

**VILLAGE OF ALSIP, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**  
April 30, 2012



**CliftonLarsonAllen**

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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, 2012, 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 opinion.

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, 2012, 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.

As discussed in Note 1, as of May 1, 2011, the Village adopted the reporting and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages three through 12, 18, and 56 through 59 be presented to supplement the basic financial statements, such information although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. 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, 2011, which are not presented with the accompanying financial statements. In our report dated November 3, 2011, 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 2012 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, 2012, taken as a whole.

*CliftonLarsonAllen LLP*

Oak Brook, Illinois  
October 15, 2012

**VILLAGE OF ALSIP, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2012**

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, 2012. Readers are encouraged to consider the information presented here in conjunction with the Village's financial statements which begin on page 13 of this report.

**Financial Highlights**

The Village's net assets total \$44,752,239. Net assets for governmental activities account for \$18,097,664 or 40.4% of the total and business-type activities account for \$26,654,575 or 59.6%.

The government's total net assets increased by \$3,568,943 during fiscal year 2012, mainly due to new infrastructure improvements increasing capital assets.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$18,191,893.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,950,412 or 55.8% 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, 2012**

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, 2012**

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 54 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 56 through 59 of this report. Combining and individual fund statements and schedules can be found on pages 61 through 106 of this report.

**VILLAGE OF ALSIP, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2012**

**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 \$44,752,239 at the close of the most recent fiscal year.

By far, the largest portion of the Village's net assets (56%) 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, 2012 and 2011**  
**(In Millions)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total Primary Government</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 24.5	\$ 21.8	\$ 9.8	\$ 10.5	\$ 34.3	\$ 32.3
Capital assets	<u>16.1</u>	<u>16.5</u>	<u>32.1</u>	<u>32.4</u>	<u>48.2</u>	<u>48.9</u>
<b>Total assets</b>	<b><u>\$ 40.6</u></b>	<b><u>\$ 38.3</u></b>	<b><u>\$ 41.9</u></b>	<b><u>\$ 42.9</u></b>	<b><u>\$ 82.5</u></b>	<b><u>\$ 81.2</u></b>
Long-term liabilities	\$ 18.6	\$ 20.0	\$ 12.1	\$ 12.2	\$ 30.7	\$ 32.2
Other liabilities	<u>3.9</u>	<u>3.3</u>	<u>3.2</u>	<u>4.5</u>	<u>7.1</u>	<u>7.8</u>
<b>Total liabilities</b>	<b><u>\$ 22.5</u></b>	<b><u>\$ 23.3</u></b>	<b><u>\$ 15.3</u></b>	<b><u>\$ 16.7</u></b>	<b><u>\$ 37.8</u></b>	<b><u>\$ 40.0</u></b>
Net assets:						
Invested in capital assets, net of debt	\$ 5.1	\$ 3.8	\$ 19.9	\$ 18.8	\$ 25.0	\$ 22.6
Restricted	9.8	8.1	-	-	9.8	8.1
Unrestricted	<u>3.2</u>	<u>3.1</u>	<u>6.7</u>	<u>7.4</u>	<u>9.9</u>	<u>10.5</u>
<b>Total net assets</b>	<b><u>\$ 18.1</u></b>	<b><u>\$ 15.0</u></b>	<b><u>\$ 26.6</u></b>	<b><u>\$ 26.2</u></b>	<b><u>\$ 44.7</u></b>	<b><u>\$ 41.2</u></b>

A portion of the Village's net assets (\$9.8 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 \$3.2 million.

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, 2012**

Net assets of the Village increased in fiscal year ended April 30, 2012 from \$41.1 million to \$44.7 million and increased in fiscal year ended April 30, 2011 from \$30.4 million to \$41.1 million.

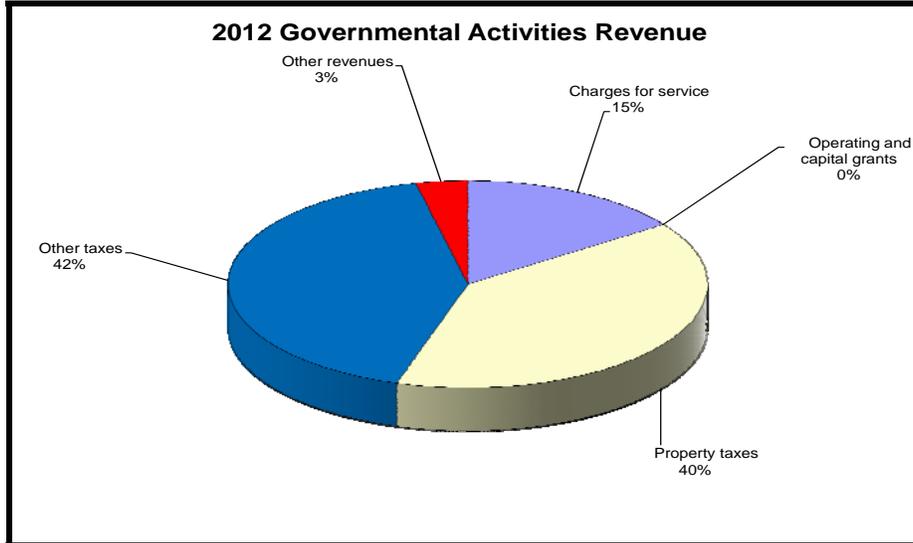
**Change in Net Assets**

The fiscal year 2012 activities of the Village caused the net assets to increase by \$3.6 million (governmental activities, \$3.1 million increase and business type activities, \$0.5 million increase). Key elements are as follows:

