	<u>4,164,694</u>	<u>-</u>	<u>5,559,094</u>	<u>5,846,422</u>
Total liabilities	<u>2,131,711</u>	<u>4,697,794</u>	<u>(184,290)</u>	<u>6,645,215</u>	<u>6,837,734</u>
NET POSITION					
Net investment in capital assets	3,846,132	3,555,950	-	7,402,082	7,901,478
Unrestricted	(384,507)	3,826,084	-	3,441,577	3,159,438
Total net position	<u>3,461,625</u>	<u>7,382,034</u>	<u>-</u>	<u>10,843,659</u>	<u>11,060,916</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 5,593,336</u>	<u>\$ 12,079,828</u>	<u>\$ (184,290)</u>	<u>\$ 17,488,874</u>	<u>\$ 17,898,650</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013**

	Heritage I	Heritage II	Eliminations	Totals	
				2014	2013
OPERATING REVENUES					
Rental income	\$ 1,273,142	\$ 2,710,367	\$ -	\$ 3,983,509	\$ 3,821,943
Other income	10,862	33,289	-	44,151	75,776
Total operating revenues	1,284,004	2,743,656	-	4,027,660	3,897,719
OPERATING EXPENSES	962,017	2,098,998	-	3,061,015	2,375,588
Operating income before depreciation	321,987	644,658	-	966,645	1,522,131
DEPRECIATION	246,260	496,438	-	742,698	736,547
Operating income	75,727	148,220	-	223,947	785,584
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS					
Amortization of bond issuance costs	-	(115,351)	-	(115,351)	(5,863)
Amortization of bond premium	-	1,590	-	1,590	1,590
Transfers out	(88,000)	-	-	(88,000)	(266,143)
Bond interest	(70,804)	(168,639)	-	(239,443)	(235,318)
Interest income	-	-	-	-	7,377
Total non-operating expenses and transfers	(158,804)	(282,400)	-	(441,204)	(498,357)
NET INCOME (LOSS)	(83,077)	(134,180)	-	(217,257)	287,227
NET POSITION, BEGINNING OF YEAR	3,544,702	7,516,214	-	11,060,916	10,773,689
NET POSITION, END OF YEAR	<u>\$ 3,461,625</u>	<u>\$ 7,382,034</u>	<u>\$ -</u>	<u>\$ 10,843,659</u>	<u>\$ 11,060,916</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013

	Heritage I	Heritage II	Eliminations	Totals	
				2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income	\$ 75,727	\$ 148,220	\$ -	\$ 223,947	\$ 785,584
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	246,260	496,438	-	742,698	736,547
Effects of changes in operating assets and liabilities:					
Due to other funds	(15,162)	-	-	(15,162)	(1,725)
Prepaid insurance	(80)	(3,299)	-	(3,379)	(78)
Deposits	(13,130)	-	-	(13,130)	7,376
Accounts payable	(23,557)	(22,234)	-	(45,791)	27,430
Security deposits	9,780	11,890	-	21,670	3,075
Net cash provided by operating activities	<u>279,838</u>	<u>631,015</u>	<u>-</u>	<u>910,853</u>	<u>1,558,209</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Operating transfer out	<u>(88,000)</u>	<u>-</u>	<u>-</u>	<u>(88,000)</u>	<u>(266,143)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of property, building and equipment	-	(91,803)	-	(91,803)	(596,272)
Principal payments on bonds payable	(119,520)	(30,389)	-	(149,909)	(145,745)
Interest paid on bonds	<u>(72,318)</u>	<u>(169,024)</u>	<u>-</u>	<u>(241,342)</u>	<u>(240,476)</u>
Net cash used in capital and related financing activities	<u>(191,838)</u>	<u>(291,216)</u>	<u>-</u>	<u>(483,054)</u>	<u>(982,493)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Earnings on investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,377</u>
NET INCREASE IN TEMPORARY CASH INVESTMENTS	<u>-</u>	<u>339,799</u>	<u>-</u>	<u>339,799</u>	<u>316,950</u>
TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>-</u>	<u>3,668,743</u>	<u>-</u>	<u>3,668,743</u>	<u>3,351,793</u>
TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ -</u>	<u>\$ 4,008,542</u>	<u>\$ -</u>	<u>\$ 4,008,542</u>	<u>\$ 3,668,743</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF OPERATING EXPENSES
For the Year Ended April 30, 2014
with Comparative Totals for the Year Ended April 30, 2013**

