

**VILLAGE OF ALSIP, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**  
April 30, 2011

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## Independent Auditor's Report

To the Honorable Mayor and Trustees  
Village of Alsip, Illinois

We have audited the accompanying financial statements of the governmental activities, 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, 2011, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgeting comparison for the General and Road and Bridge Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages three through 12 and the pension information on pages 54 through 57 are not required parts of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the Village's basic financial

statements for the year ended April 30, 2010, which are not presented with the accompanying financial statements. In our report dated November 1, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2010 combining and individual fund statements and supporting schedules are fairly presented in all material respects in relation to the basic financial statements for the year ended April 30, 2010, taken as a whole.

*Clifton Henderson LLP*

Oak Brook, Illinois  
November 3, 2011

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

The Village of Alsip (the "Village") offers readers of the Village's financial statements this narrative overview and analysis of the financial activity of the Village for the fiscal year ended April 30, 2011. Readers are encouraged to consider the information presented here in conjunction with the Village of Alsip's financial statements which begin on page 13 of this report.

**Financial Highlights**

The Village's net assets total \$41,183,296. Net assets for governmental activities account for \$15,035,141 or 36.5% of the total and business-type activities account for \$26,148,155 or 63.5%.

The government's total net assets increased by \$10,691,287 during fiscal year 2011, mainly due to a reduction in non-current liabilities from a prior period adjustment (see Note 6, page 52). Additionally, some new infrastructure improvements increased capital assets.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$15,941,540.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$7,468,309 or 49.9% of total General Fund expenditures.

**Overview of the Financial Statements**

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

**Government-wide Financial Statements**

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

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement may relate to cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, finance, fire, police, 911 services, civil defense, road and bridge, health and welfare, public works and economic development. The business-type activities of the Village include water, sewer, storm water management and senior housing.

The Village includes two separate legal entities in its report, the Village of Alsip Police Pension Employees' Retirement System and the Firefighter's Pension Employees' Retirement System. The Village of Alsip Police Pension Employees' Retirement System and the Firefighters' Pension Employees' Retirement System are considered "blended component units". Although legally separate, these "component units" are important because the Village of Alsip is financially accountable for them. Financial information for the component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 13 and 14 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental, proprietary, and fiduciary.

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both, the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances, provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The Village maintains five individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Road and Bridge Fund and the Debt Service Fund, all of which are considered to be major funds. Individual fund data for the non-major governmental funds, the Special Revenue Funds and the Capital Projects Fund, is provided elsewhere in this report.

The Village adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

***Proprietary Funds***

The Village maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its Water, Sewer, Storm Water Management and Senior Housing Funds.

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, Refuse, Storm Water Management and Senior Housing Funds.

The basic proprietary fund financial statements can be found on pages 19 through 23 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. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 24 and 25 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 26 through 52 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 provide pension benefits to its employees. Required supplementary information can be found on pages 53 through 57 of this report. Combining and individual fund statements and schedules can be found on pages 59 through 102 of this report.

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

**Government-wide Financial Analysis**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$41,183,296 at the close of the most recent fiscal year.

By far, the largest portion of the Village's net assets (54.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets. 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 related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Condensed Statement of Net Assets  
As of April 30, 2011 and 2010  
(In Millions)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total Primary Government</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 21.8	\$ 21.7	\$ 10.5	\$ 12.1	\$ 32.3	\$ 33.8
Capital assets	<u>16.5</u>	<u>16.5</u>	<u>32.4</u>	<u>31.4</u>	<u>48.9</u>	<u>47.9</u>
<b>Total assets</b>	<b><u>\$ 38.3</u></b>	<b><u>\$ 38.2</u></b>	<b><u>\$ 42.9</u></b>	<b><u>\$ 43.5</u></b>	<b><u>\$ 81.2</u></b>	<b><u>\$ 81.7</u></b>
Long-term liabilities	\$ 20.0	\$ 29.7	\$ 12.2	\$ 13.6	\$ 32.2	\$ 43.3
Other liabilities	<u>3.3</u>	<u>3.6</u>	<u>4.5</u>	<u>4.3</u>	<u>7.8</u>	<u>7.9</u>
<b>Total liabilities</b>	<b><u>\$ 23.3</u></b>	<b><u>\$ 33.3</u></b>	<b><u>\$ 16.7</u></b>	<b><u>\$ 17.9</u></b>	<b><u>\$ 40.0</u></b>	<b><u>\$ 51.2</u></b>
Net assets:						
Invested in capital assets, net of debt	\$ 3.8	\$ 1.6	\$ 18.8	\$ 16.4	\$ 22.6	\$ 18.0
Restricted	8.1	10.4	-	-	8.1	10.4
Unrestricted (deficit)	<u>3.1</u>	<u>(7.2)</u>	<u>7.4</u>	<u>9.2</u>	<u>10.5</u>	<u>2.0</u>
<b>Total net assets (deficit)</b>	<b><u>\$ 15.0</u></b>	<b><u>\$ 4.8</u></b>	<b><u>\$ 26.2</u></b>	<b><u>\$ 25.6</u></b>	<b><u>\$ 41.2</u></b>	<b><u>\$ 30.4</u></b>

A portion of the Village's net assets (\$8.1 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets shows a surplus of \$10.5 million. The increase from fiscal year ended April 30, 2010 is mostly due to a prior period adjustment reducing the net pension obligation (see Note 6 on page 52).

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

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

Net assets of the Village increased in fiscal year ended April 30, 2011 from \$30.4 million to \$41.2 million and decreased in fiscal year ended April 30, 2010 from \$31.9 million to \$30.4 million.

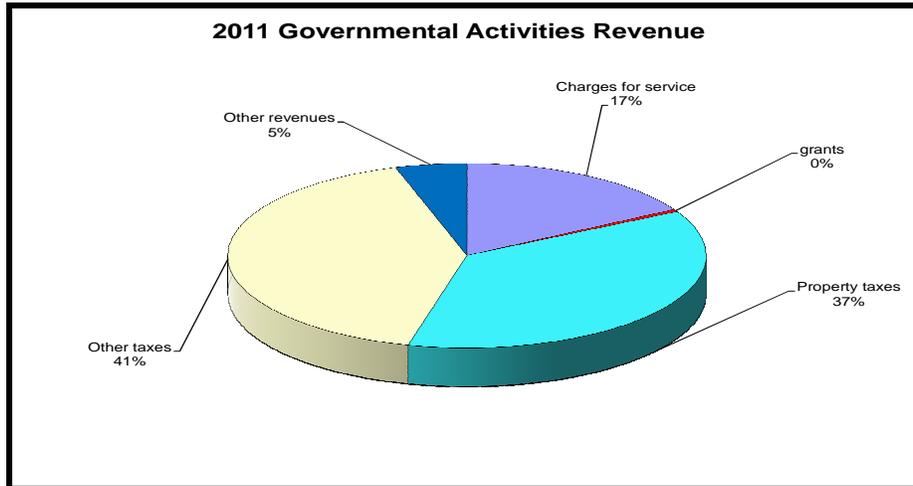
**Change in Net Assets**

The fiscal year 2011 activities of the Village caused the net assets to increase by \$3.1 million (governmental activities, \$3.3 million increase and business type activities, \$.2 million decrease). Key elements are as follows:

<b>Changes in Net Assets</b>	<b>For the Fiscal Years Ended April 30, 2011 and 2010 (in Millions)</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Revenue</b>						
Program revenues:						
Charges for service	\$ 3.8	\$ 3.7	\$ 12.6	\$ 12.1	\$ 16.4	\$ 15.8
Operating and capital grants	.1	.2	-	-	.1	.2
General revenue:						
Property taxes	8.4	8.2	-	-	8.4	8.2
Other taxes	9.4	8.7	-	-	9.4	8.7
Other revenues	<u>.4</u>	<u>.3</u>	<u>.1</u>	<u>.1</u>	<u>.5</u>	<u>.4</u>
Total revenue	<u>22.1</u>	<u>21.1</u>	<u>12.7</u>	<u>12.2</u>	<u>34.8</u>	<u>33.3</u>
<b>Expenses</b>						
Governmental activities:						
General government	1.5	2.1	-	-	1.5	2.1
Public safety	12.9	15.9	-	-	12.9	15.9
Road and bridge	2.9	3.3	-	-	2.9	3.3
Building	.3	.3	-	-	.3	.3
Health and welfare	1.2	1.1	-	-	1.2	1.1
Interest	.7	.7	-	-	.7	.7
Business-type:						
Water	-	-	8.3	8.0	8.3	8.0
Sewer	-	-	.3	.2	.3	.2
Senior complex	<u>-</u>	<u>-</u>	<u>3.6</u>	<u>3.1</u>	<u>3.6</u>	<u>3.1</u>
Total expenses	<u>19.5</u>	<u>23.4</u>	<u>12.2</u>	<u>11.3</u>	<u>31.7</u>	<u>34.7</u>
Revenues over expenses	2.6	(2.3)	0.5	0.9	3.1	(1.4)
Transfers	<u>.7</u>	<u>.5</u>	<u>(.7)</u>	<u>(.5)</u>	<u>-</u>	<u>-</u>
<b>Change in net assets</b>	<u>\$ 3.3</u>	<u>\$ (1.8)</u>	<u>\$ (.2)</u>	<u>\$ .4</u>	<u>\$ 3.1</u>	<u>\$ (1.4)</u>

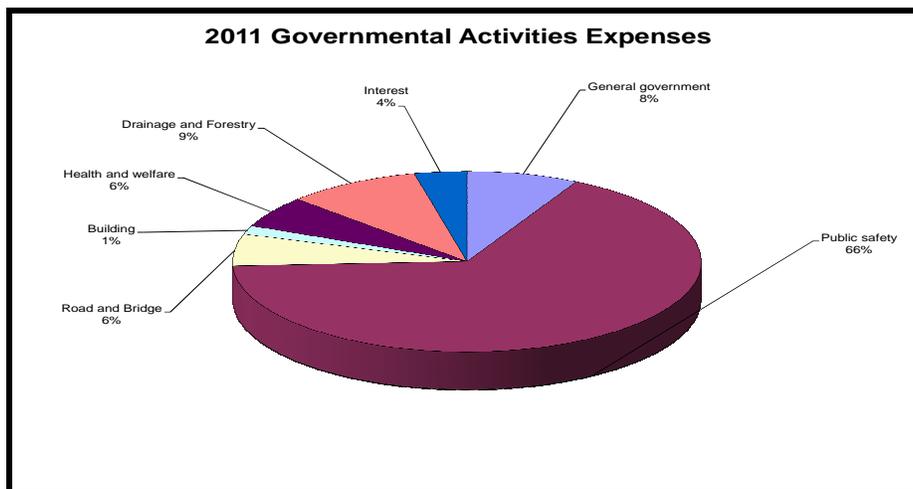
**VILLAGE OF ALSIP, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2011**

**Revenues:**



For the fiscal year ended April 30, 2011, revenues from governmental activities totaled \$22.1 million, signifying an increase in revenues of approximately \$1.0 million dollars over the previous fiscal year. Property taxes totaled \$8.4 million representing 36.8% of the total governmental activity revenue. Other taxes, at \$9.4 million, are primarily attributable to the Village's sales, State income, fuel and real estate transfer taxes, realized an increase of approximately \$.7 million over the 2010 fiscal year. This change was mainly due to the timing of recognizing State income tax revenue.

**Expenses:**



For the fiscal year ended April 30, 2011, expenses for governmental activities totaled \$19.5 million, a \$3.9 million decrease over the previous fiscal year.

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

**Business-type Activities**

This fiscal year saw an increase in total charges for services of approximately \$.5 million. Business-type activities decreased the Village's net assets by \$.2 million. Key elements of this decrease were increased expenses at the senior citizen complexes related to implementation of capital projects.

**Financial Analysis of the Government's Funds**

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At April 30, 2011, the governmental funds reported a combined fund balance of \$15,941,540, an increase of \$1,322,736 from the previous fiscal year.

The General Fund is the Village's primary operating fund and the largest source of funding for the day-to-day activities of its various departments. The fund balance of the General Fund experienced an increase of \$2.4 million from the previous fiscal year.

**General Fund Budgetary Highlights**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 16,999,630	\$ 16,999,630	\$ 17,223,684
Expenditures	<u>15,731,481</u>	<u>15,726,835</u>	<u>14,969,247</u>
Excess of revenues over expenditures	1,268,149	1,272,795	2,254,437
Other financial sources	<u>-</u>	<u>-</u>	<u>139,506</u>
<b>Net changes in fund balance</b>	<u>\$ 1,268,149</u>	<u>\$ 1,272,795</u>	<u>\$ 2,393,943</u>

**Proprietary Funds** - The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Waterworks and Sewerage Fund and the Senior Citizen Complex Fund as major proprietary funds. The Waterworks and Sewerage Fund account for all of the operations of the municipal water and sewer system. Water is purchased from the City of Chicago at a rate of \$1.77 per thousand gallons. Water is sold to all municipal customers at varying rates, based on usage. The spread between purchase and sales rates is intended to finance the operation of the waterworks and sewerage system, including labor costs, supplies and infrastructure maintenance.

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

Water sales during fiscal year ended 2011 were \$405,058 higher than the previous fiscal year. This was the result of an ordinance approved by the Board that increases water and sewer rates over a three-year period. Fiscal year 2009 was the first full year of that increase.

**Capital Asset and Debt Administration**

**Capital Assets** - The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2011 amounts to \$48,904,923 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, highways, and bridges.

Changes in Net Assets	Capital Assets at Year End Net of Depreciation (In Millions)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	\$ .4	\$ .4	\$ 1.9	\$ 1.9	\$ 2.3	\$ 2.3
Improvements	.5	.5	4.7	4.0	5.2	4.5
Construction in progress	.4	.1	1.0	1.6	1.4	1.7
Buildings	4.4	4.6	9.0	9.6	13.4	14.2
Machinery and equipment	1.0	1.2	.6	.6	1.6	1.8
Infrastructure	8.6	8.5	15.1	13.6	23.7	22.1
Vehicles	<u>1.2</u>	<u>1.3</u>	<u>.1</u>	<u>.1</u>	<u>1.3</u>	<u>1.4</u>
<b>Total</b>	<b><u>\$ 16.5</u></b>	<b><u>\$ 16.6</u></b>	<b><u>\$ 32.4</u></b>	<b><u>\$ 31.4</u></b>	<b><u>\$ 48.9</u></b>	<b><u>\$ 48.0</u></b>

Additional information on the Village's capital assets can be found in Note 4C on pages 38 through 39 of this report.

**Long-term Debt** - At the end of the fiscal year 2011, the Village of Alsip had total bonded debt outstanding of \$26,632,798. Of this amount, 100% comprises debt backed by the full faith and credit of the government.

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

	Governmental Activities		Business Activities		Total Primary Government	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
	General obligation bonds	<u>\$ 13.0</u>	<u>\$ 14.8</u>	<u>\$ 13.6</u>	<u>\$ 15.1</u>	<u>\$ 26.6</u>

The Village made principal payments on outstanding general obligation bonds in the current year of \$6,789,400, in accordance with the terms of the various bond issues.

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

In fiscal year ended 2008, the Village was assigned an A1 rating from Moody's and a AA rating from Standard & Poor's. The Village refinanced a portion of debt in August 2010 and both ratings were affirmed by the respective ratings agencies. The Village, as a home rule authority, is not limited to the amount of general obligation debt it may issue, except that any debt issue may not exceed a 40-year payment period. The 2011 total per capita general obligation debt for the community is \$1,382.

Additional information on the Village of Alsip's long-term debt can be found in Note 4E on pages 42 through 46 of this report.

**Economic Factors and Next Year's Budgets and Rates**

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 2012, the Village will continue negotiations dealing with the redevelopment of the 123<sup>rd</sup> Street TIF and the remainder of Cicero Avenue to 119<sup>th</sup> Street. This redevelopment is anticipated to bring retail growth, providing additional sales and property tax to the Village. It is anticipated that construction within the TIF area will begin in the spring of 2012.
- The Village is continuing the program begun in fiscal year ended April 30, 2009 to upgrade the water system. These improvements include major renovations and replacement of water and sewer infrastructure. One of these projects is a new connection for service to neighboring municipalities that in addition to providing better service to those communities, will allow us to use existing infrastructure to better serve the neighborhoods on the far west border of the Village. Other on-going projects, including replacement of various water mains, upgrading of the Village's storage capacity and improvements to multiple lift stations in the community were completed in fiscal year 2011. In fiscal year 2012, the Village was awarded a low interest loan from the IEPA for the construction of a new pump station.

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

- In August 2009, the Village issued bonds, under the federal "Build America Bonds" program. The proceeds from these bonds are being used for a program of major roadway improvements. This will include both replacement and reconstruction of selected streets, both residential and commercial, in accordance with the Village's approved roadway program. At the end of fiscal year 2011, the second of three phases of this program had been completed. Additionally some of the funds derived from the sale of these bonds will be used to make capital improvements to Village owned senior housing.
- In fiscal year 2011, the Village did realize a slight increase in tax receipts, most notably property taxes and sales taxes; however, other major revenue sources remain at fiscal year 2007 levels. Other revenue, related to housing and employment, remain stagnant. On the expense side, the Village continues to not fill some vacant positions and to restrict capital purchases.
- In 2006, the Board began a multi-phase program to create a plan for an identifiable "Main Street" for the Village of Alsip located along Pulaski Avenue from 115<sup>th</sup> Street to 123<sup>rd</sup> Street. In fiscal year 2011, the Village Board completed the process of designating this area a Tax Incremental Financing District. The Village plans to use this economic development tool in fiscal year 2012 to attract new businesses while retaining current businesses to the benefit of the overall area.