<b>Changes in Net Assets</b>	<b>For the Fiscal Years Ended April 30, 2012 and 2011 (in Millions)</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Revenue</b>						
Program revenues:						
Charges for service	\$ 3.5	\$ 3.8	\$ 12.7	\$ 12.6	\$ 16.2	\$ 16.4
Operating and capital grants	-	.1	-	-	-	.1
General revenue:						
Property taxes	9.1	8.4	-	-	9.1	8.4
Other taxes	9.6	9.4	-	-	9.6	9.4
Other revenues	<u>.3</u>	<u>.4</u>	<u>.1</u>	<u>.1</u>	<u>.4</u>	<u>.5</u>
Total revenue	<u>22.5</u>	<u>22.1</u>	<u>12.8</u>	<u>12.7</u>	<u>35.3</u>	<u>34.8</u>
<b>Expenses</b>						
Governmental activities:						
General government	1.6	1.5	-	-	1.6	1.5
Public safety	13.4	12.9	-	-	13.4	12.9
Road and bridge	2.9	2.9	-	-	2.9	2.9
Building	.3	.3	-	-	.3	.3
Health and welfare	1.1	1.2	-	-	1.1	1.2
Capital projects	0.1	-	-	-	0.1	-
Interest	.6	.7	-	-	.6	.7
Business-type:						
Water	-	-	8.1	8.3	8.1	8.3
Sewer	-	-	.2	.3	.2	.3
Senior complex	<u>-</u>	<u>-</u>	<u>3.4</u>	<u>3.6</u>	<u>3.4</u>	<u>3.6</u>
Total expenses	<u>20.0</u>	<u>19.5</u>	<u>11.7</u>	<u>12.2</u>	<u>31.7</u>	<u>31.7</u>
Revenues over expenses	2.5	2.6	1.1	0.5	3.6	3.1
Transfers	<u>.6</u>	<u>.7</u>	<u>(.6)</u>	<u>(.7)</u>	<u>-</u>	<u>-</u>
<b>Change in net assets</b>	<u>\$ 3.1</u>	<u>\$ 3.3</u>	<u>\$ 0.5</u>	<u>\$ (0.2)</u>	<u>\$ 3.6</u>	<u>\$ 3.1</u>

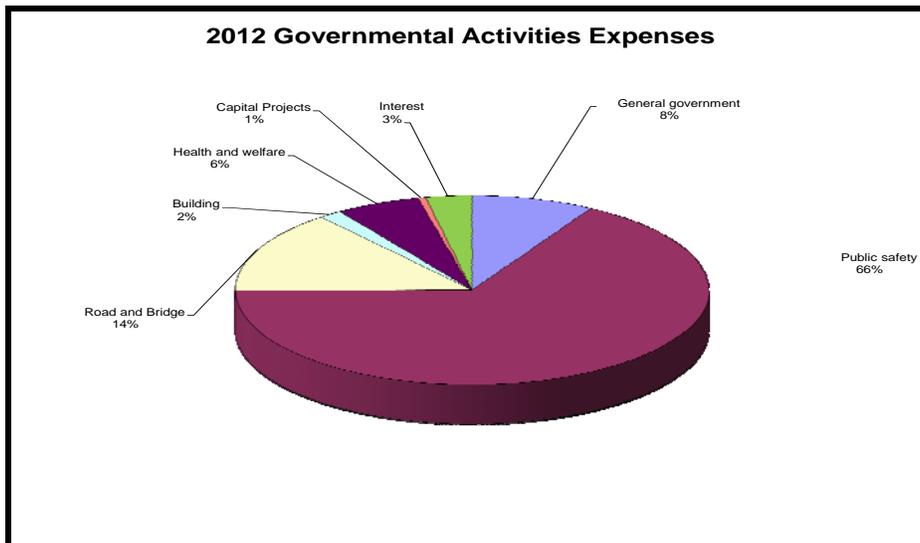
**VILLAGE OF ALSIP, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2012**

**Revenues:**



For the fiscal year ended April 30, 2012, revenues from governmental activities totaled \$22.5 million, signifying an increase in revenues of approximately \$0.4 million over the previous fiscal year. Property taxes totaled \$9.1 million representing 40% of the total governmental activity revenue. Other taxes, at \$9.6 million, are primarily attributable to the Village's sales, State income, fuel and real estate transfer taxes, realized an increase of approximately \$0.2 million over the 2011 fiscal year. This change was mainly due to the timing of recognizing State income tax revenue.