	Heritage I	Heritage II	Totals	
			2014	2013
Salaries	\$ 167,486	\$ 382,347	\$ 549,833	\$ 563,012
Audit fee	1,156	1,644	2,800	3,500
Repairs and maintenance	232,595	925,278	1,157,873	659,244
Management fee	76,389	162,622	239,011	229,365
Administrative fee	45,000	100,000	145,000	140,041
Decorating	41,618	77,283	118,901	94,570
Office supplies	100,320	68	100,388	4,403
Telephone	18,120	-	18,120	13,223
Utilities	148,256	253,269	401,525	350,765
Insurance	39,892	76,254	116,146	109,476
Scavenger	17,249	14,721	31,970	28,945
Pest control	3,724	6,470	10,194	11,882
Contingent expense	10,811	8,867	19,678	11,874
Payroll taxes	13,465	24,363	37,828	39,145
Uniforms	2,023	4,830	6,853	7,182
Union health/pension	43,913	60,982	104,895	108,961
TOTAL OPERATING EXPENSES	\$ 962,017	\$ 2,098,998	\$ 3,061,015	\$ 2,375,588

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET POSITION
April 30, 2014
with Comparative Totals at April 30, 2013**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2014</u>	<u>2013</u>
ASSETS				
Cash and cash equivalents	\$ 3,125,667	\$ 390,215	\$ 3,515,882	\$ 4,109,381
Receivables:				
Contributions	1,234,268	864,119	2,098,387	1,877,367
Accrued interest	42,492	61,703	104,195	118,960
Due from other funds	109,596	-	109,596	109,596
Investments, at fair value:				
U.S. Government securities	3,022,081	6,123,551	9,145,632	11,479,368
Corporate bonds and other	1,369,004	3,414,839	4,783,843	1,794,001
Mutual funds	6,301,360	11,688,024	17,989,384	15,846,070
Stocks	<u>3,063,036</u>	<u>-</u>	<u>3,063,036</u>	<u>2,508,963</u>
Total assets	<u>18,267,504</u>	<u>22,542,451</u>	<u>40,809,955</u>	<u>37,843,706</u>
LIABILITIES				
Accrued liabilities	10,268	-	10,268	16,402
Unearned contributions	1,234,268	864,119	2,098,387	1,866,327
Due to other funds	<u>-</u>	<u>81,402</u>	<u>81,402</u>	<u>81,402</u>
Total liabilities	<u>1,244,536</u>	<u>945,521</u>	<u>2,190,057</u>	<u>1,964,131</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS				
	<u>\$ 17,022,968</u>	<u>\$ 21,596,930</u>	<u>\$ 38,619,898</u>	<u>\$ 35,879,575</u>

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
For the Year Ended April, 30, 2014
with Comparative Totals for the Year Ended April, 30, 2013**

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>	
			<u>2014</u>	<u>2013</u>
ADDITIONS				
Contributions:				
Employer	\$ 1,973,625	\$ 1,301,138	\$ 3,274,763	\$ 2,938,907
Employee	<u>332,713</u>	<u>287,254</u>	<u>619,967</u>	<u>541,528</u>
Total contributions	<u>2,306,338</u>	<u>1,588,392</u>	<u>3,894,730</u>	<u>3,480,435</u>
Investment income:				
Net appreciation in fair value of investments	911,879	1,403,768	2,315,647	1,891,772
Dividends	308,353	209,109	517,462	258,265
Interest	221,778	230,444	452,222	499,074
Miscellaneous income	<u>-</u>	<u>6</u>	<u>6</u>	<u>25</u>
Total investment income	1,442,010	1,843,327	3,285,337	2,649,136
Less investment expense	<u>94,274</u>	<u>90,790</u>	<u>185,064</u>	<u>159,690</u>
Net investment income	<u>1,347,736</u>	<u>1,752,537</u>	<u>3,100,273</u>	<u>2,489,446</u>
Total additions	<u>3,654,074</u>	<u>3,340,929</u>	<u>6,995,003</u>	<u>5,969,881</u>
DEDUCTIONS				
Retirement benefits	2,339,219	873,729	3,212,948	3,050,013
Duty disability benefits	189,042	543,530	732,572	544,571
Surviving spouse benefits	71,469	192,299	263,768	239,135
Miscellaneous	<u>34,626</u>	<u>10,766</u>	<u>45,392</u>	<u>45,475</u>
Total deductions	<u>2,634,356</u>	<u>1,620,324</u>	<u>4,254,680</u>	<u>3,879,194</u>
NET INCREASE	1,019,718	1,720,605	2,740,323	2,090,687
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR	<u>16,003,250</u>	<u>19,876,325</u>	<u>35,879,575</u>	<u>33,788,888</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR	<u>\$ 17,022,968</u>	<u>\$ 21,596,930</u>	<u>\$ 38,619,898</u>	<u>\$ 35,879,575</u>

VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2014
(Unaudited)

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Coverage Dates</u>	<u>Type of Coverage</u>	<u>Description</u>	<u>Limit Amounts</u>
Certain Underwriters at Lloyd's London	BGA-300070-01	05/01/13-14	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Certain Underwriters at Lloyd's London	BGP-100070-01	05/01/13-14	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Certain Underwriters at Lloyd's London	BGU-500070-01	05/01/13-14	Excess liability		\$5,000,000
Praetorian Insurance	H250000261-00	05/01/13-14	Property	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
QBE Specialty	USP2503021-00	05/01/13-14	Professional liability insurance	Law enforcement officers and public officials	\$1,000,000
QBE Specialty	USP2510181-00	05/01/13-14	Excess Liability	Bodily injury and property damage, includes civil rights	\$5,000,000
Arch Insurance	MEUM07163106	05/01/13-14	Excess liability	Bodily injury and property damage, includes civil rights	\$5,000,000
Arch Insurance	MEPK07351006	05/01/13-14	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137806	05/01/13-14	Portable Equipment		Multiple Coverages
IPRF	SPA4050155	01/01/14-15	Workmen's Compensation		\$2,500,000

VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2014
(Unaudited)

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Coverage Dates</u>	<u>Type of Coverage</u>	<u>Description</u>	<u>Limit Amounts</u>
Travelers	106098013	08/03/14-17	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	105536704	02/20/14-15	Blanket Employee Crime Bond		\$250,000
Travelers	106098016	08/03/14-17	Police Pension Fund Bond	Errors and omissions	\$1,000,000
Blue Cross/ Blue Shield	793165	05/01/13-14	Specific/ Aggregate Health		Various
AutoOwners	66307571	05/09/13-14	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	66307776	05/09/13-14	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
Liberty Mutual	32S411796	08/08/13-14	Public Official Bond – Deborah Freischlag	Errors and omissions	\$150,000
Liberty Mutual	32S183889	12/20/13-14	Public Official Bond - Sharon McDowell	Errors and omissions	\$150,000
Liberty Mutual	32S390642	9/21/13-17	IL Notary Public Bond - Deborah Venhuizen	Errors and omissions	\$5,000
Liberty Mutual	32S332584	04/21/12-16	IL Notary Public Bond - Violet Regan	Errors and omissions	\$5,000
Liberty Mutual	32S332612	03/28/12-16	IL Notary Public Bond - Sharon Szynalski	Errors and omissions	\$5,000
Liberty Mutual	32S390644	2/3/14-18	IL Notary Public Bond - Sharon McDowell	Errors and omissions	\$5,000
Liberty Mutual	32S390641	04/04/13-17	IL Notary Public Bond – Judith DeLuise	Errors and omissions	\$5,000
Liberty Mutual	6609430	04/08/11-15	IL Notary Public Bond - Dawn Maier	Errors and omissions	\$5,000
Liberty Mutual	6609423	08/01/10-14	IL Notary Public Bond - Susan Bruesch	Errors and omissions	\$5,000
Liberty Mutual	6609429	03/20/11-15	IL Notary Public Bond - Elizabeth Gonzalez	Errors and omissions	\$5,000

VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2014
(Unaudited)