These factors will be prominent in the preparation of the Village's budget for the 2012 fiscal year.

**Requests for Information**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be addressed to the Director of Finance, Village of Alsip, 4500 W. 123<sup>rd</sup> Street, Alsip, Illinois 60803.

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF NET ASSETS**  
April 30, 2011

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 790,482	\$ 100	\$ 790,582
Temporary cash investments	12,936,938	3,445,991	16,382,929
Receivables (net of allowance for uncollectibles)	7,157,143	932,113	8,089,256
Internal balances	(173,859)	173,859	-
Bond issuance costs	-	218,640	218,640
Deposits	-	172,084	172,084
Prepaid expenses	98,761	3,749	102,510
Restricted assets:			
Temporary cash investments	946,593	5,619,798	6,566,391
Capital assets (net of accumulated depreciation):			
Buildings	4,390,331	9,037,599	13,427,930
Improvements	494,592	4,664,991	5,159,583
System infrastructure	8,625,805	15,143,608	23,769,413
Machinery and equipment	1,007,909	554,361	1,562,270
Furniture and fixtures	43,717	-	43,717
Vehicles	1,154,914	123,453	1,278,367
Capital assets not being depreciated:			
Land	350,000	1,886,953	2,236,953
Construction in progress	432,164	994,526	1,426,690
	<u>38,255,490</u>	<u>42,971,825</u>	<u>81,227,315</u>
Total assets			
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	1,059,803	2,533,789	3,593,592
Accrued interest payable	178,505	210,513	389,018
Intergovernmental liability	14,546	-	14,546
Due to fiduciary funds	28,195	-	28,195
Deposits	-	333,275	333,275
Deferred other revenue	8,750	-	8,750
Payable from restricted accounts:			
Customer deposits	-	25,889	25,889
Noncurrent liabilities:			
Due within one year	1,960,563	1,436,311	3,396,874
Due in more than one year	19,969,987	12,283,893	32,253,880
	<u>23,220,349</u>	<u>16,823,670</u>	<u>40,044,019</u>
Total liabilities			
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	3,822,442	18,752,553	22,574,995
Restricted for:			
Debt service	7,179,964	-	7,179,964
Other	905,875	-	905,875
Unrestricted	3,126,860	7,395,602	10,522,462
	<u>15,035,141</u>	<u>26,148,155</u>	<u>41,183,296</u>
<b>TOTAL NET ASSETS</b>	<b>\$ 15,035,141</b>	<b>\$ 26,148,155</b>	<b>\$ 41,183,296</b>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended April 30, 2011

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>						
<b>Primary government:</b>						
Governmental activities:						
General government	\$ 1,503,353	\$ 837,596	\$ 33,404	\$ (632,353)	\$ -	\$ (632,353)
Public safety	12,918,460	1,737,572	37,991	(11,142,897)	-	(11,142,897)
Highway and streets	2,867,558	593,152	-	(2,274,406)	-	(2,274,406)
Building	303,921	58,261	-	(245,660)	-	(245,660)
Health and environmental control	1,137,798	522,530	-	(615,268)	-	(615,268)
Drainage and storm sewers	3,556	-	-	(3,556)	-	(3,556)
Forestry maintenance	14,362	-	-	(14,362)	-	(14,362)
Interest on long-term debt	<u>677,932</u>	<u>-</u>	<u>-</u>	<u>(677,932)</u>	<u>-</u>	<u>(677,932)</u>
Total governmental activities	<u>19,426,940</u>	<u>3,749,111</u>	<u>71,395</u>	<u>(15,606,434)</u>	<u>-</u>	<u>(15,606,434)</u>
Business-type activities:						
Water	8,334,540	7,890,434	-	-	(444,106)	(444,106)
Sewer	255,367	759,519	-	-	504,152	504,152
Senior Citizen Complex	<u>3,595,449</u>	<u>3,939,219</u>	<u>-</u>	<u>-</u>	<u>343,770</u>	<u>343,770</u>
Total business-type activities	<u>12,185,356</u>	<u>12,589,172</u>	<u>-</u>	<u>-</u>	<u>403,816</u>	<u>403,816</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 31,612,296</u>	<u>\$ 16,338,283</u>	<u>\$ 71,395</u>	<u>\$ (15,606,434)</u>	<u>\$ 403,816</u>	<u>\$ (15,202,618)</u>
<b>General revenues:</b>						
Property taxes				\$ 8,443,290	\$ -	\$ 8,443,290
Sales taxes				5,118,425	-	5,118,425
State income taxes				1,821,844	-	1,821,844
Fuel use taxes				669,964	-	669,964
Motor fuel taxes				584,666	-	584,666
Replacement taxes				384,772	-	384,772
Real estate transfer taxes				106,477	-	106,477
Other taxes				690,090	-	690,090
Insurance proceeds				30,275	-	30,275
Unrestricted interest/investment earnings				57,360	54,389	111,749
Other				307,771	14,994	322,765
<b>Transfers</b>				<u>657,175</u>	<u>(657,175)</u>	<u>-</u>
Total general revenues and transfers				<u>18,872,109</u>	<u>(587,792)</u>	<u>18,284,317</u>
<b>CHANGE IN NET ASSETS</b>				<u>3,265,675</u>	<u>(183,976)</u>	<u>3,081,699</u>
<b>NET ASSETS - BEGINNING, AS ORIGINALLY STATED</b>				4,159,878	26,332,131	30,492,009
<b>PRIOR PERIOD ADJUSTMENT - See Note 6</b>				<u>7,609,588</u>	<u>-</u>	<u>7,609,588</u>
<b>NET ASSETS - BEGINNING, AS RESTATED</b>				<u>11,769,466</u>	<u>26,332,131</u>	<u>38,101,597</u>
<b>NET ASSETS - ENDING</b>				<u>\$ 15,035,141</u>	<u>\$ 26,148,155</u>	<u>\$ 41,183,296</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**April 30, 2011**

	<b>General</b>	<b>Road and Bridge</b>	<b>Insurance</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>						
Cash	\$ 790,482	\$ -	\$ -	\$ -	\$ -	\$ 790,482
Temporary cash investments	3,866,756	144,578	-	6,663,382	2,262,222	12,936,938
Receivables (net of allowance for uncollectibles)	6,023,925	115,651	-	572,994	444,573	7,157,143
Due from other funds	2,476,363	-	177,694	567,012	392,822	3,613,891
Prepaid expenses	95,898	2,863	-	-	-	98,761
Restricted assets:						
Temporary cash investments	279,826	-	666,767	-	-	946,593
<b>TOTAL ASSETS</b>	<b>\$ 13,533,250</b>	<b>\$ 263,092</b>	<b>\$ 844,461</b>	<b>\$ 7,803,388</b>	<b>\$ 3,099,617</b>	<b>\$ 25,543,808</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable and other current liabilities	\$ 730,257	\$ 86,402	\$ 183,070	\$ -	\$ 60,074	\$ 1,059,803
Intergovernmental liability	-	-	-	14,546	-	14,546
Deferred property and other tax revenue	3,610,717	115,651	-	572,994	403,862	4,703,224
Deferred other revenue	8,750	-	-	-	-	8,750
Due to other funds	1,476,109	2,092,793	-	35,884	211,159	3,815,945
Total liabilities	5,825,833	2,294,846	183,070	623,424	675,095	9,602,268
<b>FUND BALANCES (DEFICIT)</b>						
Reserved for:						
Reserved for prepaid expenses	95,898	-	-	-	-	95,898
Reserved for police department use in excess of budget	143,210	-	-	-	-	143,210
Reserved for insurance	-	-	666,767	-	-	666,767
Reserved for debt service	-	-	-	7,179,964	-	7,179,964
Unreserved, reported in:						
General fund	7,468,309	-	-	-	-	7,468,309
Special revenue funds	-	(2,031,754)	(5,376)	-	2,424,522	387,392
Total fund balances (deficit)	7,707,417	(2,031,754)	661,391	7,179,964	2,424,522	15,941,540
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 13,533,250</b>	<b>\$ 263,092</b>	<b>\$ 844,461</b>	<b>\$ 7,803,388</b>	<b>\$ 3,099,617</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	16,499,432
Receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	4,703,224
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(22,109,055)

**\$ 15,035,141**

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, 2011**

	<u>General</u>	<u>Road and Bridge</u>	<u>Insurance</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
<b>REVENUES</b>						
Taxes	\$ 14,371,638	\$ 845,647	\$ -	\$ 1,111,456	\$ 1,620,225	\$ 17,948,966
Fines	495,422	-	-	-	-	495,422
Licenses and permits	325,321	368,125	-	-	557,545	1,250,991
Grants	71,395	-	-	-	-	71,395
Charges for services	522,530	-	-	-	-	522,530
Investment income	6,804	172	1,166	46,543	2,675	57,360
Miscellaneous	<u>1,430,574</u>	<u>240,986</u>	<u>2,378,977</u>	<u>-</u>	<u>32,881</u>	<u>4,083,418</u>
Total revenues	<u>17,223,684</u>	<u>1,454,930</u>	<u>2,380,143</u>	<u>1,157,999</u>	<u>2,213,326</u>	<u>24,430,082</u>
<b>EXPENDITURES</b>						
Current: General government	892,035	-	-	-	-	892,035
Public safety	9,967,686	-	-	-	437,593	10,405,279
Highways and streets	-	1,202,256	-	-	224,935	1,427,191
Building	194,457	-	-	-	-	194,457
Health and environmental control	1,121,186	-	-	-	-	1,121,186
Insurance	2,680,516	-	2,214,258	-	-	4,894,774
Drainage and storm sewers	-	3,556	-	-	-	3,556
Forestry maintenance	-	14,362	-	-	-	14,362
Capital projects	-	-	-	-	1,738,797	1,738,797
Miscellaneous	7,267	-	-	173,083	365,012	545,362
Debt service: Principal retirement	102,594	23,656	-	1,811,001	68,438	2,005,689
Interest and fiscal charges	<u>3,506</u>	<u>1,812</u>	<u>-</u>	<u>686,488</u>	<u>13,574</u>	<u>705,380</u>
Total expenditures	<u>14,969,247</u>	<u>1,245,642</u>	<u>2,214,258</u>	<u>2,670,572</u>	<u>2,848,349</u>	<u>23,948,068</u>
Excess (deficiency) of revenues over expenditures	<u>2,254,437</u>	<u>209,288</u>	<u>165,885</u>	<u>(1,512,573)</u>	<u>(635,023)</u>	<u>482,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfer in	139,506	-	-	1,403,924	1,738,797	3,282,227
Operating transfer out	-	(110,000)	-	(1,788,323)	(726,729)	(2,625,052)
Issuance of refunding bonds	-	-	-	3,666,078	-	3,666,078
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,482,531)</u>	<u>-</u>	<u>(3,482,531)</u>
Total other financing sources (uses)	<u>139,506</u>	<u>(110,000)</u>	<u>-</u>	<u>(200,852)</u>	<u>1,012,068</u>	<u>840,722</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,393,943	99,288	165,885	(1,713,425)	377,045	1,322,736
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<u>5,313,474</u>	<u>(2,131,042)</u>	<u>495,506</u>	<u>8,893,389</u>	<u>2,047,477</u>	<u>14,618,804</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ 7,707,417</u>	<u>\$ (2,031,754)</u>	<u>\$ 661,391</u>	<u>\$ 7,179,964</u>	<u>\$ 2,424,522</u>	<u>\$ 15,941,540</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 OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended April 30, 2011**

Amounts reported for governmental activities in the Statement of Activities (page 14) are different because:

Net change in fund balances - total governmental funds (page 16)	\$ 1,322,736
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 capital outlays, \$1,958,838, exceeded depreciation, \$1,934,323, in the current period.	24,480
The effect of miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to decrease net assets by the undepreciated balance of the capital assets.	(2,306)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(129,427)
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 assets. Also, governmental funds report the effect of issuance costs, 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 debt and related items.	2,160,066
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>(109,874)</u>
<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14)</b>	<b><u>\$ 3,265,675</u></b>

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, 2011**

	General				Road and Bridge			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>								
Taxes	\$ 14,433,630	\$ 14,433,630	\$ 14,223,056	\$ (210,574)	\$ 1,265,000	\$ 1,265,000	\$ 845,647	\$ (419,353)
Fines	450,000	450,000	493,880	43,880	-	-	-	-
Licenses and permits	450,000	450,000	325,321	(124,679)	365,000	431,500	368,125	(63,375)
Grants	50,000	50,000	71,395	21,395	-	-	-	-
Charges for services	520,000	520,000	519,404	(596)	-	-	-	-
Investment income	-	-	6,804	6,804	-	-	172	172
Miscellaneous	1,096,000	1,096,000	1,552,407	456,407	239,000	239,000	240,986	1,986
Total revenues	<u>16,999,630</u>	<u>16,999,630</u>	<u>17,192,267</u>	<u>192,637</u>	<u>1,869,000</u>	<u>1,935,500</u>	<u>1,454,930</u>	<u>(480,570)</u>
<b>EXPENDITURES</b>								
Current:								
General government	1,014,864	1,014,864	895,086	119,778	-	-	-	-
Public safety	10,176,545	10,171,899	10,350,428	(178,529)	-	-	-	-
Highway and streets	-	-	-	-	1,411,231	1,417,731	1,223,026	194,705
Building	222,313	222,313	204,667	17,646	-	-	-	-
Health and environmental control	1,157,001	1,157,001	1,028,324	128,677	-	-	-	-
Drainage and storm sewers	-	-	-	-	10,750	10,750	3,556	7,194
Forestry maintenance	-	-	-	-	22,000	22,000	14,834	7,166
Insurance	3,046,000	3,046,000	2,623,820	422,180	-	-	-	-
Miscellaneous	29,758	29,758	5,230	24,528	-	-	-	-
Debt service:								
Principal retirement	79,000	79,000	102,594	(23,594)	-	-	23,656	(23,656)
Interest and fiscal charges	6,000	6,000	3,506	2,494	-	-	1,812	(1,812)
Total expenditures	<u>15,731,481</u>	<u>15,726,835</u>	<u>15,213,655</u>	<u>513,180</u>	<u>1,443,981</u>	<u>1,450,481</u>	<u>1,266,884</u>	<u>183,597</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 1,268,149</u>	<u>\$ 1,272,795</u>	<u>\$ 1,978,612</u>	<u>\$ 705,817</u>	<u>\$ 425,019</u>	<u>\$ 485,019</u>	<u>\$ 188,046</u>	<u>\$ (296,973)</u>

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

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

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	2,713,556	732,435	3,445,991
Receivables (net of allowance for uncollectibles)	932,113	-	932,113
Prepaid insurance/expense	-	3,749	3,749
Due from other funds	460,394	199,924	660,318
Total current assets	<u>4,106,163</u>	<u>936,108</u>	<u>5,042,271</u>
Noncurrent assets:			
Restricted temporary cash investments	2,679,160	2,940,638	5,619,798
Bond issuance costs	69,930	148,710	218,640
Deposits	-	172,084	172,084
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,698,198	18,522,067
Building improvements	36,138	6,709,627	6,745,765
Improvements other than building	-	705,483	705,483
System infrastructure	23,247,453	-	23,247,453
Machinery and equipment	1,638,351	830,849	2,469,200
Vehicles	201,547	-	201,547
Construction in progress	994,526	-	994,526
Less accumulated depreciation	<u>(12,189,717)</u>	<u>(10,177,786)</u>	<u>(22,367,503)</u>
Total capital assets (net of accumulated depreciation)	<u>17,752,167</u>	<u>14,653,324</u>	<u>32,405,491</u>
Total noncurrent assets	<u>20,501,257</u>	<u>17,914,756</u>	<u>38,416,013</u>
<b>TOTAL ASSETS</b>	<u>\$ 24,607,420</u>	<u>\$ 18,850,864</u>	<u>\$ 43,458,284</u>