**Expenses:**



For the fiscal year ended April 30, 2012, expenses for governmental activities totaled \$20.0 million, a \$0.5 million increase over the previous fiscal year.

**VILLAGE OF ALSIP, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2012**

**Business-type Activities**

This fiscal year saw an increase in total charges for services of approximately \$0.1 million. Business-type activities increased the Village's net assets by \$0.5 million. Key elements of this increase were less than anticipated operating expenses.

**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, *unassigned 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, 2012, the governmental funds reported a combined fund balance of \$18,191,893, an increase of \$2,250,353 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 \$1.7 million from the previous fiscal year.

**General Fund Budgetary Highlights**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 17,755,437	\$ 17,755,437	\$ 17,296,744
Expenditures	<u>16,696,477</u>	<u>16,696,477</u>	<u>15,392,813</u>
<b>Net changes in fund balance</b>	<u>\$ 1,058,960</u>	<u>\$ 1,058,960</u>	<u>\$ 1,903,931</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 \$2.51 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, 2012**

Water sales during fiscal year ended 2012 were \$124,823 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, 2012 amounts to \$48,249,060 (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>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ .4	\$ .4	\$ 1.9	\$ 1.9	\$ 2.3	\$ 2.3
Improvements	.4	.5	4.4	4.7	4.8	5.2
Construction in progress	-	.4	2.1	1.0	2.1	1.4
Buildings	4.2	4.4	8.5	9.0	12.7	13.4
Machinery and equipment	1.0	1.0	.5	.6	1.5	1.6
Infrastructure	8.8	8.6	14.6	15.1	23.4	23.7
Vehicles	<u>1.3</u>	<u>1.2</u>	<u>.1</u>	<u>.1</u>	<u>1.4</u>	<u>1.3</u>
<b>Total</b>	<u>\$ 16.1</u>	<u>\$ 16.5</u>	<u>\$ 32.1</u>	<u>\$ 32.4</u>	<u>\$ 48.2</u>	<u>\$ 48.9</u>

Additional information on the Village's capital assets can be found in Note 4C on pages 40 through 41 of this report.

**Long-term Debt** - At the end of the fiscal year 2012, the Village of Alsip had total bonded debt outstanding of \$23,367,427. 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>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	General obligation bonds	<u>\$ 11.2</u>	<u>\$ 13.0</u>	<u>\$ 12.2</u>	<u>\$ 13.6</u>	<u>\$ 23.4</u>

The Village made principal payments on outstanding general obligation bonds in the current year of approximately \$3,265,000, in accordance with the terms of the various bond issues.

**VILLAGE OF ALSIP, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2012**

In fiscal year ended 2009, the Village was assigned an Aa2 rating from Moody's and an 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.

Additional information on the Village of Alsip's long-term debt can be found in Note 4E on pages 45 through 48 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 2013, 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.
- The Village is continuing the program begun in fiscal year ended April 30, 2009, to upgrade the water system. Major improvements that were completed in 2012 include removal of lead paint from all Village hydrants, and renovation of 3.2 million gallon North reservoir. Other ongoing projects in fiscal year 2013 consists of the major renovations and replacement of water mains, and renovation of South reservoir. In fiscal year 2012, the Village was awarded a low interest loan from the IEPA for the construction of a new pump station. This project has an anticipated on-line date of November 2012.
- In August 2009, the Village issued bonds under the "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 2012, phases one through five of this program had been completed. Additional and final phases of the project will be completed in 2013. 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 2013, boilers, patio doors, basement windows, and parking lot renovations will be completed.

**VILLAGE OF ALSIP, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2012**

In fiscal year 2013, the village anticipates issuing bonds to fund sewer projects needed within the Village. These capital improvements are necessary to maintain the quality of our current sewer system.

- In fiscal year 2012, the Village did realize a slight increase in tax receipts, most notably property taxes and sales taxes. Other major revenue sources remain comparable to previous fiscal year levels. Other revenue, related to housing and employment, remain stagnant. On the expense side, the Village continues to maintain expense increases to coincide with increase in revenues and to restrict capital purchases.
- In 2006, the Village 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". In fiscal year 2012, a new restaurant, Las Fuentes opened. Planning for a Family Dollar and Veterans Park are in construction phases. The Village plans to use this economic development tool in fiscal year 2013 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 2014 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, 2012**