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Coverage Dates</u>	<u>Type of Coverage</u>	<u>Description</u>	<u>Limit Amounts</u>
Liberty Mutual	32S332585	03/15/12-16	IL Notary Public Bond - Alisa Bahr	Errors and omissions	\$5,000
Dearborn National	F017942-1	05/01/13-14	Life insurance & Accidental Death and Dismemberment		Various
North Pointe	NPCM005152	4/21/14-15	Canine Policy		Multiple Coverages

VILLAGE OF ALSIP, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS
AND ASSESSED VALUATION
April 30, 2014

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed valuation (tax year)	<u>\$ 749,936,394</u>	<u>\$ 722,163,750</u>	<u>\$ 598,824,867</u>	<u>\$ 548,725,983</u>	<u>\$ 510,949,666</u>
Tax rates:					
General	.4308	.4812	.6470	.7095	.7210
Police pension	.2301	.2430	.3248	.3827	.4205
Fire pension	.1548	.1703	.2296	.2582	.2897
Road and bridge	.0069	.0143	.0939	.1008	.1008
Debt service	.1555	.1532	.1510	.1765	.1770
Total - All Funds	<u>.9781</u>	<u>1.0620</u>	<u>1.4463</u>	<u>1.6277</u>	<u>1.7090</u>
Tax levies:					
General	\$ 3,230,986	\$ 3,475,000	\$ 3,550,000	\$ 3,625,000	\$ 3,683,869
Police pension	1,725,345	1,755,000	1,782,529	1,955,290	2,148,485
Fire pension	1,160,980	1,229,708	1,259,952	1,319,515	1,480,436
Road and bridge	51,500	103,000	515,000	515,000	515,000
Debt service	1,166,163	1,106,149	828,560	901,978	904,156
Total - All Funds	<u>\$ 7,334,974</u>	<u>\$ 7,668,857</u>	<u>\$ 7,936,041</u>	<u>\$ 8,316,783</u>	<u>\$ 8,731,946</u>
Collections:					
General	\$ 3,187,124	\$ 3,488,048	\$ 3,415,153	\$ 3,468,898	\$ 1,800,763
Police pension	1,726,842	1,687,375	1,721,779	1,876,790	978,671
Fire pension	1,145,530	1,186,604	1,221,813	1,265,239	660,730
Road and bridge	51,347	105,062	495,450	492,822	259,411
Debt service	1,116,802	1,127,024	786,370	837,998	455,433
Total - All Funds	<u>\$ 7,227,645</u>	<u>\$ 7,594,113</u>	<u>\$ 7,640,565</u>	<u>\$ 7,941,747</u>	<u>\$ 4,155,008</u>
Percentage of levies collected	<u>98.5%</u>	<u>99.0%</u>	<u>96.3%</u>	<u>95.5%</u>	<u>47.6%</u>
Township levies	<u>\$ 116,296</u>	<u>\$ 108,741</u>	<u>\$ 86,660</u>	<u>\$ 65,847</u>	<u>\$ 65,847</u>
Collections	<u>\$ 87,859</u>	<u>\$ 104,780</u>	<u>\$ 85,580</u>	<u>\$ 61,468</u>	<u>\$ 43,835</u>
Percentage of collections	<u>75.5%</u>	<u>96.4%</u>	<u>98.8%</u>	<u>93.3%</u>	<u>66.6%</u>
Special service areas levies	<u>\$ 104,816</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 24,760</u>
Collections	<u>\$ 104,816</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 14,305</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>57.8%</u>
Tax increment levies	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 1,005,000</u>	<u>\$ 954,000</u>	<u>\$ 944,000</u>
Collections	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 929,195</u>	<u>\$ 954,000</u>	<u>\$ 483,255</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>92.5%</u>	<u>100.0%</u>	<u>51.2%</u>

**VILLAGE OF ALSIP, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2014**

	Tax Year <u>2013</u>
ASSESSED VALUATION	<u>\$ 510,949,666</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 44,069,409</u>
Total debt:	
General obligation debt:	
Notes payable	3,386,136
Bonds payable	<u>19,494,994</u>
	22,881,130
Deductions:	
Amount available for repayment of general obligation bonds	<u>3,048,915</u>
	<u>19,832,215</u>
LEGAL DEBT MARGIN	<u>\$ 24,237,194</u>