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other current liabilities	\$ 2,471,030	\$ 62,759	\$ 2,533,789
Accrued interest payable	94,269	116,244	210,513
Security deposits	-	333,275	333,275
Due to other funds	-	486,459	486,459
Current portion of general obligation bonds	<u>267,850</u>	<u>1,168,461</u>	<u>1,436,311</u>
Total current liabilities	<u>2,833,149</u>	<u>2,167,198</u>	<u>5,000,347</u>
Current liabilities payable from restricted assets:			
Deposits	<u>25,889</u>	<u>-</u>	<u>25,889</u>
Noncurrent liabilities:			
Compensated absences payable	11,799	-	11,799
Post-employment benefit obligation	55,467	-	55,467
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>6,117,672</u>	<u>6,098,955</u>	<u>12,216,627</u>
Total noncurrent liabilities	<u>6,184,938</u>	<u>6,098,955</u>	<u>12,283,893</u>
Total liabilities	<u>9,043,976</u>	<u>8,266,153</u>	<u>17,310,129</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	11,366,645	7,385,908	18,752,553
Unrestricted	<u>4,196,799</u>	<u>3,198,803</u>	<u>7,395,602</u>
Total net assets	<u>15,563,444</u>	<u>10,584,711</u>	<u>26,148,155</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 24,607,420</u>	<u>\$ 18,850,864</u>	<u>\$ 43,458,284</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended April 30, 2011**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>OPERATING REVENUES</b>			
Charges for sales and services:			
Water and sewer sales	\$ 8,558,137	\$ -	\$ 8,558,137
Rental income	-	3,899,899	3,899,899
Other sales and services	102,297	39,320	141,617
Total operating revenues	<u>8,660,434</u>	<u>3,939,219</u>	<u>12,599,653</u>
<b>OPERATING EXPENSES</b>			
Cost of sales and services	7,499,121	2,392,001	9,891,122
Depreciation	796,964	694,678	1,491,642
Total operating expenses	<u>8,296,085</u>	<u>3,086,679</u>	<u>11,382,764</u>
Operating income	<u>364,349</u>	<u>852,540</u>	<u>1,216,889</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Amortization of bond issuance costs	(3,384)	(26,977)	(30,361)
Amortization of underwriter's discount	(2,310)	(6,541)	(8,851)
Amortization of bond premium	2,923	1,590	4,513
Note and bond interest and fiscal charges	(288,128)	(475,252)	(763,380)
Investment earnings	8,190	46,199	54,389
Total non-operating revenues (expenses)	<u>(282,709)</u>	<u>(460,981)</u>	<u>(743,690)</u>
Income before transfers	81,640	391,559	473,199
<b>TRANSFERS OUT</b>	<u>(252,000)</u>	<u>(405,175)</u>	<u>(657,175)</u>
Change in net assets	(170,360)	(13,616)	(183,976)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>15,733,804</u>	<u>10,598,327</u>	<u>26,332,131</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 15,563,444</u>	<u>\$ 10,584,711</u>	<u>\$ 26,148,155</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, 2011**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 8,693,223	\$ 3,943,774	\$ 12,636,997
Payments to suppliers	(6,470,600)	(2,032,716)	(8,503,316)
Payments to employees	(515,949)	(514,474)	(1,030,423)
	<u>1,706,674</u>	<u>1,396,584</u>	<u>3,103,258</u>
Net cash provided by operating activities			
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Operating transfers out	<u>(252,000)</u>	<u>(405,175)</u>	<u>(657,175)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of property and building and building equipment	(1,505,611)	(976,382)	(2,481,993)
Principal payments on bonds payable	(249,875)	(1,137,142)	(1,387,017)
Interest paid on notes and bonds	(290,904)	(427,395)	(718,299)
	<u>(2,046,390)</u>	<u>(2,540,919)</u>	<u>(4,587,309)</u>
Net cash used in capital and related financing activities			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Earnings on investments	<u>8,190</u>	<u>46,199</u>	<u>54,389</u>
<b>NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>			
	(583,526)	(1,503,311)	(2,086,837)
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>			
	<u>5,976,342</u>	<u>5,176,384</u>	<u>11,152,726</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>			
	<u>\$ 5,392,816</u>	<u>\$ 3,673,073</u>	<u>\$ 9,065,889</u>

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income	\$ 364,349	\$ 852,540	\$ 1,216,889
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	796,964	694,678	1,491,642
Effects of changes in operating assets and liabilities:			
Receivables - account customers	11,149	-	11,149
Receivables - unbilled charges	21,640	-	21,640
Due from other funds	192,481	(120,439)	72,042
Prepaid insurance/expense	-	6	6
Utility overpayment	7,555	-	7,555
Deposits	-	(3,769)	(3,769)
Accounts payable	294,821	(30,987)	263,834
Other accrued expenses	11,197	-	11,197
Security deposits	-	4,555	4,555
Post-employment benefit obligation	8,668	-	8,668
Restricted liabilities	(2,150)	-	(2,150)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 1,706,674</b>	<b>\$ 1,396,584</b>	<b>\$ 3,103,258</b>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**April 30, 2011**

	Pension Trust		Totals
	Police Pension	Firemen's Pension	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,421,616	\$ 1,039,280	\$ 4,460,896
Receivables:			
Contributions	985,650	713,050	1,698,700
Accrued interest	67,720	64,691	132,411
Due from other funds	109,596	-	109,596
Investments, at fair value:			
U.S. Government securities	4,986,734	9,918,849	14,905,583
Mutual funds	4,723,758	6,760,287	11,484,045
Stocks	1,811,344	99,899	1,911,243
Insurance contracts	-	193,071	193,071
Total assets	16,106,418	18,789,127	34,895,545
<b>LIABILITIES</b>			
Deferred contributions	985,650	713,050	1,698,700
Due to other funds	-	81,401	81,401
Total liabilities	985,650	794,451	1,780,101
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 15,120,768</b>	<b>\$ 17,994,676</b>	<b>\$ 33,115,444</b>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**For the Year Ended April 30, 2011**

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 1,731,455	\$ 1,203,145	\$ 2,934,600
Employee	268,253	262,218	530,471
Total contributions	<u>1,999,708</u>	<u>1,465,363</u>	<u>3,465,071</u>
Investment earnings:			
Net appreciation in fair value of investments	1,027,071	1,214,526	2,241,597
Dividends	80,977	51,098	132,075
Interest	238,881	250,144	489,025
Miscellaneous income	-	177	177
Total investment earnings	<u>1,346,929</u>	<u>1,515,945</u>	<u>2,862,874</u>
Less investment expense	<u>58,238</u>	<u>85,995</u>	<u>144,233</u>
Net investment earnings	<u>1,288,691</u>	<u>1,429,950</u>	<u>2,718,641</u>
Total additions	<u>3,288,399</u>	<u>2,895,313</u>	<u>6,183,712</u>
<b>DEDUCTIONS</b>			
Retirement benefits	1,981,734	672,161	2,653,895
Duty disability benefits	27,444	490,429	517,873
Surviving spouse benefits	47,228	189,456	236,684
Miscellaneous	8,682	-	8,682
Total deductions	<u>2,065,088</u>	<u>1,352,046</u>	<u>3,417,134</u>
<b>NET INCREASE</b>	1,223,311	1,543,267	2,766,578
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING</b>	<u>13,897,457</u>	<u>16,451,409</u>	<u>30,348,866</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING</b>	<u>\$ 15,120,768</u>	<u>\$ 17,994,676</u>	<u>\$ 33,115,444</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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.

Blended component unit - The pension trust funds are legally separate entities for which the Village has fiduciary responsibilities, as such, the activity in these funds is reported in the Village's financial statements as fiduciary funds.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) 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 is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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 levied. 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.

Property taxes, 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.

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 FINANCIAL STATEMENTS**  
**April 30, 2011**

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

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

The *insurance fund* accounts for the resources accumulated and payments made for the insurance needs of governmental funds.

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements, to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Village has elected not to follow subsequent private-sector guidance.

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 FINANCIAL STATEMENTS**  
**April 30, 2011**

**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 water and sewer 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 water and sewer 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, and net assets or equity

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 FINANCIAL STATEMENTS**  
**April 30, 2011**

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

D. Assets, liabilities, and net assets or equity (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 (mailed on February 1) is an estimate of the current year's levy based on the prior year's taxes: the second billing (mailed on October 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 FINANCIAL STATEMENTS**  
**April 30, 2011**

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

D. Assets, liabilities, and net assets or equity (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 (amount not rounded) 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 FINANCIAL STATEMENTS**  
**April 30, 2011**

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

D. Assets, liabilities, and net assets or equity (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 Assets. Bond premium and discounts, as well as issuance costs, 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 reported as deferred charges and amortized over the term of the related debt.

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

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**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 Assets**

The Governmental Fund Balance Sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide Statement of Net Assets. 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 \$22,109,055 difference are as follows:

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

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

**A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Assets (continued)**

Bonds and notes payable	\$ 13,147,453
Less deferred charge on refunding (to be amortized over life of debt)	(344,097)
Less deferred charge for issuance costs (to be amortized over life of debt)	(219,219)
Less net issuance (discount) premium (to be amortized over life of debt)	92,853
Accrued interest payable	178,505
Other payable	244,410
Compensated absences	185,723
Net pension obligation	7,589,521
Post-retirement benefit obligation	<u>1,233,906</u>
<b>Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities</b>	<b><u>\$ 22,109,055</u></b>

**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 a reconciliation between net changes in fund balances - total governmental funds and changes in net assets 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 \$24,480 difference is as follows:

Capital outlay	\$ 1,958,803
Depreciation expense	<u>(1,934,323)</u>
<b>Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</b>	<b><u>\$ 24,480</u></b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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 assets. Also, governmental funds report the effect of issuance costs, 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 \$2,160,066 difference is as follows:

Issuance of government obligation refunding bonds payable	\$ (3,550,000)
Charge on refunding on government obligation bonds payable issued	290,948
Net premium on government obligation bonds payable issued	(84,838)
Bond issuance costs on government obligation bonds payable	59,728
Principal repayments:	
Note payable debt	146,247
General obligation debt and payments to refunding escrow agent	5,339,552
Amortization of charge on refunding	(27,026)
Amortization of issuance costs	(21,148)
Amortization of bond premiums	14,912
Amortization of bond discounts	<u>(8,309)</u>
 <b>Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</b>	 <b><u>\$ 2,160,066</u></b>

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 \$(109,874) difference are as follows:

Net pension obligation	\$ 99,817
Post-retirement benefit obligation	(227,979)
Accrued interest	(21,325)
Other liabilities	<u>39,613</u>
 <b>Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</b>	 <b><u>\$ (109,874)</u></b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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, certain Special Revenue Funds and components of the Debt Service and Capital Project Funds are legally adopted on the cash basis through passage of an appropriations ordinance. For the year ended April 30, 2011, an expenditure budget was not prepared for the Special Tax Allocation and Insurance Special Revenue Funds or for the 2009 A Bond, 2005 B Bond, 2000 Bond, and Tax Incremental Financing District of the Debt Service Fund.

The reconciliation of the revenues and expenditures for the funds budgeted on a cash basis is as follows:

<u><b>Fund</b></u>	<u><b>Cash Basis</b></u>	<u><b>Accrual Basis</b></u>	<u><b>Difference</b></u>
General:			
Revenues	\$ 17,192,267	\$ 17,223,684	\$ (31,417)
Expenditures	\$ 15,213,655	\$ 14,969,247	\$ 244,408
Road and Bridge:			
Revenues	\$ 1,454,930	\$ 1,454,930	\$ -
Expenditures	\$ 1,266,884	\$ 1,245,642	\$ (21,242)

The differences between revenue and expense amounts for the cash basis and modified accrual basis is due to the Village budgeting for taxes and other revenue, as well as salaries and other expenses to the extent to be paid, rather than on the modified accrual basis.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)**

**Excess of expenditures over appropriations**

For the year ended April 30, 2011, expenditures exceeded appropriations in the public safety department of the general fund by \$178,529 and the debt service department of the General Fund by \$21,100. These over-expenditures were funded by less than anticipated expenditures in the other departments and by the available fund balance of the General Fund.

**Deficit fund equity**

The Road and Bridge special revenue fund had a deficit fund balance of \$2,031,754 as of April 30, 2011.

**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, 2011, none of the Village's bank balance of \$27,276,171 was exposed to custodial credit risk.

**Investments**

As of April 30, 2011, the Police and Firemen's Pension trust funds held all of the investments, which are comprised of the following:

<u><b>Investment Type</b></u>	<u><b>Fair Value</b></u>
U. S. Government securities	\$ 14,905,583
Domestic and international equities	1,911,243
Mutual funds	11,484,045
Insurance contracts	<u>193,071</u>
<b>Total</b>	<u><b>\$ 28,493,942</b></u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**A. Deposits and investments** (continued)

*Credit Risk.* State law limits the type of investments pension funds may choose. The pension funds have no investment policy that would further limit its investment choices.

*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 place no limit on the amount the funds may invest in any one issuer. More than 5% of the Firemen's Pension Fund's investments are in a U.S. Treasury Note with a January 15, 2012 maturity, a Fidelity Growth Company fund and a First Midwest EB Large Cap Equity mutual fund. These investments are 6.1%, 7.4% and 10.5%, respectively, of the Firemen's Pension Fund's total investments. The Police Pension Fund is invested in more than 5% in U.S. Treasury Notes with maturity dates of November 15, 2013 and August 15, 2023. There is also an investment in notes based on the United States Inflation Index. These investments are 5.7%, 5.5% and 5.2%, respectively, of the Police Pension 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>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Non-major and Fiduciary Funds</u>	<u>Total</u>
Receivables:						
Interest	\$ -	\$ -	\$ -	\$ -	\$ 132,411	\$ 132,411
Taxes	5,740,741	121,913	626,906	-	472,173	6,961,733
Accounts	<u>1,218,482</u>	<u>-</u>	<u>-</u>	<u>932,113</u>	<u>1,698,700</u>	<u>3,849,295</u>
Gross receivables	6,959,223	121,913	626,906	932,113	2,303,284	10,943,439
Less allowance for uncollectibles	<u>(935,298)</u>	<u>(6,262)</u>	<u>(53,912)</u>	<u>-</u>	<u>(27,600)</u>	<u>(1,023,072)</u>
<b>Net total receivables</b>	<u>\$6,023,925</u>	<u>\$ 115,651</u>	<u>\$ 572,994</u>	<u>\$ 932,113</u>	<u>\$2,275,684</u>	<u>\$ 9,920,367</u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**B. Receivables (continued)**

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property and other taxes receivable (general fund)	\$ 3,610,717	\$ -
Delinquent property taxes receivable (special revenue funds)	519,513	-
Delinquent property taxes receivable (debt service fund)	572,994	-
Grant drawdowns prior to meeting all eligibility requirements	-	8,750
<b>Total deferred/unearned revenue for governmental funds</b>	<b>\$ 4,703,224</b>	<b>\$ 8,750</b>

**C. Capital assets**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Government activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 350,000	\$ -	\$ -	\$ 350,000
Construction in progress	31,310	432,164	(31,310)	432,164
Total capital assets, not being depreciated	381,310	432,164	(31,310)	782,164
Capital assets being depreciated:				
Buildings	8,473,041	-	-	8,473,041
Improvements	1,457,771	13,085	-	1,470,856
System infrastructure	36,597,511	1,436,563	-	38,034,074
Machinery and equipment	3,084,105	47,035	-	3,131,140
Furniture and fixtures	352,459	-	-	352,459
Vehicles	3,860,664	61,266	(23,055)	3,898,875
Total capital assets being depreciated	53,825,551	1,557,949	(23,055)	55,360,445
Less accumulated depreciation for:				
Buildings	(3,867,601)	(215,109)	-	(4,082,710)
Improvements	(920,607)	(55,657)	-	(976,264)
System infrastructure	(28,131,790)	(1,276,479)	-	(29,408,269)
Machinery and equipment	(1,926,341)	(196,890)	-	(2,123,231)
Furniture and fixtures	(298,483)	(10,259)	-	(308,742)
Vehicles	(2,584,781)	(179,929)	20,749	(2,743,961)
Total accumulated depreciation	(37,729,603)	(1,934,323)	20,749	(39,643,177)
Total capital assets being depreciated, net	16,095,948	(376,374)	(2,306)	15,717,268
<b>Governmental activities capital assets, net</b>	<b>\$ 16,477,258</b>	<b>\$ 55,790</b>	<b>\$ (33,616)</b>	<b>\$ 16,499,432</b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,886,953	\$ -	\$ -	\$ 1,886,953
Construction in progress	<u>1,632,081</u>	<u>813,836</u>	<u>(1,451,391)</u>	<u>994,526</u>
Total capital assets, not being depreciated	<u>3,519,034</u>	<u>813,836</u>	<u>(1,451,391)</u>	<u>2,881,479</u>
Capital assets being depreciated:				
Buildings	18,522,067	-	-	18,522,067
Improvements	6,474,867	976,382	-	7,451,249
System infrastructure	21,104,287	2,143,166	-	23,247,453
Machinery and equipment	2,469,200	-	-	2,469,200
Vehicles	<u>201,547</u>	<u>-</u>	<u>-</u>	<u>201,547</u>
Total capital assets being depreciated	<u>48,771,968</u>	<u>3,119,548</u>	<u>-</u>	<u>51,891,516</u>
Less accumulated depreciation for:				
Buildings	(8,960,289)	(524,179)	-	(9,484,468)
Improvements	(2,493,397)	(292,861)	-	(2,786,258)
System infrastructure	(7,538,715)	(565,130)	-	(8,103,845)
Machinery and equipment	(1,823,542)	(91,297)	-	(1,914,839)
Vehicles	<u>(59,919)</u>	<u>(18,175)</u>	<u>-</u>	<u>(78,094)</u>
Total accumulated depreciation	<u>(20,875,862)</u>	<u>(1,491,642)</u>	<u>-</u>	<u>(22,367,504)</u>
Total capital assets being depreciated, net	<u>27,896,106</u>	<u>1,627,906</u>	<u>-</u>	<u>29,524,012</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 31,415,140</u>	<u>\$ 2,441,742</u>	<u>\$ (1,451,391)</u>	<u>\$ 32,405,491</u>