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 682,429	\$ 100	\$ 682,529
Temporary cash investments	15,439,629	3,501,669	18,941,298
Receivables (net of allowance for uncollectibles)	7,350,678	1,070,481	8,421,159
Internal balances	(212,406)	212,406	-
Bond issuance costs	-	187,760	187,760
Deposits	-	173,770	173,770
Prepaid expenses	41,969	3,561	45,530
Restricted assets:			
Temporary cash investments	1,243,745	4,605,318	5,849,063
Capital assets (net of accumulated depreciation):			
Buildings	4,174,858	8,523,200	12,698,058
Improvements	452,795	4,409,318	4,862,113
System infrastructure	8,788,085	14,652,517	23,440,602
Machinery and equipment	1,020,585	507,204	1,527,789
Furniture and fixtures	33,462	-	33,462
Vehicles	1,270,589	105,279	1,375,868
Capital assets not being depreciated:			
Land	350,000	1,886,953	2,236,953
Construction in progress	-	2,074,215	2,074,215
	<u>40,636,418</u>	<u>41,913,751</u>	<u>82,550,169</u>
Total assets			
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	1,759,429	2,309,394	4,068,823
Accrued interest payable	157,160	199,184	356,344
Intergovernmental liability	14,546	-	14,546
Due to fiduciary funds	28,194	-	28,194
Deposits	-	332,060	332,060
Payable from restricted accounts:			
Customer deposits	-	26,819	26,819
Noncurrent liabilities:			
Due within one year	1,919,087	345,745	2,264,832
Due in more than one year	18,660,338	12,045,974	30,706,312
	<u>22,538,754</u>	<u>15,259,176</u>	<u>37,797,930</u>
Total liabilities			
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	5,084,808	19,897,961	24,982,769
Restricted for:			
Debt service	4,691,565	-	4,691,565
Special purposes	5,093,521	-	5,093,521
Unrestricted	<u>3,227,770</u>	<u>6,756,614</u>	<u>9,984,384</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 18,097,664</u>	<u>\$ 26,654,575</u>	<u>\$ 44,752,239</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended April 30, 2012

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>FUNCTIONS/PROGRAMS</b>						
<b>Primary government:</b>						
Governmental activities:						
General government	\$ 1,615,710	\$ 867,180	\$ 27,200	\$ (721,330)	\$ -	\$ (721,330)
Public safety	13,438,075	1,423,373	11,673	(12,003,029)	-	(12,003,029)
Highway and streets	2,839,980	581,181	-	(2,258,799)	-	(2,258,799)
Building	335,178	70,945	-	(264,233)	-	(264,233)
Health and environmental control	1,138,503	547,336	-	(591,167)	-	(591,167)
Drainage and storm sewers	6,276	-	-	(6,276)	-	(6,276)
Forestry maintenance	32,971	-	-	(32,971)	-	(32,971)
Capital Improvements	122,955	-	-	(122,955)	-	(122,955)
Interest on long-term debt	517,994	-	-	(517,994)	-	(517,994)
Total governmental activities	<u>20,047,642</u>	<u>3,490,015</u>	<u>38,873</u>	<u>(16,518,754)</u>	<u>-</u>	<u>(16,518,754)</u>
Business-type activities:						
Water	8,075,930	8,050,846	-	-	(25,084)	(25,084)
Sewer	200,400	769,497	-	-	569,097	569,097
Senior Citizen Complex	<u>3,377,985</u>	<u>3,883,257</u>	<u>-</u>	<u>-</u>	<u>505,272</u>	<u>505,272</u>
Total business-type activities	<u>11,654,315</u>	<u>12,703,600</u>	<u>-</u>	<u>-</u>	<u>1,049,285</u>	<u>1,049,285</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 31,701,957</u>	<u>\$ 16,193,615</u>	<u>\$ 38,873</u>	<u>\$ (16,518,754)</u>	<u>\$ 1,049,285</u>	<u>\$ (15,469,469)</u>
<b>General revenues:</b>						
Property taxes				\$ 9,075,729	\$ -	\$ 9,075,729
Sales taxes				5,358,896	-	5,358,896
State income taxes				1,927,104	-	1,927,104
Fuel use taxes				638,342	-	638,342
Motor fuel taxes				477,655	-	477,655
Replacement taxes				330,457	-	330,457
Real estate transfer taxes				88,243	-	88,243
Other taxes				752,762	-	752,762
Insurance proceeds				57,555	-	57,555
Unrestricted interest/investment earnings				31,348	27,751	59,099
Other				247,779	24,791	272,570
<b>Transfers</b>				<u>595,407</u>	<u>(595,407)</u>	<u>-</u>
Total general revenues and transfers				<u>19,581,277</u>	<u>(542,865)</u>	<u>19,038,412</u>
<b>CHANGE IN NET ASSETS</b>				<u>3,062,523</u>	<u>506,420</u>	<u>3,568,943</u>
<b>NET ASSETS - BEGINNING</b>				<u>15,035,141</u>	<u>26,148,155</u>	<u>41,183,296</u>
<b>NET ASSETS - ENDING</b>				<u>\$ 18,097,664</u>	<u>\$ 26,654,575</u>	<u>\$ 44,752,239</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**April 30, 2012**

	<b>General</b>	<b>Road and Bridge</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash	\$ 682,429	\$ -	\$ -	\$ -	\$ 682,429
Temporary cash investments	5,511,553	442,263	4,700,456	4,785,357	15,439,629
Receivables (net of allowance for uncollectibles)	6,168,119	294,637	393,176	494,746	7,350,678
Due from other funds	2,392,970	-	211,159	392,822	2,996,951
Prepaid expenses	38,846	3,123	-	-	41,969
Restricted assets:					
Temporary cash investments	1,243,745	-	-	-	1,243,745
<b>TOTAL ASSETS</b>	<b>\$ 16,037,662</b>	<b>\$ 740,023</b>	<b>\$ 5,304,791</b>	<b>\$ 5,672,925</b>	<b>\$ 27,755,401</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>					
<b>LIABILITIES</b>					
Accounts payable and other current liabilities	\$ 1,606,914	\$ 136,622	\$ -	\$ 15,893	\$ 1,759,429
Intergovernmental liability	-	-	14,546	-	14,546
Deferred property and other tax revenue	3,406,847	294,637	393,176	457,322	4,551,982
Due to other funds	939,604	1,881,284	205,504	211,159	3,237,551
Total liabilities	5,953,365	2,312,543	613,226	684,374	9,563,508
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	38,846	3,123	-	-	41,969
Restricted for:					
Police department programs	104,970	-	-	-	104,970
Maintenance of 9-1-1 Emergency Telephone System	-	-	-	709,919	709,919
Tax Increment Financing allocation for project areas	-	-	-	2,886,698	2,886,698
Street maintenance and improvement programs	-	-	-	1,260,202	1,260,202
Fire department programs	-	-	-	131,732	131,732
Debt service	-	-	4,691,565	-	4,691,565
Total restricted fund balance	104,970	-	4,691,565	4,988,551	9,785,086
Assigned for insurance premiums, claims and related expenditures	990,069	-	-	-	990,069
Unassigned	8,950,412	(1,575,643)	-	-	7,374,769
Total fund balances (deficit)	10,084,297	(1,572,520)	4,691,565	4,988,551	18,191,893
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 16,037,662</b>	<b>\$ 740,023</b>	<b>\$ 5,304,791</b>	<b>\$ 5,672,925</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.	16,090,374
Receivables are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,551,982
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(20,736,585)
	<b>\$ 18,097,664</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 (DEFICIT) -**  
**GOVERNMENTAL FUNDS**  
For the Year Ended April 30, 2012

	<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	\$ 15,098,484	\$ 1,056,229	\$ -	\$ 1,056,779	\$ 1,588,908	\$ 18,800,400
Fines	362,579	-	-	-	-	362,579
Licenses and permits	386,584	356,202	-	-	387,025	1,129,811
Grants	38,873	-	-	-	-	38,873
Charges for services	547,336	-	-	-	-	547,336
Investment income	3,124	95	-	27,087	1,041	31,347
Miscellaneous	1,378,217	256,400	-	-	137,941	1,772,558
Total revenues	<u>17,815,197</u>	<u>1,668,926</u>	<u>-</u>	<u>1,083,866</u>	<u>2,114,915</u>	<u>22,682,904</u>
<b>EXPENDITURES</b>						
Current: General government	1,052,539	-	-	-	-	1,052,539
Public safety	10,764,720	-	-	-	316,909	11,081,629
Highways and streets	-	1,506,050	-	-	154,787	1,660,837
Building	209,680	-	-	-	-	209,680
Health and environmental control	1,120,624	-	-	-	-	1,120,624
Insurance	2,663,223	-	-	-	-	2,663,223
Drainage and storm sewers	-	6,276	-	-	-	6,276
Forestry maintenance	-	32,971	-	-	-	32,971
Capital projects	122,955	-	-	-	902,463	1,025,418
Miscellaneous	12,504	-	-	2,633	48,911	64,048
Debt service: Principal retirement	86,392	28,567	-	1,792,479	74,055	1,981,493
Interest and fiscal charges	1,573	1,378	-	458,130	6,631	467,712
Total expenditures	<u>16,034,210</u>	<u>1,575,242</u>	<u>-</u>	<u>2,253,242</u>	<u>1,503,756</u>	<u>21,366,450</u>
Excess (deficiency) of revenues over expenditures	<u>1,780,987</u>	<u>93,684</u>	<u>-</u>	<u>(1,169,376)</u>	<u>611,159</u>	<u>1,316,454</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfer in	81,560	360,929	-	1,410,838	2,691,708	4,545,035
Operating transfer out	(360,929)	(120,000)	-	(2,729,861)	(738,838)	(3,949,628)
Loan proceeds	182,035	124,621	-	-	-	306,656
Sale of Village property	31,836	-	-	-	-	31,836
Total other financing sources (uses)	<u>(65,498)</u>	<u>365,550</u>	<u>-</u>	<u>(1,319,023)</u>	<u>1,952,870</u>	<u>933,899</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>1,715,489</u>	<u>459,234</u>	<u>-</u>	<u>(2,488,399)</u>	<u>2,564,029</u>	<u>2,250,353</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR, AS ORIGINALLY STATED</b>						
	7,707,417	(2,031,754)	661,391	7,179,964	2,424,522	15,941,540
Change in fund designation due to new accounting standards. See Note 1 and Note 6	<u>661,391</u>	<u>-</u>	<u>(661,391)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR, AS RESTATED</b>						
	<u>8,368,808</u>	<u>(2,031,754)</u>	<u>-</u>	<u>7,179,964</u>	<u>2,424,522</u>	<u>15,941,540</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>						
	<u>\$ 10,084,297</u>	<u>\$ (1,572,520)</u>	<u>\$ -</u>	<u>\$ 4,691,565</u>	<u>\$ 4,988,551</u>	<u>\$ 18,191,893</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, 2012**