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

Government activities:	
General government	\$ 99,824
Public safety	450,677
Highways and streets	1,320,146
Building	<u>63,676</u>
<b>Total</b>	<u>\$ 1,934,323</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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, 2011, is as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Road and Bridge Fund	\$ 2,092,793	\$ -
9-1-1 Emergency Telephone Fund	-	76,954
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Insurance Fund	-	177,694
Debt Service Fund	-	355,853
Senior Citizen Complex Fund	302,169	-
Water and Sewer Fund	-	440,144
Police Pension Fund	-	109,596
Firemen's Pension Fund	<u>81,401</u>	<u>-</u>
Total	<u>2,476,363</u>	<u>1,476,109</u>
Road and Bridge Fund:		
General Fund	<u>-</u>	<u>2,092,793</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>
Insurance Fund:		
General Fund	<u>177,694</u>	<u>-</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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	355,853	-
Special Tax Allocation Fund	211,159	-
Water and Sewer Fund	-	20,250
Senior Citizen Complex Fund	-	15,634
	<u>567,012</u>	<u>35,884</u>
Total		
Water and Sewer Fund:		
General Fund	440,144	-
Debt Service Fund	20,250	-
	<u>460,394</u>	<u>-</u>
Total		
Senior Citizen Complex Fund:		
General Fund	184,290	486,459
Debt Service Fund	15,634	-
	<u>199,924</u>	<u>486,459</u>
Total		
Police Pension Fund:		
General Fund	109,596	-
	<u>109,596</u>	<u>-</u>
Firemen's Pension Fund:		
General Fund	-	81,401
	<u>-</u>	<u>81,401</u>
<b>Total all funds</b>	<u>\$ 4,383,805</u>	<u>\$ 4,383,805</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**D. Interfund receivables, payables and transfers** (continued)

The composition of interfund transfers as of April 30, 2011, is as follows:

	<b>Transfer In:</b>			
	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
Transfer out:				
Motor Fuel Tax Fund	\$ -	\$ 156,241	\$ -	\$ 156,241
Road and Bridge Fund	-	110,000	-	110,000
9-1-1 Emergency Telephone Fund	-	47,100	-	47,100
Special Allocation Tax Fund	-	523,388	-	523,388
Debt Service Fund	49,526	-	1,738,797	1,788,323
Waterworks and Sewerage Fund	-	252,000	-	252,000
Senior Citizen Complex Fund	<u>89,980</u>	<u>315,195</u>	<u>-</u>	<u>405,175</u>
<b>Total</b>	<u>\$ 139,506</u>	<u>\$ 1,403,924</u>	<u>\$ 1,738,797</u>	<u>\$ 3,282,227</u>

The purpose of the interfund transfers into the debt service fund, as well as the transfer from the debt service fund into the general 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. In addition, excess funds of the senior citizen complex fund are transferred to the general fund for operations.

**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.

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:

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**E. Long-term debt (continued)**

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50 - 5.20%	\$ 4,556,152
Governmental activities - refunding	2.00 - 4.50%	8,425,000
Business-type activities	1.50 - 5.20%	<u>13,651,646</u>
<b>Total general obligation bonds</b>		<b><u>\$ 26,632,798</u></b>

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>
2012	\$ 3,265,370	\$ 1,156,965	\$ 4,422,335
2013	2,161,389	1,056,634	3,218,023
2014	1,687,458	984,888	2,672,346
2015	1,593,581	927,119	2,520,700
2016	1,460,000	871,615	2,331,615
2017-2021	5,960,000	3,566,419	9,526,419
2022-2026	4,360,000	2,386,525	6,746,525
2027-2031	4,500,000	1,326,025	5,826,025
2032-2035	<u>1,645,000</u>	<u>136,313</u>	<u>1,781,313</u>
<b>Total</b>	<b><u>\$ 26,632,798</u></b>	<b><u>\$ 12,412,503</u></b>	<b><u>\$ 39,045,301</u></b>

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	3.77 - 11.27%	<u>\$ 166,301</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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>
2012	\$ 131,504	\$ 7,894	\$ 139,398
2013	<u>34,797</u>	<u>423</u>	<u>35,220</u>
<b>Total</b>	<u>\$ 166,301</u>	<u>\$ 8,317</u>	<u>\$ 174,618</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 \$590,000, 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, 2011, \$1,855,000 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, 2011, \$810,000 of the defeased debt is still outstanding.

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, 2011, \$3,585,000 of the defeased debt is still outstanding.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**E. Long-term debt (continued)**

Line of credit

The Village renewed a working capital line of credit with First Midwest Bank on April 22, 2010, for \$1,000,000 bearing interest at a rate of 3.47% annually. No amounts were drawn against the line during fiscal year 2011. The line matured on April 22, 2011 and was secured by the Village's deposit accounts at First Midwest Bank. This line of credit was renewed on April 22, 2011 for \$1,000,000 bearing interest at a rate of 3.47% annually of which \$0 was outstanding at April 30, 2011. The new line matures on January 5, 2012.

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2011, was as follows:

	<b>Beginning Balance, as Restated</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Government activities:</b>					
Bonds payable:					
General obligation bonds	\$ 14,770,704	\$ 3,550,000	\$ (5,339,552)	\$ 12,981,152	\$ 1,829,059
Less deferred amounts:					
For issuance costs, discounts and premiums	<u>(246,196)</u>	<u>(265,838)</u>	<u>41,571</u>	<u>(470,463)</u>	<u>-</u>
Total bonds payable	14,524,508	3,284,162	(5,297,981)	12,510,689	1,829,059
Notes payable	312,548	-	(146,247)	166,301	131,504
Compensated absences	225,336	-	(39,613)	185,723	-
Other long-term liabilities	244,410	-	-	244,410	-
Net pension obligation	7,689,338	-	(99,817)	7,589,521	-
Post-retirement benefit obligation	<u>1,005,927</u>	<u>227,979</u>	<u>-</u>	<u>1,233,906</u>	<u>-</u>
<b>Governmental activities     long-term liabilities</b>	<b><u>\$ 24,002,067</u></b>	<b><u>\$ 3,512,141</u></b>	<b><u>\$ (5,583,658)</u></b>	<b><u>\$ 21,930,550</u></b>	<b><u>\$ 1,960,563</u></b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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>
<b>Business-type activities:</b>					
Bonds payable:					
General obligation bonds	\$15,101,494	\$ -	\$ (1,449,848)	\$13,651,646	\$ 1,436,311
Less deferred amounts:					
For loss on extinguishment of debt	(104,772)	-	62,830	(41,942)	-
For premiums and discounts	<u>38,895</u>	<u>8,852</u>	<u>(4,513)</u>	<u>43,234</u>	<u>-</u>
Total bonds payable	15,035,617	8,852	(1,391,531)	13,652,938	1,436,311
Compensated absences	11,799	-	-	11,799	-
Post-employment benefit obligation	<u>46,799</u>	<u>8,668</u>	<u>-</u>	<u>55,467</u>	<u>-</u>
<b>Business-type activities long-term liabilities</b>	<u>\$15,094,215</u>	<u>\$ 17,520</u>	<u>\$ (1,391,531)</u>	<u>\$13,720,204</u>	<u>\$ 1,436,311</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, 2011 is presented below:

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Total</u>
Operating revenues	\$ 8,660,434	\$ 3,939,219	\$12,599,653
Depreciation expense	796,964	694,678	1,491,642
Operating income	364,349	852,540	1,216,889
Net loss	(170,360)	(13,616)	(183,976)
Property, plant and equipment additions	1,505,611	976,382	2,481,993
Net working capital	1,273,014	(1,231,090)	41,924
Total assets	24,607,420	18,850,864	43,458,284
Bonds payable and other long-term debt	6,452,788	7,267,416	13,720,204
Net assets	15,563,444	10,584,711	26,148,155
Operating transfers out	252,000	405,175	657,175

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**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, 2011, the Village owes \$183,070 for medical claims; this liability is accrued in the Insurance Fund.

**B. Subsequent events**

Subsequent to April 30, 2011, the Village received financing for improvements on its water supply system in the amount of \$2,868,222. This loan bears interest at 1.25% and is due in 40 semi-annual installments of \$81,265 beginning on February 11, 2013.

From May through October 2011, the Village approved contracts totaling approximately \$4,470,000 for road resurfacing, water tank restoration and improvements to the water pumping station.

**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 FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 5 - OTHER INFORMATION** (continued)

**D. Employment retirement systems and pension plans**

Pension plans - primary government

**Agent-Multiple-Employer Defined Benefit Pension Plan:**

*Plan Description:*

The Village's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

*Funding Policy and Annual Pension Cost:*

The Village's Annual Pension Cost and related information for the plan is located in the required supplemental information section of this report.

*Digest of Changes:*

Assumptions:

The actuarial assumptions used to determine the actuarial accrued liability for 2011 are based on the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method.

**Single-Employer Defined Benefit Pension Plans:**

*Plan Descriptions:*

The Village contributes to two single-employer defined benefit pension plans: Police Pension Plan (PPP) and Firemen's' Pension Plan (FPP). Each plan provides retirement, disability, and pension benefits to plan members and beneficiaries. The plan documents establish the benefit provisions of the plan that can only be amended by the Village's Pension Boards. The plans do not issue a publicly available financial report that includes financial statements and required supplemental information.

Membership of each plan consisted of the following at the date of the latest actuarial valuation:

	<u>PPP</u>	<u>FPP</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	32	30
Active plan members	36	36
<b>Total</b>	<b>68</b>	<b>66</b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 5 - OTHER INFORMATION** (continued)

**D. Employment retirement systems and pension plans** (continued)

**Single-Employer Defined Benefit Pension Plans:** (continued)

*Basis of Accounting:*

The financial statements are prepared using the accrual basis of accounting. Employee and Village contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

*Method Used to Value Investments:*

Fixed income securities are reported at fair value. Equity securities are valued at the last reported sales price. Insurance contracts are reported at contract value.

*Funding Policy and Annual Pension Cost:*

The Village's annual pension cost and related information for each plan is located in the required supplemental information section of this report.

**E. Funded status and funding progress - employee retirement systems and pension plans**

The funded status of the IMRF as of December 31, 2010 and the PPP and FPP as of April 30, 2010, the most recent actuarial valuation dates, respectively, is as follows:

<u>Plan</u>	(1) <u>Actuarial Value of Assets</u>	(2) <u>Actuarial Accrued Liability (AAL) - Entry Age</u>	(3) <u>(Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)</u>	(4) <u>Funded Ratio (1) ÷ (2)</u>	(5) <u>Covered Payroll</u>	(6) <u>UAAL as a Percentag e of Covered Payroll (3) ÷ (5)</u>
IMRF	\$ 4,633,689	\$ 7,141,226	\$ 2,507,537	64.89%	\$ 3,130,680	80.10%
PPP	13,897,458	37,750,857	23,853,399	36.80%	2,571,316	927.67%
FPP	16,451,367	28,811,898	12,360,531	57.10%	2,680,721	461.09%

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 values of plan assets are increasing or decreasing over time relative to the AAL's for benefits.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 5 - OTHER INFORMATION** (continued)

**F. Post-employment benefit plans other than pensions**

**Health Insurance Plan for Retired Employees:**

*Plan Description:*

Eligible Village employees who retire are extended coverage under the Village's health insurance plan but are required to pay a portion of the insurance cost depending on their age at retirement and length of service. These costs are recognized when the employee provides services, consequently, the Village recognizes a liability for the difference between the cumulative amounts contributed to the plan and the cumulative annual obligation for post-retirement employee benefits (OPEB) costs.

Membership of the plan consisted of the following at the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	63
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	64
Active nonvested plan members	<u>70</u>
<b>Total</b>	<u><u>197</u></u>

*Actuarial Valuations:*

Valuations of reported information about the annual required contribution, annual OPEB cost and the funded status and funding progress of OPEB plans are based on actuarial methods and assumptions. These valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point and reflect a long-term perspective.

*Funding Policy, Annual OPEB Cost and Net OPEB Obligation:*

The Village's annual other post-employment benefit cost and related information is located in the required supplemental information section of this report. The required Schedule of Funding Progress, immediately following the Notes to 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. As of April 30, 2009, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$8,628,731 and the actuarial value of plan assets was \$0, resulting in an unfunded actuarial liability of \$8,628,731.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 5 - OTHER INFORMATION** (continued)

**G. Additional information as of the latest actuarial valuation date - employee retirement systems and pension plans and post-employment benefit plans other than pensions**

	<b>Illinois Municipal Retirement Fund</b>	<b>Police Pension Fund</b>	<b>Firemen's Pension Fund</b>	<b>Health Insurance Plan for Retired Employees</b>
Contribution rates:				
Village	14.07%	72.50%	39.53%	N/A
Plan members	4.50%	9.91%	9.46%	0.00%
Annual pension/OPEB cost	\$493,395	\$1,664,119	\$1,170,665	\$697,298
Contributions made	\$440,487	\$1,731,455	\$1,203,145	\$460,650
Actuarial valuation date	December 31, 2008	April 30, 2010	April 30, 2010	April 30, 2009
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period	Level percent of payroll, closed period
Remaining amortization period	30 years	23 years	23 years	30 years
Asset valuation method	Market value	Market value	Market value	Market value
Actuarial assumptions:				
Rate of return on investment of present and future assets*	7.5% compounded annually	7.0% compounded annually	7.0% compounded annually	5.0% compounded annually
Projected salary increases attributable to inflation*	.4% to 10.0% compounded annually	5.5% compounded annually	5.5% compounded annually	5.0% compounded annually
* Includes inflation at healthcare inflation rate	4.0% N/A	3.0% N/A	3.0% N/A	3.0% 8.0% initial, 6.0% ultimate
Cost of living adjustments	3.0%	3.0%	3.0%	N/A

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2011**

**NOTE 6 - PRIOR PERIOD ADJUSTMENT**

Due to an accounting error in a prior period, the Net Pension Obligation (NPO) relating to the Village's participation in its single-employer defined benefit pension plans was overstated as of April 30, 2010 by \$7,609,588. The NPO calculation prescribed by Governmental Accounting Standards Board (GASB) Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, was not correctly applied, causing the NPO to be overstated. The effect of this prior period adjustment on the government-wide financial statements was to increase the net assets and decrease long-term liabilities for governmental activities. This adjustment did not affect the business-type activities or the fund financial statements.

**NOTE 7 - RECENT ACCOUNTING PRONOUNCEMENTS**

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, will be effective for the Village beginning with its year ending April 30, 2012. The Statement establishes fund balance classification that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported on governmental funds. Management has not determined the impact, if any, this Statement will have on the financial position and results of operations of the Village.