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)	\$ 2,250,353
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, \$1,500,051, exceeded depreciation, \$1,860,375, in the current period.	(360,324)
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.	(48,734)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the current year effect of these timing differences.	(151,242)
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.	1,605,836
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>(233,366)</u>
<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 14)</b>	<b><u>\$ 3,062,523</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, 2012**

	General				Road and Bridge			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>								
Taxes	\$ 15,000,937	\$ 15,000,937	\$ 14,780,256	\$ (220,681)	\$ 1,362,000	\$ 1,362,000	\$ 1,056,229	\$ (305,771)
Fines	540,000	540,000	369,143	(170,857)	-	-	-	-
Licenses and permits	434,000	434,000	386,584	(47,416)	370,000	370,000	356,202	(13,798)
Grants	113,000	113,000	38,873	(74,127)	-	-	-	-
Charges for services	540,000	540,000	541,011	1,011	-	-	-	-
Investment income	-	-	3,124	3,124	-	-	95	95
Miscellaneous	1,127,500	1,127,500	1,177,753	50,253	604,929	604,929	256,400	(348,529)
Total revenues	<u>17,755,437</u>	<u>17,755,437</u>	<u>17,296,744</u>	<u>(458,693)</u>	<u>2,336,929</u>	<u>2,336,929</u>	<u>1,668,926</u>	<u>(668,003)</u>
<b>EXPENDITURES</b>								
Current:								
General government	1,095,011	1,095,011	684,200	410,811	-	-	-	-
Public safety	10,880,077	10,880,077	10,704,585	175,492	-	-	-	-
Highway and streets	-	-	-	-	1,796,879	1,796,879	1,486,534	310,345
Building	226,197	226,197	209,102	17,095	-	-	-	-
Health and environmental control	1,155,616	1,155,616	1,034,439	121,177	-	-	-	-
Drainage and storm sewers	-	-	-	-	15,600	15,600	6,276	9,324
Forestry maintenance	-	-	-	-	49,450	49,450	19,452	29,998
Insurance	3,064,000	3,064,000	2,550,648	513,352	-	-	-	-
Capital projects	195,000	195,000	122,955	72,045	-	-	-	-
Miscellaneous	13,801	13,801	(1,081)	14,882	-	-	-	-
Debt service:								
Principal retirement	66,775	66,775	86,392	(19,617)	-	-	28,567	(28,567)
Interest and fiscal charges	-	-	1,573	(1,573)	-	-	1,378	(1,378)
Total expenditures	<u>16,696,477</u>	<u>16,696,477</u>	<u>15,392,813</u>	<u>1,303,664</u>	<u>1,861,929</u>	<u>1,861,929</u>	<u>1,542,207</u>	<u>319,722</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 1,058,960</u>	<u>\$ 1,058,960</u>	<u>\$ 1,903,931</u>	<u>\$ 844,971</u>	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 126,719</u>	<u>\$ (348,281)</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**STATEMENT OF NET ASSETS -**  
**PROPRIETARY FUNDS**  
**April 30, 2012**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	3,170,165	331,504	3,501,669
Receivables (net of allowance for uncollectibles)	1,070,481	-	1,070,481
Prepaid insurance/expense	-	3,561	3,561
Due from other funds	469,586	229,279	698,865
Total current assets	<u>4,710,332</u>	<u>564,344</u>	<u>5,274,676</u>
Noncurrent assets:			
Restricted temporary cash investments	1,585,029	3,020,289	4,605,318
Bond issuance costs	66,546	121,214	187,760
Deposits	-	173,770	173,770
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,698,198	18,522,067
Building improvements	36,138	6,748,534	6,784,672
Improvements other than building	-	705,483	705,483
System infrastructure	23,333,129	-	23,333,129
Machinery and equipment	1,638,351	877,991	2,516,342
Vehicles	201,547	-	201,547
Construction in progress	2,074,215	-	2,074,215
Less accumulated depreciation	<u>(12,986,647)</u>	<u>(10,879,075)</u>	<u>(23,865,722)</u>
Total capital assets (net of accumulated depreciation)	<u>18,120,602</u>	<u>14,038,084</u>	<u>32,158,686</u>
Total noncurrent assets	<u>19,772,177</u>	<u>17,353,357</u>	<u>37,125,534</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 24,482,509</u></b>	<b><u>\$ 17,917,701</u></b>	<b><u>\$ 42,400,210</u></b>