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

**REQUIRED SUPPLEMENTAL INFORMATION**

**VILLAGE OF ALSIP, ILLINOIS  
REQUIRED PENSION AND RETIREMENT INFORMATION  
April 30, 2011**

**I. SCHEDULE OF FUNDING PROGRESS**

<b>Illinois Municipal Retirement Fund</b>						
<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) Entry Age</b>	<b>(3) (Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)</b>	<b>(4) Funded Ratio (1) ÷ (2)</b>	<b>(5) Covered Payroll</b>	<b>(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
12/31/01	\$5,622,856	\$5,015,598	\$ (607,258)	112.11%	\$1,748,558	0.00%
12/31/02	\$5,773,306	\$5,507,787	\$ (265,519)	104.82%	\$1,898,136	0.00%
12/31/03	\$6,110,977	\$5,988,220	\$ (122,757)	102.05%	\$1,977,602	0.00%
12/31/04	\$6,146,998	\$6,376,910	\$ 229,912	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	\$4,311,748	\$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%

<b>Police Pension Fund</b>						
<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liabilities (AAL)</b>	<b>(3) Unfunded AAL (2) - (1)</b>	<b>(4) Funded Ratio (1) ÷ (2)</b>	<b>(5) Covered Payroll</b>	<b>(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
4/30/01	\$12,831,055	\$21,293,641	\$ 8,462,586	60.26%	\$2,134,787	396.41%
4/30/02	\$12,934,405	\$23,048,285	\$10,113,880	56.12%	\$2,494,702	405.41%
4/30/03	\$12,911,696	\$26,009,369	\$13,097,673	49.64%	\$2,320,945	564.33%
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	\$12,073,668	\$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%

**VILLAGE OF ALSIP, ILLINOIS**  
**REQUIRED PENSION AND RETIREMENT INFORMATION**  
**April 30, 2011**

**I. SCHEDULE OF FUNDING PROGRESS (continued)**

**Firemen's Pension Fund**

	(1)	(2)	(3)	(4)	(5)	(6)
<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liabilities (AAL)</b>	<b>Unfunded AAL (2) - (1)</b>	<b>Funded Ratio (1) ÷ (2)</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
4/30/01	\$10,652,818	\$16,113,015	\$ 5,460,197	66.11%	\$2,037,839	267.94%
4/30/02	\$10,505,041	\$17,434,787	\$ 6,929,746	60.25%	\$2,054,148	337.35%
4/30/03	\$10,926,500	\$18,269,849	\$ 7,343,349	59.81%	\$2,258,460	325.15%
4/30/04	\$11,716,680	\$19,774,070	\$ 8,057,390	59.25%	\$2,385,475	337.77%
4/30/05	\$12,643,083	\$20,125,387	\$ 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	\$ 7,119,075	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	\$11,826,909	54.51%	\$2,723,064	434.32%
4/30/10	\$16,451,367	\$28,811,898	\$12,360,531	57.10%	\$2,680,721	461.09%

**Health Insurance for Retired Employees**

	(1)	(2)	(3)	(4)	(5)	(6)
<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liabilities (AAL)</b>	<b>Unfunded AAL (2) - (1)</b>	<b>Funded Ratio (1) ÷ (2)</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
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

**VILLAGE OF ALSIP, ILLINOIS  
REQUIRED PENSION AND RETIREMENT INFORMATION  
April 30, 2011**

**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	12/31/01	\$ 127,470	100%	\$ -
	12/31/02	116,166	100%	-
	12/31/03	93,343	100%	-
	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%	-
Police Pension Fund	4/30/02	831,085	69%	2,641,175
	4/30/03	944,444	57%	3,049,674
	4/30/04	1,099,096	67%	3,411,507
	4/30/05	1,115,147	79%	3,646,700
	4/30/06	1,275,727	71%	4,011,069
	4/30/07	1,282,803	67%	4,429,918
	4/30/08	1,678,103	67%	4,986,127
	4/30/09	1,822,271	102%	4,944,152
	4/30/10	1,664,119	104%	4,876,816
	Firemen's' Pension Fund	4/30/02	773,398	80%
4/30/03		842,952	77%	1,914,785
4/30/04		909,508	83%	2,068,112
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		1,211,395	87%	2,745,186
4/30/10		1,170,665	103%	2,712,705
Retired Employees' Health Insurance		4/30/07	612,210	56%
	4/30/08	647,321	71%	456,694
	4/30/09	650,433	71%	646,477
	4/30/10	712,077	43%	1,052,726
	4/30/11	697,298	66%	1,289,374

**VILLAGE OF ALSIP, ILLINOIS**  
**REQUIRED PENSION AND RETIREMENT INFORMATION**  
**April 30, 2011**

**III. SCHEDULE OF ANNUAL OPEB COST AND NET OPEB OBLIGATION**

	<u>2011</u>	<u>2010</u>
Annual required contribution	\$ 679,753	\$ 679,783
Interest on net OPEB obligation	52,636	32,324
Adjustment to annual required contribution	<u>(35,091)</u>	<u>-</u>
Annual OPEB cost	697,298	712,107
Contributions made	<u>(460,651)</u>	<u>(305,858)</u>
Increase in net OPEB obligation	236,647	406,249
Net OPEB obligation, beginning of year	<u>1,052,726</u>	<u>646,477</u>
<b>Net OPEB obligation, end of year</b>	<b><u>\$ 1,289,373</u></b>	<b><u>\$ 1,052,726</u></b>

**SUPPLEMENTAL INFORMATION**

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u><b>2011</b></u>	<u><b>2010</b></u>
Cash	\$ 790,482	\$ 786,792
Temporary cash investment	3,866,756	1,859,382
Restricted assets:		
Temporary cash investment	279,826	285,072
Receivables (net of allowance for uncollectibles):		
Taxes	5,546,950	5,473,094
Accounts	476,975	459,778
Due from other funds	2,476,363	2,596,516
Prepaid expense	<u>95,898</u>	<u>1,200</u>
 <b>TOTAL ASSETS</b>	 <u><b>\$ 13,533,250</b></u>	 <u><b>\$ 11,461,834</b></u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable	\$ 515,693	\$ 435,872
Other accrued expenses	214,564	280,781
Due to other funds	1,476,109	1,741,482
Deferred revenue:		
Property and other taxes	3,610,717	3,685,443
Other	<u>8,750</u>	<u>4,782</u>
Total liabilities	<u>5,825,833</u>	<u>6,148,360</u>

**FUND BALANCES**

Reserved for prepaid expenses	95,898	1,200
Reserved for police department use in excess of budget	143,210	139,116
Unreserved - undesignated	<u>7,468,309</u>	<u>5,173,158</u>
Total fund balances	<u>7,707,417</u>	<u>5,313,474</u>

<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><b>\$ 13,533,250</b></u>	<u><b>\$ 11,461,834</b></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, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Taxes:		
Property tax	\$ 6,199,840	\$ 5,769,564
Sales tax	5,118,425	4,832,102
State income tax	2,005,627	1,430,546
Mini-warehouse tax	180,099	100,027
Hotel/motel tax	395,161	366,486
Replacement tax	366,009	320,303
Transfer tax	<u>106,477</u>	<u>173,112</u>
Total taxes	<u>14,371,638</u>	<u>12,992,140</u>
Miscellaneous revenue:		
Flea market fees	173,353	71,059
Miscellaneous income	217,805	221,109
Police seizure income	7,468	228,846
Damage to Village property - insurance reimbursements	32,581	35,607
Miscellaneous fees	703,305	644,733
Cable TV franchise fees	284,909	251,774
Boat launch fee	<u>11,153</u>	<u>12,925</u>
Total miscellaneous revenue	<u>1,430,574</u>	<u>1,466,053</u>
Police and court fines	495,422	442,297
Licenses and permits	325,321	382,732
Grants	71,395	179,810
Charges for services	522,530	507,118
Interest	<u>6,804</u>	<u>3,153</u>
Total	<u>1,421,472</u>	<u>1,515,110</u>
Total revenues	<u>17,223,684</u>	<u>15,973,303</u>
<b>EXPENDITURES</b>		
General government:		
Administrative department	131,381	352,366
Planning commission	4,223	1,450
Police and fire commission	31,222	15,197
Social Security and IMRF	482,527	483,769
Finance department	98,274	245,322
Village clerk department	55,531	176,168
Village hall department	<u>88,877</u>	<u>106,510</u>
Total general government	<u>892,035</u>	<u>1,380,782</u>

	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>EXPENDITURES</b> (continued)		
Public safety:		
Civil defense	9,537	9,537
Fire department	3,232,789	3,127,117
Fire department ambulance service	1,269,343	1,356,804
Police department	<u>5,456,017</u>	<u>5,776,475</u>
Total public safety	<u>9,967,686</u>	<u>10,269,933</u>
Building department	194,457	214,956
Health and environmental control department	1,121,186	1,076,960
Insurance department	2,680,516	3,021,581
Boat launch	7,267	24,308
Debt service	<u>106,100</u>	<u>106,803</u>
Total	<u>4,109,526</u>	<u>4,444,608</u>
Total expenditures	<u>14,969,247</u>	<u>16,095,323</u>
Excess (deficiency) of revenues over expenditures	2,254,437	(122,020)
<b>OTHER FINANCING SOURCES</b>		
Operating transfers in	139,506	63,686
Sale of Village property	<u>-</u>	<u>54,819</u>
Excess (deficiency) of revenues and other financing sources over expenditures	2,393,943	(3,515)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>5,313,474</u>	<u>5,316,989</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 7,707,417</u>	<u>\$ 5,313,474</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>GENERAL GOVERNMENT</b>		
<b>Administrative Department:</b>		
Salary - mayor	\$ 92,500	\$ 92,856
Salary - secretary	45,972	46,149
Compensation - trustees	75,600	75,600
Hotel/motel tax	61,943	62,458
Membership and dues	7,121	5,720
Legal retainer	12,000	12,000
Legal fees - other	175,633	180,393
Engineering fees	1,899	557
Contingent expenses	22,188	29,176
Newsletter expense	5,054	10,264
Employee travel	469	5,678
Office expense	1,185	241
Beautification	-	1,400
Street fair	-	22,125
Other expense	144,861	138,324
Reimbursements from other funds	<u>(515,044)</u>	<u>(330,575)</u>
Total administrative department	<u>131,381</u>	<u>352,366</u>
<b>Planning Commission:</b>		
Staff expense	1,581	508
Secretarial services	338	639
Legal	2,000	-
Contingent expense	<u>304</u>	<u>303</u>
Total planning commission	<u>4,223</u>	<u>1,450</u>
<b>Police and Fire Commission:</b>		
Legal fees	5,375	1,200
Examinations	19,895	9,732
Staff expense	5,217	3,175
Office supplies	486	71
Printing and publications	<u>249</u>	<u>1,019</u>
Total police and fire commission	<u>31,222</u>	<u>15,197</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>GENERAL GOVERNMENT</b>		
<b>Social Security and IMRF:</b>		
Social Security and IMRF	469,352	474,455
Unemployment insurance	13,175	9,314
	<hr/>	<hr/>
Total Social Security and IMRF	482,527	483,769
	<hr/>	<hr/>
<b>Finance Department:</b>		
Salary - finance director, treasurer and accountant	252,993	251,160
Salary - computer operator	80,410	80,596
Payroll service and administrator	14,607	15,791
Purchase computer equipment	11,162	335
Computer forms and supplies	4,666	6,259
Computer maintenance	49,604	50,224
Office supplies	1,411	1,039
Accounting service	63,551	66,345
Contingent expense	3,133	3,724
Legal	2,000	-
Reimbursements from other funds	(385,263)	(230,151)
	<hr/>	<hr/>
Total finance department	98,274	245,322
	<hr/>	<hr/>
<b>Village Clerk Department:</b>		
Salary - village clerk	15,700	15,700
Salary - recording secretary	4,535	4,361
Salaries - clerical	159,992	159,892
Telephone expense	54,124	53,909
Postage expense	18,000	15,000
Contingent expense	2,015	2,935
Legal advertising	2,508	3,042
Codification	2,615	2,565
Decals and tags	670	560
Repair - office equipment	240	65
Equipment purchases	-	70,139
Equipment rental	8,286	8,907
Office supplies	3,402	3,513
Printing	1,137	854
Reimbursements from other funds	(217,693)	(165,274)
	<hr/>	<hr/>
Total village clerk department	55,531	176,168
	<hr/>	<hr/>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>GENERAL GOVERNMENT</b>		
<b>Village Hall Department:</b>		
Salary - wages	23,618	45,239
Salary - custodian	9,327	8,342
Maintain village hall	24,693	34,349
Contract repair and utilities	20,652	12,592
Cleaning supplies	10,587	5,563
Contingent expense	-	425
	<hr/>	<hr/>
Total village hall department	88,877	106,510
	<hr/>	<hr/>
Total General Government	892,035	1,380,782
	<hr/>	<hr/>
<b>PUBLIC SAFETY</b>		
<b>Civil Defense:</b>		
Salary - director	8,487	8,487
Repair - warning systems	1,050	1,050
	<hr/>	<hr/>
Total civil defense	9,537	9,537
	<hr/>	<hr/>
<b>Fire Department:</b>		
Salaries - all firemen	1,606,659	1,616,748
Volunteers, paid calls, and overtime	155,813	166,406
Holiday pay	30,989	29,402
Salaries - incentive pay	26,345	25,433
Retirement buyout	76,953	59,219
Publications and membership	5,519	5,283
Repair - fire trucks	30,163	27,922
Repair - radio equipment	3,494	3,398
Maintenance - fire stations	16,857	18,674
Utilities - fire stations	3,110	636
Fire prevention expense	1,712	2,463
Contingent expense	1,129	4,389
Purchase fire equipment	25,264	14,697
Purchase radio equipment	3,283	26,832
Education reimbursement	1,104	21,313
Gasoline and oil	12,000	6,482
Clothing allowance	3,347	3,346
Training materials	285	1,188
Physical examinations	13,326	12,360
Copy machine rental	3,080	3,085

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>PUBLIC SAFETY</b>		
<b>Fire Department: (continued)</b>		
Office supplies	9,285	18,382
Firemen's pension contribution	1,203,072	1,059,459
	<hr/>	<hr/>
Total fire department	3,232,789	3,127,117
	<hr/>	<hr/>
<b>Fire Department Ambulance Service:</b>		
Salaries - ambulance personnel	1,108,606	1,168,143
Holiday pay	27,294	28,434
Retirement buyout	16,196	9,679
Repairs - ambulance	20,849	12,232
Maintenance - stations	21,944	28,995
Contingent expense	1,637	1,383
Purchase equipment	-	45,182
Ambulance supplies	11,869	8,842
Gasoline and oil	13,754	5,488
Clothing allowance	8,701	12,552
Office supplies	993	1,799
Collection fees	37,500	34,075
	<hr/>	<hr/>
Total fire department ambulance service	1,269,343	1,356,804
	<hr/>	<hr/>
<b>Police Department:</b>		
Salaries - policemen	2,658,781	2,647,648
Salaries - clerical	140,456	132,038
Salaries - communications	420,239	327,737
Salaries - overtime	107,564	206,476
Salaries - crossing guards	23,404	25,153
Salaries - municipal court	36,096	36,500
Purchase equipment	14,806	-
Holiday pay	73,675	70,196
Impoundments	3,521	2,305
Clothing allowance	2,718	36,957
Purchase vehicles	-	37,102
Miscellaneous vehicle equipment	12,732	15,413
Equipment poundmasters and traffic safety	960	1,424
Computer purchase	14,747	11,071
Purchase office furniture	568	2,502
Photo supplies and rental	8,421	7,704
Gasoline and oil	93,132	81,906
Firearms and ammunition	4,838	6,425
Investigative aids	19,404	93,000
Training	3,821	60,968
Crime prevention	5,159	5,095

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>PUBLIC SAFETY</b>		
<b>Police Department: (continued)</b>		
Vehicle maintenance	39,892	30,590
Radio equipment repair and maintenance contract	12,526	39,975
Repair - office equipment	405	394
Contingent expense	14,699	19,017
Publications, membership and dues	1,000	2,696
Prisoner food/care	947	1,494
Physical examination fee	2,690	2,215
Office supplies	7,480	8,536
Police pension contribution	<u>1,731,336</u>	<u>1,863,938</u>
Total police department	<u>5,456,017</u>	<u>5,776,475</u>
Total Public Safety	<u>9,967,686</u>	<u>10,269,933</u>
<b>BUILDING DEPARTMENT</b>		
Salary - commissioner	89,429	89,792
Salaries - clerical	80,755	86,143
Salaries - building inspectors	7,055	9,408
Salaries - electrical inspectors	1,939	1,800
Salaries - plumbing inspectors	918	1,784
Outside inspection fee	3,232	3,280
Contingent expense	1,458	1,838
Legal	2,000	-
Research, testing, and plan review	6,277	14,895
Office equipment and supplies	<u>1,394</u>	<u>6,016</u>
Total building department	<u>194,457</u>	<u>214,956</u>
<b>HEALTH AND ENVIRONMENTAL CONTROL DEPARTMENT</b>		
Salary - commissioner	17,500	17,500
Part-time inspector/office assistant	34,114	32,024
Dues and memberships	175	175
Refuse contract	1,065,054	1,024,083
Rodent control contract	2,720	2,560
Equipment maintenance	216	63
Contingent expense	<u>1,407</u>	<u>555</u>
Total health and environmental control department	<u>1,121,186</u>	<u>1,076,960</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>INSURANCE DEPARTMENT</b>		
General liability	17,691	7,426
Liability - public official and police	88,935	74,441
Comprehensive general, automobile, umbrella and workmen's compensation	585,554	574,720
Group health and life	2,258,336	2,664,994
Reimbursements from other funds	<u>(270,000)</u>	<u>(300,000)</u>
Total insurance department	<u>2,680,516</u>	<u>3,021,581</u>
 <b>BOAT LAUNCH</b>		
Salary - wages	3,996	12,723
Utilities	872	1,101
Grounds and maintenance	1,918	10,065
Telephone expense	287	242
Contingent expense	-	85
Physicals	<u>194</u>	<u>92</u>
Total boat launch	<u>7,267</u>	<u>24,308</u>
 <b>DEBT SERVICE</b>	<u>106,100</u>	<u>106,803</u>
 <b>TOTAL GENERAL FUND EXPENDITURES</b>	 <u>\$ 14,969,247</u>	 <u>\$ 16,095,323</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**April 30, 2011**  
**with Comparative Totals at April 30, 2010**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Insurance	Foreign Fire Insurance Tax	Totals	
							2011	2010
<b>ASSETS</b>								
Temporary cash investments	\$ 144,578	\$ 622,203	\$ 880,144	\$ 693,468	\$ -	\$ 66,407	\$ 2,406,800	\$ 2,089,124
Restricted temporary cash investments	-	-	-	-	666,767	-	666,767	663,187
Receivables (net of allowance for uncollectibles):								
Taxes	115,651	-	403,862	-	-	-	519,513	490,780
Other	-	-	-	40,711	-	-	40,711	42,788
Prepaid expense	2,863	-	-	-	-	-	2,863	7,844
Due from other funds	-	76,954	50,525	265,343	177,694	-	570,516	570,516
<b>TOTAL ASSETS</b>	<b>\$ 263,092</b>	<b>\$ 699,157</b>	<b>\$ 1,334,531</b>	<b>\$ 999,522</b>	<b>\$ 844,461</b>	<b>\$ 66,407</b>	<b>\$ 4,207,170</b>	<b>\$ 3,864,239</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>								
Liabilities:								
Accounts payable	\$ 71,103	\$ -	\$ 44	\$ 39,814	\$ -	\$ -	\$ 110,961	\$ 284,746
Other accrued expenses	15,299	20,216	-	-	183,070	-	218,585	372,667
Deferred property tax revenue	115,651	-	403,862	-	-	-	519,513	490,780
Due to other funds	2,092,793	-	211,159	-	-	-	2,303,952	2,304,105
Total liabilities	2,294,846	20,216	615,065	39,814	183,070	-	3,153,011	3,452,298
Fund balances (deficit):								
Reserved for insurance	-	-	-	-	666,767	-	666,767	663,187
Unreserved - undesignated	(2,031,754)	678,941	719,466	959,708	(5,376)	66,407	387,392	(251,246)
Total fund balances (deficit)	(2,031,754)	678,941	719,466	959,708	661,391	66,407	1,054,159	411,941
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 263,092</b>	<b>\$ 699,157</b>	<b>\$ 1,334,531</b>	<b>\$ 999,522</b>	<b>\$ 844,461</b>	<b>\$ 66,407</b>	<b>\$ 4,207,170</b>	<b>\$ 3,864,239</b>

**VILLAGE OF ALSIP, ILLINOIS**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)**  
**For the Year Ended April 30, 2011**  
**with Comparative Totals for the Year Ended April 30, 2010**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Insurance	Foreign Fire Insurance Tax	Totals	
							2011	2010
<b>REVENUES</b>								
Taxes	\$ 845,647	\$ -	\$ 920,729	\$ 584,666	\$ -	\$ 114,830	\$ 2,465,872	\$ 2,262,613
Licenses and permits	368,125	557,545	-	-	-	-	925,670	924,058
Investment income:								
Interest	172	939	766	857	1,166	113	4,013	5,805
Miscellaneous	240,986	1,000	-	31,881	2,378,977	-	2,652,844	3,064,246
<b>Total revenues</b>	<b>1,454,930</b>	<b>559,484</b>	<b>921,495</b>	<b>617,404</b>	<b>2,380,143</b>	<b>114,943</b>	<b>6,048,399</b>	<b>6,256,722</b>
<b>EXPENDITURES</b>								
Public safety	-	287,104	-	-	-	150,489	437,593	365,462
Self insurance	-	-	-	-	2,214,258	-	2,214,258	3,130,779
Highways and streets	1,202,256	-	-	224,935	-	-	1,427,191	1,740,511
Drainage and storm sewers	3,556	-	-	-	-	-	3,556	6,021
Forestry maintenance	14,362	-	-	-	-	-	14,362	19,551
Miscellaneous	-	-	365,012	-	-	-	365,012	8,492
Debt service	25,468	82,012	-	-	-	-	107,480	101,113
<b>Total expenditures</b>	<b>1,245,642</b>	<b>369,116</b>	<b>365,012</b>	<b>224,935</b>	<b>2,214,258</b>	<b>150,489</b>	<b>4,569,452</b>	<b>5,371,929</b>
Excess (deficiency) of revenues over expenditures	209,288	190,368	556,483	392,469	165,885	(35,546)	1,478,947	884,793
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfers out	(110,000)	(47,100)	(523,388)	(156,241)	-	-	(836,729)	(889,353)
Loan proceeds	-	-	-	-	-	-	-	72,000
<b>Total other financing sources (uses)</b>	<b>(110,000)</b>	<b>(47,100)</b>	<b>(523,388)</b>	<b>(156,241)</b>	<b>-</b>	<b>-</b>	<b>(836,729)</b>	<b>(817,353)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	99,288	143,268	33,095	236,228	165,885	(35,546)	642,218	67,440
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<b>(2,131,042)</b>	<b>535,673</b>	<b>686,371</b>	<b>723,480</b>	<b>495,506</b>	<b>101,953</b>	<b>411,941</b>	<b>344,501</b>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<b>\$ (2,031,754)</b>	<b>\$ 678,941</b>	<b>\$ 719,466</b>	<b>\$ 959,708</b>	<b>\$ 661,391</b>	<b>\$ 66,407</b>	<b>\$ 1,054,159</b>	<b>\$ 411,941</b>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
ROAD AND BRIDGE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
Temporary cash investment	\$ 144,578	\$ 66,703
Receivable (net of allowance for uncollectibles):		
Taxes	115,651	93,139
Prepaid expense	<u>2,863</u>	<u>2,844</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 263,092</u>	 <u>\$ 162,686</u>

**LIABILITIES AND FUND DEFICIT**

**LIABILITIES**

Accounts payable	\$ 71,103	\$ 80,351
Other accrued expenses	15,299	27,292
Deferred property tax revenue	115,651	93,139
Due to other funds	<u>2,092,793</u>	<u>2,092,946</u>
Total liabilities	2,294,846	2,293,728

**FUND DEFICIT**

Unreserved - undesignated	<u>(2,031,754)</u>	<u>(2,131,042)</u>
 <b>TOTAL LIABILITIES AND FUND DEFICIT</b>	 <u>\$ 263,092</u>	 <u>\$ 162,686</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
ROAD AND BRIDGE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND DEFICIT  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Property taxes	\$ 156,920	\$ 145,816
Replacement tax	18,763	14,921
Fuel use tax	669,964	525,994
Sales tax	-	46,000
Vehicle license	368,125	357,807
Garage fees	199,000	185,000
Waste transfer fee	11,627	12,445
Property rental	14,400	14,400
Miscellaneous income	15,959	14,423
Interest income	172	-
	<hr/>	<hr/>
Total revenues	1,454,930	1,316,806
	<hr/>	<hr/>
<b>EXPENDITURES</b>		
Street department:		
Salary - superintendent	88,412	88,752
Wages	557,757	606,232
Engineering fees	1,276	3,571
Purchase new equipment and vehicles	2,307	5,523
Uniforms	6,191	6,119
Purchase street signs	4,591	4,455
Resurface and repair streets	59,509	67,475
Sidewalk repair and maintenance	-	18,265
Purchase salt	112,885	111,842
Village vehicle stickers	13,437	10,454
Gasoline and oil	35,030	38,187
Equipment and repair	19,430	20,598
Equipment maintenance	12,476	14,386
Purchase radio communication	130	405
Garage maintenance and supplies	19,502	18,690
Utilities	6,176	8,355
Energy charge - street lights	44,508	37,232
Insurance and administrative	20,000	-
Social Security and IMRF	156,175	150,810
Unemployment insurance	5,390	3,810
Contingent expense	1,920	1,892
Dumping charges	14,605	17,146
Office supplies	939	1,838
Training	898	1,995
Refunds	460	378
Equipment rental - pagers	1,851	1,526
Cleaning supplies	14,810	18,011
Physicals	536	526
JULIE charges	1,055	1,197
	<hr/>	<hr/>
Total street department	1,202,256	1,259,670
	<hr/>	<hr/>

	<u>2011</u>	<u>2010</u>
<b>EXPENDITURES (continued)</b>		
Drainage and storm sewers:		
Engineering fees	-	1,958
Supplies	299	2,245
Maintenance - storm sewers	1,361	140
Contingent expense	<u>1,896</u>	<u>1,678</u>
Total drainage and storm sewers	<u>3,556</u>	<u>6,021</u>
Forestry maintenance:		
Equipment purchase	913	145
Equipment maintenance	1,362	952
Forestry maintenance	10,512	17,268
Training	-	480
Equipment repairs	<u>1,575</u>	<u>706</u>
Total forestry maintenance	<u>14,362</u>	<u>19,551</u>
Debt service	<u>25,468</u>	<u>19,100</u>
Total expenditures	<u>1,245,642</u>	<u>1,304,342</u>
Excess of revenues over expenditures	209,288	12,464
 <b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers out	(110,000)	(30,000)
Loan proceeds	<u>-</u>	<u>72,000</u>
Excess of revenues and other financing sources over expenditures and other financing uses	99,288	54,464
 <b>FUND DEFICIT, BEGINNING OF YEAR</b>	 <u>(2,131,042)</u>	 <u>(2,185,506)</u>
 <b>FUND DEFICIT, END OF YEAR</b>	 <u>\$ (2,031,754)</u>	 <u>\$ (2,131,042)</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
9-1-1 EMERGENCY TELEPHONE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
Temporary cash investment	\$ 622,203	\$ 453,719
Prepaid expenses	-	5,000
Due from other funds	<u>76,954</u>	<u>76,954</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 699,157</u></b>	<b><u>\$ 535,673</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accrued liabilities	\$ 20,216	\$ -
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**FUND BALANCE**

Unreserved - undesignated	<u>678,941</u>	<u>535,673</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 699,157</u></b>	<b><u>\$ 535,673</u></b>
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**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, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Surcharge fees	\$ 557,545	\$ 566,251
Interest income	939	1,751
Miscellaneous income	<u>1,000</u>	<u>-</u>
Total revenues	<u>559,484</u>	<u>568,002</u>
 <b>EXPENDITURES</b>		
Wages	148,500	262,000
Telephone charges	48,975	31,804
Equipment purchases	88,216	38,319
Maintenance	1,413	367
Debt service	<u>82,012</u>	<u>82,013</u>
Total expenditures	<u>369,116</u>	<u>414,503</u>
Excess of revenues over expenditures	190,368	153,499
 <b>OTHER FINANCING USES</b>		
Operating transfers out	<u>(47,100)</u>	<u>(47,100)</u>
Excess of revenues over expenditures and other financing uses	143,268	106,399
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>535,673</u>	<u>429,274</u>
 <b>FUND BALANCE, END OF YEAR</b>	<u>\$ 678,941</u>	<u>\$ 535,673</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
SPECIAL TAX ALLOCATION FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
Temporary cash investment	\$ 880,144	\$ 847,354
Receivable (net of allowance for uncollectibles):		
Taxes	403,862	397,641
Due from other funds	<u>50,525</u>	<u>50,525</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 1,334,531</u>	 <u>\$ 1,295,520</u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 44	\$ 349
Deferred property tax revenue	403,862	397,641
Due to other funds	<u>211,159</u>	<u>211,159</u>
Total liabilities	615,065	609,149

**FUND BALANCE**

Unreserved - undesignated	<u>719,466</u>	<u>686,371</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u>\$ 1,334,531</u>	 <u>\$ 1,295,520</u>

**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, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Property taxes	\$ 920,729	\$ 939,972
Interest income	766	1,285
Total revenues	921,495	941,257
 <b>EXPENDITURES</b>		
Bank fees	7,749	7,660
Legal fees	53,263	832
Surplus distribution	300,000	-
Contingencies	4,000	-
Total expenditures	365,012	8,492
Excess of revenues over expenditures	556,483	932,765
 <b>OTHER FINANCING USES</b>		
Operating transfers out	(523,388)	(755,213)
Excess of revenues over expenditures and other financing uses	33,095	177,552
<b>FUND BALANCE, BEGINNING OF YEAR</b>	686,371	508,819
<b>FUND BALANCE, END OF YEAR</b>	\$ 719,466	\$ 686,371

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
MOTOR FUEL TAX FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u><b>2011</b></u>	<u><b>2010</b></u>
Temporary cash investment	\$ 693,468	\$ 619,395
Receivables:		
Allotments from the State of Illinois	40,711	42,788
Due from other funds	<u>265,343</u>	<u>265,343</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 999,522</u></u>	 <u><u>\$ 927,526</u></u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 39,814	\$ 204,046
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**FUND BALANCE**

Unreserved - undesignated	<u>959,708</u>	<u>723,480</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 999,522</u></u>	<u><u>\$ 927,526</u></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, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
State allotments	\$ 584,666	\$ 497,800
Interest income	857	759
Miscellaneous income	<u>31,881</u>	<u>70,391</u>
Total revenues	<u>617,404</u>	<u>568,950</u>
 <b>EXPENDITURES</b>		
General maintenance	115,378	81,666
Road maintenance	<u>109,557</u>	<u>399,175</u>
Total expenditures	<u>224,935</u>	<u>480,841</u>
Excess of revenues over expenditures	392,469	88,109
 <b>OTHER FINANCING USES</b>		
Operating transfers out	<u>(156,241)</u>	<u>(57,040)</u>
Excess of revenues over expenditures and other financing uses	236,228	31,069
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>723,480</u>	<u>692,411</u>
 <b>FUND BALANCE, END OF YEAR</b>	<u>\$ 959,708</u>	<u>\$ 723,480</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
INSURANCE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u><b>2011</b></u>	<u><b>2010</b></u>
Restricted temporary cash investment	\$ 666,767	\$ 663,187
Due from other funds	<u>177,694</u>	<u>177,694</u>
 <b>TOTAL ASSETS</b>	 <u><b>\$ 844,461</b></u>	 <u><b>\$ 840,881</b></u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accrued medical claims	<u>\$ 183,070</u>	<u>\$ 345,375</u>
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**FUND BALANCES**

Reserved for insurance	666,767	663,187
Unreserved - undesignated	<u>(5,376)</u>	<u>(167,681)</u>
Total fund balances	<u>661,391</u>	<u>495,506</u>

<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><b>\$ 844,461</b></u>	<u><b>\$ 840,881</b></u>
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**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
INSURANCE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Premium income	\$ 2,378,977	\$ 2,767,587
Interest income	<u>1,166</u>	<u>1,946</u>
Total revenues	2,380,143	2,769,533
 <b>EXPENDITURES</b>		
Claims paid, administrative and insurance costs	<u>2,214,258</u>	<u>3,130,779</u>
Excess (deficiency) of revenues over expenditures	165,885	(361,246)
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	 <u>495,506</u>	 <u>856,752</u>
 <b>FUND BALANCE, END OF YEAR</b>	 <u>\$ 661,391</u>	 <u>\$ 495,506</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
FOREIGN FIRE INSURANCE TAX FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u><b>2011</b></u>	<u><b>2010</b></u>
Temporary cash investment	\$ <u>66,407</u>	\$ <u>101,953</u>
<b>TOTAL ASSETS</b>	<u>\$ 66,407</u>	<u>\$ 101,953</u>

**LIABILITIES AND FUND BALANCE**

**FUND BALANCE**

Unreserved - undesignated	\$ <u>66,407</u>	\$ <u>101,953</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 66,407</u>	<u>\$ 101,953</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, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Foreign fire insurance tax	\$ 114,830	\$ 92,110
Interest income	<u>113</u>	<u>64</u>
Total revenues	<u>114,943</u>	<u>92,174</u>
 <b>EXPENDITURES</b>		
Clothing allowance	3,490	2,447
Ambulance supplies	4,646	4,179
Furniture and fixtures	4,423	8,059
Equipment and supplies	74,412	12,531
Public education materials	468	492
Training	3,254	-
Vehicle	54,766	-
Contingent expense	<u>5,030</u>	<u>5,264</u>
Total expenditures	<u>150,489</u>	<u>32,972</u>
Excess (deficiency) of revenues over expenditures	(35,546)	59,202
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>101,953</u>	<u>42,751</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 66,407</u>	<u>\$ 101,953</u>

**VILLAGE OF ALSIP, ILLINOIS  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
Temporary cash investment	\$ 6,663,382	\$ 8,446,404
Receivable (net of allowance for uncollectibles):		
Taxes	572,994	656,438
Due from other funds	<u>567,012</u>	<u>554,312</u>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 7,803,388</u></b>	 <b><u>\$ 9,657,154</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ -	\$ 9,428
Deferred property tax revenues	572,994	656,438
Intergovernmental liability	14,546	72,579
Due to other funds	<u>35,884</u>	<u>25,320</u>
Total liabilities	623,424	763,765

**FUND BALANCE**

Reserved for debt service	<u>7,179,964</u>	<u>8,893,389</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <b><u>\$ 7,803,388</u></b>	 <b><u>\$ 9,657,154</u></b>

**VILLAGE OF ALSIP, ILLINOIS  
DEBT SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Taxes	\$ 1,111,456	\$ 1,234,399
Investment income:		
Interest	46,346	33,159
Dividends	<u>197</u>	<u>849</u>
Total revenues	<u>1,157,999</u>	<u>1,268,407</u>
 <b>EXPENDITURES</b>		
Debt service:		
Principal retirement	1,811,001	1,732,432
Interest and fiscal charges	686,488	525,833
Bond issuance costs	59,728	97,737
Underwriter's discount	31,240	-
Contingencies	3,100	7,695
Legal fees	-	20,030
Miscellaneous	<u>79,015</u>	<u>820</u>
Total expenditures	<u>2,670,572</u>	<u>2,384,547</u>
Deficiency of revenues over expenditures	<u>(1,512,573)</u>	<u>(1,116,140)</u>
 <b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers in	1,403,924	1,141,353
Operating transfers out	(1,788,323)	(81,539)
General obligation bonds issued and related premium	-	3,944,671
Refunding bonds issued and related premium	3,666,078	-
Payment to refunded bond escrow agent	<u>(3,482,531)</u>	<u>-</u>
Total other financing sources (uses)	<u>(200,852)</u>	<u>5,004,485</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	(1,713,425)	3,888,345
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>8,893,389</u>	<u>5,005,044</u>
 <b>FUND BALANCE, END OF YEAR</b>	<u>\$ 7,179,964</u>	<u>\$ 8,893,389</u>