	<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	\$ 2,237,039	\$ 72,355	\$ 2,309,394
Accrued interest payable	89,712	109,472	199,184
Security deposits	-	332,060	332,060
Due to other funds	-	486,459	486,459
Current portion of general obligation bonds	200,000	145,745	345,745
Total current liabilities	<u>2,526,751</u>	<u>1,146,091</u>	<u>3,672,842</u>
Current liabilities payable from restricted assets:			
Deposits	<u>26,819</u>	<u>-</u>	<u>26,819</u>
Noncurrent liabilities:			
Compensated absences payable	60,877	-	60,877
Post employment benefit obligation	70,117	-	70,117
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>5,917,059</u>	<u>5,997,921</u>	<u>11,914,980</u>
Total noncurrent liabilities	<u>6,048,053</u>	<u>5,997,921</u>	<u>12,045,974</u>
Total liabilities	<u>8,601,623</u>	<u>7,144,012</u>	<u>15,745,635</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	12,003,543	7,894,418	19,897,961
Unrestricted	<u>3,877,343</u>	<u>2,879,271</u>	<u>6,756,614</u>
Total net assets	<u>15,880,886</u>	<u>10,773,689</u>	<u>26,654,575</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 24,482,509</u>	<u>\$ 17,917,701</u>	<u>\$ 42,400,210</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, 2012**

	<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	\$ 8,712,289	\$ -	\$ 8,712,289
Rental income	-	3,836,864	3,836,864
Other sales and services	128,332	46,393	174,725
Total operating revenues	<u>8,840,621</u>	<u>3,883,257</u>	<u>12,723,878</u>
<b>OPERATING EXPENSES</b>			
Cost of sales and services	7,199,187	2,346,290	9,545,477
Depreciation	796,930	701,288	1,498,218
Total operating expenses	<u>7,996,117</u>	<u>3,047,578</u>	<u>11,043,695</u>
Operating income	<u>844,504</u>	<u>835,679</u>	<u>1,680,183</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Amortization of bond issuance costs	(3,384)	(27,496)	(30,880)
Amortization of underwriter's discount	(2,310)	(4,360)	(6,670)
Amortization of bond premium	2,923	1,590	4,513
Note and bond interest and fiscal charges	(274,519)	(298,551)	(573,070)
Investment earnings	2,228	25,523	27,751
Total non-operating revenues (expenses)	<u>(275,062)</u>	<u>(303,294)</u>	<u>(578,356)</u>
Income before transfers	569,442	532,385	1,101,827
<b>TRANSFERS OUT</b>	<u>(252,000)</u>	<u>(343,407)</u>	<u>(595,407)</u>
Change in net assets	317,442	188,978	506,420
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>15,563,444</u>	<u>10,584,711</u>	<u>26,148,155</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 15,880,886</u>	<u>\$ 10,773,689</u>	<u>\$ 26,654,575</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, 2012

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 8,702,253	\$ 3,882,042	\$ 12,584,295
Payments to suppliers	(6,900,976)	(1,857,939)	(8,758,915)
Payments to employees	(476,736)	(509,608)	(986,344)
Net cash provided by operating activities	<u>1,324,541</u>	<u>1,514,495</u>	<u>2,839,036</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Operating transfers out	<u>(252,000)</u>	<u>(343,407)</u>	<u>(595,407)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of property, building and equipment	(1,165,365)	(86,048)	(1,251,413)
Principal payments on bonds payable	(267,850)	(1,126,520)	(1,394,370)
Interest paid on notes and bonds	(279,076)	(305,323)	(584,399)
Net cash used in capital and related financing activities	<u>(1,712,291)</u>	<u>(1,517,891)</u>	<u>(3,230,182)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Earnings on investments	<u>2,228</u>	<u>25,523</u>	<u>27,751</u>
<b>NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>			
	(637,522)	(321,280)	(958,802)
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>			
	<u>5,392,816</u>	<u>3,673,073</u>	<u>9,065,889</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>			
	<u>\$ 4,755,294</u>	<u>\$ 3,351,793</u>	<u>\$ 8,107,087</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	\$ 844,504	\$ 835,679	\$ 1,680,183
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	796,930	701,288	1,498,218
Effects of changes in operating assets and liabilities:			
Receivables - account customers	13,195	-	13,195
Receivables - unbilled charges	(151,563)	-	(151,563)
Due from other funds	(9,192)	(29,355)	(38,547)
Prepaid insurance/expense	-	188	188
Utility overpayment	2,898	-	2,898
Deposits	-	(1,686)	(1,686)
Accounts payable	(227,791)	9,596	(218,195)
Other accrued expenses	(9,098)	-	(9,098)
Security deposits	-	(1,215)	(1,215)
Post employment benefit obligation	14,650	-	14,650
Compensated absences payable	49,078	-	49,078
Restricted liabilities	930	-	930
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 1,324,541</b>	<b>\$ 1,514,495</b>	<b>\$ 2,839,036</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, 2012**