**VILLAGE OF ALSIP, ILLINOIS  
 CAPITAL PROJECTS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE  
 For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>EXPENDITURES</b>		
Construction services	\$ 1,521,457	\$ -
Engineering fees	216,312	31,310
Bank fees	1,028	-
Total expenditures	1,738,797	31,310
 <b>OTHER FINANCING SOURCES</b>		
Operating transfers in	1,738,797	31,310
Excess of other financing sources over expenditures	-	-
 <b>FUND BALANCE, BEGINNING OF YEAR</b>		
	-	-
 <b>FUND BALANCE, END OF YEAR</b>		
	\$ -	\$ -

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
April 30, 2011  
With Comparative Totals at April 30, 2010**

<b>ASSETS</b>				
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>CURRENT ASSETS</b>				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	2,713,556	732,435	3,445,991	2,553,115
Receivables (net of allowance for uncollectibles):				
Account customers	260,801	-	260,801	271,950
Estimated unbilled water and sewer charges	671,312	-	671,312	692,952
Prepaid expense/insurance	-	3,749	3,749	3,755
Due from other funds	460,394	199,924	660,318	732,360
Total current assets	<u>4,106,163</u>	<u>936,108</u>	<u>5,042,271</u>	<u>4,254,232</u>
<b>RESTRICTED ASSETS</b>				
Temporary cash investments	<u>2,679,160</u>	<u>2,940,638</u>	<u>5,619,798</u>	<u>8,599,511</u>
<b>FIXED ASSETS</b>				
Property, building and equipment - net	<u>17,752,167</u>	<u>14,653,324</u>	<u>32,405,491</u>	<u>31,415,140</u>
<b>OTHER ASSETS</b>				
Bond issuance costs	69,930	148,710	218,640	249,001
Deposits	-	172,084	172,084	168,315
Total other assets	<u>69,930</u>	<u>320,794</u>	<u>390,724</u>	<u>417,316</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 24,607,420</u>	 <u>\$ 18,850,864</u>	 <u>\$ 43,458,284</u>	 <u>\$ 44,686,199</u>

**LIABILITIES AND FUND EQUITIES**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>				
Accounts payable	\$ 904,573	\$ 62,759	\$ 967,332	\$ 703,498
Other accrued expenses	1,556,451	-	1,556,451	1,545,254
Current portion of general obligation bonds	267,850	1,168,461	1,436,311	1,449,848
Due to other funds	-	486,459	486,459	486,459
Security deposits	-	333,275	333,275	328,720
Utility overpayments	10,006	-	10,006	2,451
Accrued interest payable	94,269	116,244	210,513	165,432
Total current liabilities (payable from current assets)	2,833,149	2,167,198	5,000,347	4,681,662
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>				
Deposits	25,889	-	25,889	28,039
<b>LONG-TERM LIABILITIES</b>				
Compensated absences payable	11,799	-	11,799	11,799
Post-employment benefit obligation	55,467	-	55,467	46,799
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	6,117,672	6,098,955	12,216,627	13,585,769
Total long-term liabilities	6,184,938	6,098,955	12,283,893	13,644,367
Total liabilities	9,043,976	8,266,153	17,310,129	18,354,068
<b>FUND EQUITIES</b>				
Contributed capital	480,831	-	480,831	480,831
Retained earnings: Unreserved	15,082,613	10,584,711	25,667,324	25,851,300
Total fund equities	15,563,444	10,584,711	26,148,155	26,332,131
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<b>\$ 24,607,420</b>	<b>\$ 18,850,864</b>	<b>\$ 43,458,284</b>	<b>\$ 44,686,199</b>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND EQUITIES**  
**For the Year Ended April 30, 2011**  
**with Comparative Totals for the Year Ended April 30, 2010**

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2011	2010
<b>OPERATING REVENUES</b>				
Charges for services	\$ 8,558,137	\$ -	\$ 8,558,137	\$ 8,144,089
Rental income	-	3,899,899	3,899,899	3,761,989
Other income	102,297	39,320	141,617	189,034
Total operating revenues	<u>8,660,434</u>	<u>3,939,219</u>	<u>12,599,653</u>	<u>12,095,112</u>
<b>OPERATING EXPENSES</b>				
Water department	7,258,093	-	7,258,093	6,919,591
Sewer department	241,028	-	241,028	206,939
Senior citizen complex	-	2,392,001	2,392,001	2,149,778
Total operating expenses	<u>7,499,121</u>	<u>2,392,001</u>	<u>9,891,122</u>	<u>9,276,308</u>
Operating income before depreciation	1,161,313	1,547,218	2,708,531	2,818,804
<b>DEPRECIATION</b>	<u>796,964</u>	<u>694,678</u>	<u>1,491,642</u>	<u>1,425,276</u>
Operating income	<u>364,349</u>	<u>852,540</u>	<u>1,216,889</u>	<u>1,393,528</u>
<b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>				
Amortization of bond premium	2,923	1,590	4,513	3,586
Amortization of bond issue costs	(3,384)	(26,977)	(30,361)	(25,079)
Amortization of underwriter's discount	(2,310)	(6,541)	(8,851)	(6,354)
Note and bond interest and fiscal charges	(288,128)	(475,252)	(763,380)	(565,939)
Operating transfers out	(252,000)	(405,175)	(657,175)	(265,457)
Interest income	8,190	46,199	54,389	57,556
Total non-operating expenses and transfers	<u>(534,709)</u>	<u>(866,156)</u>	<u>(1,400,865)</u>	<u>(801,687)</u>
<b>NET INCOME (LOSS)</b>	<u>(170,360)</u>	<u>(13,616)</u>	<u>(183,976)</u>	<u>591,841</u>
<b>FUND EQUITIES, BEGINNING OF YEAR</b>	<u>15,733,804</u>	<u>10,598,327</u>	<u>26,332,131</u>	<u>25,740,290</u>
<b>FUND EQUITIES, END OF YEAR</b>	<u>\$ 15,563,444</u>	<u>\$ 10,584,711</u>	<u>\$ 26,148,155</u>	<u>\$ 26,332,131</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended April 30, 2011**  
**with Comparative Totals for the Year Ended April 30, 2010**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 364,349	\$ 852,540	\$ 1,216,889	\$ 1,393,528
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	796,964	694,678	1,491,642	1,425,276
Gain on sale of property, building and equipment	-	-	-	(1,300)
Effects of changes in operating assets and liabilities:				
Receivables - account customers	11,149	-	11,149	(42,854)
Receivables - unbilled charges	21,640	-	21,640	(66,801)
Due from other funds	192,481	(120,439)	72,042	(129,343)
Prepaid insurance/expense	-	6	6	3,737
Utility overpayment	7,555	-	7,555	1,512
Deposits	-	(3,769)	(3,769)	(5,171)
Accounts payable	294,821	(30,987)	263,834	191,214
Due to other funds	-	-	-	(272,307)
Other accrued expenses	11,197	-	11,197	1,683
Security deposits	-	4,555	4,555	6,570
Post-employment benefit obligation	8,668	-	8,668	14,881
Restricted liabilities	(2,150)	-	(2,150)	1,155
	<u>1,706,674</u>	<u>1,396,584</u>	<u>3,103,258</u>	<u>2,521,780</u>
Net cash provided by operating activities				
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfers out	(252,000)	(405,175)	(657,175)	(265,457)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property, building and equipment	(1,505,611)	(976,382)	(2,481,993)	(2,570,838)
Proceeds from sale of property, building and equipment	-	-	-	4,200
Principal payments on note payable	-	-	-	(45,479)
Proceeds from issuance of bonds payable	-	-	-	3,811,142
Principal payments on bonds payable	(249,875)	(1,137,142)	(1,387,017)	(1,449,218)
Interest paid on notes and bonds	(290,904)	(427,395)	(718,299)	(491,976)
	<u>(2,046,390)</u>	<u>(2,540,919)</u>	<u>(4,587,309)</u>	<u>(742,169)</u>
Net cash used in capital and related financing activities				

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	<u>8,190</u>	<u>46,199</u>	<u>54,389</u>	<u>57,556</u>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS</b>	(583,526)	(1,503,311)	(2,086,837)	1,571,710
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	<u>5,976,342</u>	<u>5,176,384</u>	<u>11,152,726</u>	<u>9,581,016</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	<u>\$ 5,392,816</u>	<u>\$ 3,673,073</u>	<u>\$ 9,065,889</u>	<u>\$ 11,152,726</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
WATERWORKS AND SEWERAGE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 100	\$ 100
Temporary cash investments	2,713,556	1,871,129
Receivables (net of allowance for uncollectibles):		
Account customers	260,801	271,950
Estimated unbilled water and sewer charges	671,312	692,952
Due from other funds	460,394	652,875
Total current assets	4,106,163	3,489,006
<b>RESTRICTED ASSETS</b>		
Temporary cash investments	2,679,160	4,105,113
<b>PROPERTY, BUILDING AND EQUIPMENT, NET</b>	17,752,167	17,043,520
<b>OTHER ASSETS</b>		
Bond issue costs	69,930	73,314
 <b>TOTAL ASSETS</b>	 <b>\$ 24,607,420</b>	 <b>\$ 24,710,953</b>

**LIABILITIES AND FUND EQUITY**

	<u>2011</u>	<u>2010</u>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>		
Accounts payable	\$ 904,573	\$ 609,752
Accrued interest payable	94,269	97,045
Other accrued expenses	1,556,451	1,545,254
Utility overpayments	10,006	2,451
Current portion of general obligation bonds	<u>267,850</u>	<u>249,875</u>
Total current liabilities (payable from current assets)	<u>2,833,149</u>	<u>2,504,377</u>
 <b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>		
Deposits	<u>25,889</u>	<u>28,039</u>
 <b>LONG-TERM LIABILITIES</b>		
Compensated absences payable	11,799	11,799
Post-employment benefit obligation	55,467	46,799
General obligation bonds (net of unamortized discount and premium)	<u>6,117,672</u>	<u>6,386,135</u>
Total long-term liabilities	<u>6,184,938</u>	<u>6,444,733</u>
Total liabilities	<u>9,043,976</u>	<u>8,977,149</u>
 <b>FUND EQUITY</b>		
Contributed capital	480,831	480,831
Retained earnings:		
Unreserved	<u>15,082,613</u>	<u>15,252,973</u>
Total fund equity	<u>15,563,444</u>	<u>15,733,804</u>
 <b>TOTAL LIABILITIES AND FUND EQUITY</b>	 <u>\$ 24,607,420</u>	 <u>\$ 24,710,953</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
WATERWORKS AND SEWERAGE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND EQUITY  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Water	\$ 7,675,536	\$ 7,270,478
Sewer	759,119	719,058
Tapping fees	23,283	57,925
Fines and penalties	100,199	96,628
Other income	<u>102,297</u>	<u>143,367</u>
Total operating revenues	<u>8,660,434</u>	<u>8,287,456</u>
 <b>OPERATING EXPENSES</b>		
Water department	7,258,093	6,919,591
Sewer department	<u>241,028</u>	<u>206,939</u>
Total operating expenses	<u>7,499,121</u>	<u>7,126,530</u>
Operating income before depreciation	1,161,313	1,160,926
 <b>DEPRECIATION</b>	<u>796,964</u>	<u>766,394</u>
Operating income	<u>364,349</u>	<u>394,532</u>
 <b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>		
Amortization of bond premium	2,923	2,923
Amortization of underwriter's discount	(2,310)	(2,310)
Amortization of bond issue costs	(3,384)	(3,384)
Note and bond interest and fiscal charges	(288,128)	(302,870)
Operating transfers out	(252,000)	(252,000)
Interest income	<u>8,190</u>	<u>23,901</u>
Total non-operating expenses and transfers	<u>(534,709)</u>	<u>(533,740)</u>
 <b>NET LOSS</b>	(170,360)	(139,208)
 <b>FUND EQUITY, BEGINNING OF YEAR</b>	<u>15,733,804</u>	<u>15,873,012</u>
 <b>FUND EQUITY, END OF YEAR</b>	<u>\$ 15,563,444</u>	<u>\$ 15,733,804</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
WATERWORKS AND SEWERAGE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income	\$ 364,349	\$ 394,532
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	796,964	766,394
Gain on sale of property, building and equipment	-	(1,300)
Effects of changes in operating assets and liabilities:		
Receivables - account customers	11,149	(42,854)
Receivables - unbilled charges	21,640	(66,801)
Due from other funds	192,481	(174,148)
Accounts payable	294,821	187,126
Other accrued expenses	11,197	1,683
Utility overpayments	7,555	1,512
Post-employment benefit obligation	8,668	14,881
Restricted liabilities	<u>(2,150)</u>	<u>1,155</u>
Net cash provided by operating activities	<u>1,706,674</u>	<u>1,082,180</u>
 <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Operating transfers out	<u>(252,000)</u>	<u>(252,000)</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property, building and equipment	(1,505,611)	(1,954,217)
Proceeds from sale of property, building and equipment	-	4,200
Principal payments on note payable	-	(45,479)
Principal payments on bonds payable	(249,875)	(239,875)
Interest paid on notes and bonds	<u>(290,904)</u>	<u>(302,870)</u>
Net cash used in capital and related financing activities	<u>(2,046,390)</u>	<u>(2,538,241)</u>

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Earnings on investments	<u>8,190</u>	<u>23,901</u>
<b>NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>	(583,526)	(1,684,160)
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	<u>5,976,342</u>	<u>7,660,502</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	<u>\$ 5,392,816</u>	<u>\$ 5,976,342</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**WATERWORKS AND SEWERAGE FUND**  
**COMPARATIVE STATEMENT OF OPERATING EXPENSES**  
**For the Years Ended April 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>WATER DEPARTMENT</b>		
Salary - commissioner	\$ 88,412	\$ 88,752
Salary - clerical	50,892	48,560
Wages - meter readers	16,896	16,895
Wages - general labor	199,403	213,922
Uniforms	1,752	-
Engineering fees	16,147	11,821
Audit fee	10,000	6,000
Tools and equipment	3,715	1,680
Purchase - office equipment	271	4,604
Purchase - new equipment	29,332	22,619
Purchase - meters	26,493	77,310
Purchase - computer	2,942	6,689
Repairs - equipment	15,554	5,368
Restoration (main breaks)	113,815	184,588
Maintenance water system	338,701	429,591
Utilities	234,352	237,286
Water tap-ons	12,656	27,835
Purchase - water	4,791,539	4,398,951
Social Security and IMRF	100,340	93,916
Insurance and administrative expense	920,000	782,000
Contingent expense	17,636	21,734
Water system expense	25,539	35,500
Building and grounds maintenance	197,990	154,736
Pager service	3,923	3,223
Office supplies	2,954	1,310
Postage	2,373	1,354
Water sampling fees	3,150	3,670
Purchase chlorine	967	1,933
Gasoline and oil	8,000	7,751
Water billing charges	15,345	18,484
Dues and memberships	300	-
Post-employment benefit obligation	6,704	11,509
	<u>7,258,093</u>	<u>6,919,591</u>
Total water department		
<b>SEWER DEPARTMENT</b>		
Salary - clerical	55,502	55,710
Wages - general labor	104,844	61,485
Purchase - new equipment	4,973	719
Material and supplies	14,208	7,461
Repair - equipment	381	554
Maintenance - sanitary sewers	33,275	29,369
Contingent expense	250	-
Uniforms	631	2,019
Garage rentals	25,000	46,250
Post-employment benefit obligation	1,964	3,372
	<u>241,028</u>	<u>206,939</u>
Total sewer department		
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 7,499,121</u>	<u>\$ 7,126,530</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING BALANCE SHEET  
April 30, 2011 and 2010**

**ASSETS**

	Heritage I	Heritage II	Totals	
			2011	2010
<b>CURRENT ASSETS</b>				
Temporary cash investments	\$ -	\$ 732,435	\$ 732,435	\$ 681,986
Due from other funds	15,634	184,290	199,924	79,485
Prepaid insurance	1,194	2,555	3,749	3,755
Total current assets	<u>16,828</u>	<u>919,280</u>	<u>936,108</u>	<u>765,226</u>
<b>RESTRICTED ASSETS</b>				
Temporary cash investments	-	2,940,638	2,940,638	4,494,398
<b>PROPERTY, BUILDING AND EQUIPMENT - NET</b>	<u>5,465,792</u>	<u>9,187,532</u>	<u>14,653,324</u>	<u>14,371,620</u>
<b>OTHER ASSETS</b>				
Bond issuance costs	-	148,710	148,710	175,687
Deposits	171,084	1,000	172,084	168,315
Total other assets	<u>171,084</u>	<u>149,710</u>	<u>320,794</u>	<u>344,002</u>
<b>TOTAL ASSETS</b>	<u>\$ 5,653,704</u>	<u>\$ 13,197,160</u>	<u>\$ 18,850,864</u>	<u>\$ 19,975,246</u>

**LIABILITIES AND FUND EQUITIES**

<b>CURRENT LIABILITIES</b>				
Accrued interest payable	\$ 26,856	\$ 89,388	\$ 116,244	\$ 68,387
Accounts payable	-	62,759	62,759	93,746
Current portion of general obligation bonds	112,880	1,055,581	1,168,461	1,199,973
Due to other funds	486,459	-	486,459	486,459
Security deposits	115,225	218,050	333,275	328,720
Total current liabilities	<u>741,420</u>	<u>1,425,778</u>	<u>2,167,198</u>	<u>2,177,285</u>
<b>LONG-TERM LIABILITIES</b>				
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>1,756,280</u>	<u>4,342,675</u>	<u>6,098,955</u>	<u>7,199,634</u>
Total liabilities	<u>2,497,700</u>	<u>5,768,453</u>	<u>8,266,153</u>	<u>9,376,919</u>
<b>FUND EQUITIES</b>				
Retained earnings - unreserved	<u>3,156,004</u>	<u>7,428,707</u>	<u>10,584,711</u>	<u>10,598,327</u>
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<u>\$ 5,653,704</u>	<u>\$ 13,197,160</u>	<u>\$ 18,850,864</u>	<u>\$ 19,975,246</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**SENIOR CITIZEN COMPLEX FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**  
**For the Year Ended April 30, 2011**  
**with Comparative Totals for the Year Ended April 30, 2010**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2011</u>	<u>2010</u>
<b>OPERATING REVENUES</b>				
Rental income	\$ 1,317,490	\$ 2,582,409	\$ 3,899,899	\$ 3,761,989
Other income	<u>13,825</u>	<u>25,495</u>	<u>39,320</u>	<u>45,667</u>
Total operating revenues	1,331,315	2,607,904	3,939,219	3,807,656
<b>OPERATING EXPENSES</b>	<u>714,128</u>	<u>1,677,873</u>	<u>2,392,001</u>	<u>2,149,778</u>
Operating income before depreciation	617,187	930,031	1,547,218	1,657,878
<b>DEPRECIATION</b>	<u>208,992</u>	<u>485,686</u>	<u>694,678</u>	<u>658,882</u>
Operating income	<u>408,195</u>	<u>444,345</u>	<u>852,540</u>	<u>998,996</u>
<b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>				
Amortization of bond issuance costs	-	(26,977)	(26,977)	(21,695)
Amortization of bond premium	-	1,590	1,590	663
Amortization of underwriter's discount	-	(6,541)	(6,541)	(4,044)
Operating transfers out	(405,175)	-	(405,175)	(13,457)
Bond interest	(81,876)	(393,376)	(475,252)	(263,069)
Interest income	<u>-</u>	<u>46,199</u>	<u>46,199</u>	<u>33,655</u>
Total non-operating expenses and transfers	<u>(487,051)</u>	<u>(379,105)</u>	<u>(866,156)</u>	<u>(267,947)</u>
<b>NET INCOME (LOSS)</b>	(78,856)	65,240	(13,616)	731,049
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<u>3,234,860</u>	<u>7,363,467</u>	<u>10,598,327</u>	<u>9,867,278</u>
<b>RETAINED EARNINGS, END OF YEAR</b>	<u>\$ 3,156,004</u>	<u>\$ 7,428,707</u>	<u>\$ 10,584,711</u>	<u>\$ 10,598,327</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended April 30, 2011  
with Comparative Totals for the Year Ended April 30, 2010**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 408,195	\$ 444,345	\$ 852,540	\$ 998,996
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	208,992	485,686	694,678	658,882
Effects of changes in operating assets and liabilities:				
Due from other funds	(439)	(120,000)	(120,439)	44,805
Prepaid insurance	2	4	6	3,737
Deposits	(3,769)	-	(3,769)	(5,171)
Accounts payable	(13,995)	(16,992)	(30,987)	4,088
Security deposits	2,405	2,150	4,555	6,570
Due to other funds	-	-	-	(272,307)
Net cash provided by operating activities	<u>601,391</u>	<u>795,193</u>	<u>1,396,584</u>	<u>1,439,600</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfer out	<u>(405,175)</u>	<u>-</u>	<u>(405,175)</u>	<u>(13,457)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property, building and equipment	(5,851)	(970,531)	(976,382)	(616,621)
Proceeds from issuance of bonds payable	-	-	-	3,811,142
Principal payments on bonds payable	(106,240)	(1,030,902)	(1,137,142)	(1,209,343)
Interest paid on bonds	<u>(84,125)</u>	<u>(343,270)</u>	<u>(427,395)</u>	<u>(189,106)</u>
Net cash provided by (used in) capital and related financing activities	<u>(196,216)</u>	<u>(2,344,703)</u>	<u>(2,540,919)</u>	<u>1,796,072</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	<u>-</u>	<u>46,199</u>	<u>46,199</u>	<u>33,655</u>
<b>NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS</b>				
	-	(1,503,311)	(1,503,311)	3,255,870
<b>TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>				
	<u>-</u>	<u>5,176,384</u>	<u>5,176,384</u>	<u>1,920,514</u>
<b>TEMPORARY CASH INVESTMENTS, END OF YEAR</b>				
	<u>\$ -</u>	<u>\$ 3,673,073</u>	<u>\$ 3,673,073</u>	<u>\$ 5,176,384</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING STATEMENT OF OPERATING EXPENSES  
For the Year Ended April 30, 2011  
with Comparative Totals for the Year Ended April 30, 2010**

	Heritage I	Heritage II	Totals	
			2011	2010
Salaries	\$ 151,991	\$ 362,483	\$ 514,474	\$ 493,453
Audit fee	-	3,500	3,500	3,500
Repairs and maintenance	131,224	260,006	391,230	425,602
Management fee	78,852	154,944	233,796	225,719
Administrative fee	60,000	388,000	448,000	244,000
Decorating	15,375	57,135	72,510	49,497
Office supplies	5,134	82	5,216	6,460
Telephone	10,279	-	10,279	9,142
Utilities	148,680	223,744	372,424	363,071
Insurance	39,777	70,222	109,999	109,575
Scavenger	15,892	58,231	74,123	63,229
Pest control	4,066	7,300	11,366	10,402
Contingent expense	6,197	908	7,105	15,379
Payroll taxes	12,216	23,472	35,688	34,075
Uniforms	2,074	3,314	5,388	5,079
Legal fees	-	-	-	1,288
Union health/pension	32,266	64,532	96,798	89,952
Other employee benefits	105	-	105	355
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 714,128</b>	<b>\$ 1,677,873</b>	<b>\$ 2,392,001</b>	<b>\$ 2,149,778</b>

**VILLAGE OF ALSIP, ILLINOIS  
TRUST FUNDS  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF PLAN NET ASSETS  
April 30, 2011  
with Comparative Totals at April 30, 2010**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,421,616	\$ 1,039,280	\$ 4,460,896	\$ 4,776,645
Receivables:				
Contributions	985,650	713,050	1,698,700	1,717,393
Accrued interest	67,720	64,691	132,411	132,101
Due from other funds	109,596	-	109,596	185,063
Investments, at fair value:				
U.S. Government securities	4,986,734	9,918,849	14,905,583	13,065,779
Mutual funds	4,723,758	6,760,287	11,484,045	8,323,328
Stocks	1,811,344	99,899	1,911,243	3,273,294
Insurance contracts	-	193,071	193,071	657,795
Total assets	<u>16,106,418</u>	<u>18,789,127</u>	<u>34,895,545</u>	<u>32,131,398</u>
<b>LIABILITIES</b>				
Accrued liabilities	-	-	-	4,081
Deferred contributions	985,650	713,050	1,698,700	1,697,050
Due to other funds	-	81,401	81,401	81,401
Total liabilities	<u>985,650</u>	<u>794,451</u>	<u>1,780,101</u>	<u>1,782,532</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u>\$ 15,120,768</u>	<u>\$ 17,994,676</u>	<u>\$ 33,115,444</u>	<u>\$ 30,348,866</u>

**VILLAGE OF ALSIP, ILLINOIS  
TRUST FUNDS  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS  
For the Year Ended April, 30, 2011  
with Comparative Totals for the Year Ended April, 30, 2010**

	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	<u>Total</u>	
			<u>2011</u>	<u>2010</u>
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 1,731,455	\$ 1,203,145	\$ 2,934,600	\$ 2,923,897
Employee	<u>268,253</u>	<u>262,218</u>	<u>530,471</u>	<u>523,124</u>
Total contributions	<u>1,999,708</u>	<u>1,465,363</u>	<u>3,465,071</u>	<u>3,447,021</u>
Investment income:				
Net appreciation in fair value of investments	1,027,071	1,214,526	2,241,597	2,906,864
Dividends	80,977	51,098	132,075	154,041
Interest	238,881	250,144	489,025	514,489
Miscellaneous income	<u>-</u>	<u>177</u>	<u>177</u>	<u>669</u>
Total investment income	<u>1,346,929</u>	<u>1,515,945</u>	<u>2,862,874</u>	<u>3,576,063</u>
Less investment expense	<u>58,238</u>	<u>85,995</u>	<u>144,233</u>	<u>135,449</u>
Net investment income	<u>1,288,691</u>	<u>1,429,950</u>	<u>2,718,641</u>	<u>3,440,614</u>
Total additions	<u>3,288,399</u>	<u>2,895,313</u>	<u>6,183,712</u>	<u>6,887,635</u>
<b>DEDUCTIONS</b>				
Retirement benefits	1,981,734	672,161	2,653,895	2,514,907
Duty disability benefits	27,444	490,429	517,873	500,281
Surviving spouse benefits	47,228	189,456	236,684	236,684
Miscellaneous	<u>8,682</u>	<u>-</u>	<u>8,682</u>	<u>15,956</u>
Total deductions	<u>2,065,088</u>	<u>1,352,046</u>	<u>3,417,134</u>	<u>3,267,828</u>
<b>NET INCREASE</b>	1,223,311	1,543,267	2,766,578	3,619,807
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR</b>	<u>13,897,457</u>	<u>16,451,409</u>	<u>30,348,866</u>	<u>26,729,059</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR</b>	<u>\$ 15,120,768</u>	<u>\$ 17,994,676</u>	<u>\$ 33,115,444</u>	<u>\$ 30,348,866</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**SCHEDULE OF INSURANCE COVERAGE**  
**April 30, 2011**  
(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>
Scottsdale	WA10002210	05/01/10-11	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Scottsdale	PKS0000612	05/01/10-11	Professional liability insurance	Law enforcement officers and public officials	Multiple Coverages
Scottsdale	PES0005137	05/01/10-11	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Scottsdale and Arch Insurance	UMS0025343 MEUM07163103	05/01/10-11	Excess liability - umbrella	Bodily injury and property damage, includes civil rights	\$10,000,000
Arch Insurance	MEPK07351003	05/01/10-11	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137803	05/01/10-11	Portable Equipment		Multiple Coverages
IPRF	AGC4042962	12/15/10-11	Workmen's Compensation		\$2,500,000
Travelers	103199571	08/03/08-11	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	105536704	02/20/11-12	Blanket Employee Crime Bond		\$250,000
Travelers	103199575	08/03/08-11	Police Pension Fund Bond	Errors and omissions	\$1,000,000
QBE Insurance	LGS00567-10	05/01/10-11	Specific/ Aggregate Health		Various

**VILLAGE OF ALSIP, ILLINOIS**  
**SCHEDULE OF INSURANCE COVERAGE**  
**April 30, 2011**  
(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>
AutoOwners	6760466307571	05/09/10-11	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	6760466307776	05/09/10-11	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
AutoOwners	6760466307570	05/17/10-11	Public Official Bond - Gregory Palumbo	Errors and omissions	\$150,000
Liberty Mutual	285025029	01/30/11-12	Public Official Bond - Elizabeth Gonzalez	Errors and omissions	\$150,000
Safeco	6400805	12/20/10-11	Public Official Bond - Sharon McDowell	Errors and omissions	\$150,000
Liberty Mutual	6609418	9/21/09-13	IL Notary Public Bond - Deborah Venhuizen	Errors and omissions	\$5,000
Safeco	6233260	04/04/09-13	IL Notary Public Bond - Judith DeLuise	Errors and omissions	\$5,000
Safeco	6233249	04/21/08-12	IL Notary Public Bond - Violet Regan	Errors and omissions	\$5,000
Safeco	6233247	03/28/08-12	IL Notary Public Bond - Sharon Szynalski	Errors and omissions	\$5,000
Liberty Mutual	6609421	2/3/10-14	IL Notary Public Bond - Sharon McDowell	Errors and omissions	\$5,000
Safeco	6118973	06/06/07-11	IL Notary Public Bond - Joyce Welch	Errors and omissions	\$5,000
Safeco	6609423	08/01/10-14	IL Notary Public Bond - Susan Bruesch	Errors and omissions	\$5,000
Safeco	6396098	03/20/07-11	IL Notary Public Bond - Elizabeth Gonzalez	Errors and omissions	\$5,000
Safeco	6396109	02/18/08-12	IL Notary Public Bond - Alisa Bahr	Errors and omissions	\$5,000
Reliance Standard	GL137122	05/01/10-11	Life insurance		Various
Reliance Standard	VAR202787	05/01/10-11	Accidental Death & Dismemberment		Various
North Point	NPCM005152	4/21/10-11	Canine policy		Multiple Coverages

**VILLAGE OF ALSIP**  
**PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS**  
**AND ASSESSED VALUATION**  
**April 30, 2011**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Assessed valuation</b>	<u>\$ 680,364,001</u>	<u>\$ 710,758,298</u>	<u>\$ 802,041,333</u>	<u>\$ 749,936,394</u>	<u>\$ 722,163,750</u>
<b>Tax rates:</b>					
General	.3758	.4014	.3592	.4308	.4812
Police pension	.1470	.1617	.1995	.2301	.2430
Fire pension	.1154	.1176	.1216	.1548	.1703
Road and bridge	.0089	.0294	.0066	.0069	.0143
Debt service	.1967	.2004	.1454	.1555	.1532
Total - All Funds	<u>.8438</u>	<u>.9105</u>	<u>.8323</u>	<u>.9781</u>	<u>1.0619</u>
<b>Tax levies:</b>					
General	\$ 2,633,799	\$ 2,812,916	\$ 2,880,986	\$ 3,230,986	\$ 3,475,000
Police pension	1,030,000	1,133,000	1,600,000	1,725,345	1,755,000
Fire pension	808,606	824,000	975,587	1,160,980	1,229,708
Road and bridge	60,255	206,000	51,500	51,500	103,000
Debt service	1,338,228	1,363,753	1,166,351	1,166,163	1,106,149
Total - All Funds	<u>\$ 5,870,888</u>	<u>\$ 6,339,669</u>	<u>\$ 6,674,424</u>	<u>\$ 7,334,974</u>	<u>\$ 7,668,857</u>
<b>Collections:</b>					
General	\$ 2,405,040	\$ 2,816,590	\$ 2,726,247	\$ 3,131,729	\$ 1,588,513
Police pension	945,224	997,978	1,568,246	1,704,570	822,000
Fire pension	740,202	786,697	938,520	1,130,224	553,549
Road and bridge	55,559	175,930	51,436	51,347	47,099
Debt service	1,242,316	1,167,311	1,089,219	1,116,802	505,241
Total - All Funds	<u>\$ 5,388,341</u>	<u>\$ 5,944,506</u>	<u>\$ 6,373,668</u>	<u>\$ 7,134,672</u>	<u>\$ 3,516,402</u>
Percentage of levies collected	<u>91.8%</u>	<u>93.8%</u>	<u>95.5%</u>	<u>97.3%</u>	<u>45.9%</u>
Township levies	<u>\$ 134,040</u>	<u>\$ 91,849</u>	<u>\$ 95,952</u>	<u>\$ 116,296</u>	<u>\$ 108,741</u>
Collections	<u>\$ 82,577</u>	<u>\$ 88,556</u>	<u>\$ 91,792</u>	<u>\$ 86,918</u>	<u>\$ 42,729</u>
Percentage of collections	<u>61.6%</u>	<u>96.4%</u>	<u>95.7%</u>	<u>74.7%</u>	<u>39.3%</u>
Special service areas levies	<u>\$ 168,896</u>	<u>\$ 168,862</u>	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ 25,998</u>
Collections	<u>\$ 168,901</u>	<u>\$ 168,876</u>	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ -</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>0.0%</u>
Tax increment levies	<u>\$ 830,520</u>	<u>\$ 835,330</u>	<u>\$ 895,000</u>	<u>\$ 895,000</u>	<u>\$ 920,000</u>
Collections	<u>\$ 831,597</u>	<u>\$ 835,330</u>	<u>\$ 885,228</u>	<u>\$ 895,000</u>	<u>\$ 488,538</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>98.9%</u>	<u>100.0%</u>	<u>53.1%</u>

**VILLAGE OF ALSIP, ILLINOIS  
LEGAL DEBT MARGIN  
April 30, 2011**

	<b>Tax Year <u>2010</u></b>
<b>ASSESSED VALUATION</b>	<u>\$ 722,163,750</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 62,286,623</u>
<b>Total debt:</b>	
General obligation debt:	
Notes payable	166,301
Bonds payable	<u>26,632,798</u>
	26,799,099
Deductions:	
Amount available for repayment of general obligation bonds	<u>7,179,964</u>
	<u>19,619,135</u>
<b>LEGAL DEBT MARGIN</b>	<u>\$ 42,667,488</u>