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension</u>	<u>Firemen's Pension</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,518,696	\$ 1,429,382	\$ 4,948,078
Receivables:			
Contributions	949,011	673,222	1,622,233
Accrued interest	63,114	64,188	127,302
Due from other funds	109,596	-	109,596
Investments, at fair value:			
U.S. Government securities	3,740,981	9,384,465	13,125,446
Corporate bonds	1,053,633	848,331	1,901,964
Mutual funds	4,544,385	6,745,545	11,289,930
Stocks	2,181,566	-	2,181,566
Insurance contracts	-	200,523	200,523
Total assets	<u>16,160,982</u>	<u>19,345,656</u>	<u>35,506,638</u>
<b>LIABILITIES</b>			
Accrued liabilities	13,796	319	14,115
Deferred contributions	949,011	673,222	1,622,233
Due to other funds	-	81,402	81,402
Total liabilities	<u>962,807</u>	<u>754,943</u>	<u>1,717,750</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
	<u>\$ 15,198,175</u>	<u>\$ 18,590,713</u>	<u>\$ 33,788,888</u>

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, 2012**

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 1,774,722	\$ 1,272,947	\$ 3,047,669
Employee	<u>280,863</u>	<u>253,254</u>	<u>534,117</u>
Total contributions	<u>2,055,585</u>	<u>1,526,201</u>	<u>3,581,786</u>
Investment earnings:			
Net appreciation (depreciation) in fair value of investments	(111,451)	200,370	88,919
Dividends	112,662	88,753	201,415
Interest	267,510	268,350	535,860
Miscellaneous income	<u>-</u>	<u>90</u>	<u>90</u>
Total investment earnings	268,721	557,563	826,284
Less investment expense	<u>64,871</u>	<u>88,855</u>	<u>153,726</u>
Net investment earnings	<u>203,850</u>	<u>468,708</u>	<u>672,558</u>
Total additions	<u>2,259,435</u>	<u>1,994,909</u>	<u>4,254,344</u>
<b>DEDUCTIONS</b>			
Retirement benefits	2,086,022	706,704	2,792,726
Duty disability benefits	27,444	503,115	530,559
Surviving spouse benefits	47,228	189,053	236,281
Miscellaneous	<u>21,334</u>	<u>-</u>	<u>21,334</u>
Total deductions	<u>2,182,028</u>	<u>1,398,872</u>	<u>3,580,900</u>
<b>NET INCREASE</b>	77,407	596,037	673,444
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING</b>	<u>15,120,768</u>	<u>17,994,676</u>	<u>33,115,444</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, ENDING</b>	<u>\$ 15,198,175</u>	<u>\$ 18,590,713</u>	<u>\$ 33,788,888</u>

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

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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, 2012**

**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, 2012**

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

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

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 (GASB). 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, 2012**

**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, 2012**

**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, 2012**

**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, 2012**

**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 balances*

Effective May 1, 2011, the Village adopted the provisions of GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. In addition, GASB 54 modified certain fund type definitions. Pursuant to this guidance, the Village was required to report fund balances of the Insurance Fund, previously reported as a special revenue fund, as part of the General Fund. As a result, the Village restated its beginning fund balance in the General Fund in order to properly reflect the reclassification of funds previously reported as Special Revenue Funds.

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

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

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

D. Assets, liabilities, and net assets or equity (continued)

8. *Fund balances* (continued)

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

9. *Reclassifications*

Certain amounts in the 2011 financial statements have been reclassified to conform to the current year presentation, without any impact on the net assets, fund balances, or changes in net assets or fund balances as previously reported. Additionally, the 2011 amounts have been restated for the implementation of GASB 54. See Note 6 for additional information.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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 \$20,736,585 difference are as follows:

Bonds and notes payable	\$ 11,474,458
Less deferred charge on refunding (to be amortized over life of debt)	(290,621)
Less deferred charge for issuance costs (to be amortized over life of debt)	(192,641)
Less net issuance (discount) premium (to be amortized over life of debt)	79,958
Accrued interest payable	157,160
Other payable	244,408
Compensated absences	186,845
Net pension obligation	7,502,184
Post retirement benefit obligation	<u>1,574,834</u>
<b>Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities</b>	<b><u>\$ 20,736,585</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 \$(360,324) difference is as follows:

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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)

Capital outlay	\$ 1,500,051
Depreciation expense	<u>(1,860,375)</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>\$ (360,324)</u></b>

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 \$1,605,836 difference is as follows:

Issuance of notes payable	\$ (306,656)
Principal repayments:	
Note payable debt	150,592
General obligation debt	1,829,059
Amortization of charge on refunding	(53,476)
Amortization of issuance costs	(26,578)
Amortization of bond premiums	25,464
Amortization of bond discounts	<u>(12,569)</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>\$ 1,605,836</u></b>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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 “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 \$(233,366) difference are as follows:

Net pension obligation	\$ 87,337
Post retirement benefit obligation	(340,928)
Accrued interest	21,345
Other liabilities	<u>(1,120)</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><u>\$ (233,366)</u></u></b>

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary information**

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

1. The Village mayor and finance director propose an operating budget based upon requests submitted by individual departments for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Budget hearings are conducted.
3. The Village mayor is authorized to transfer budgeted amounts within departments. Any revision that alters the total expenditure of any department is made through the passage of a resolution. Any revision that alters the total expenditure of any fund is made through the passage of a supplemental appropriations ordinance. Appropriations lapse at year-end.
4. Expenditure budgets for the General Fund, 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, 2012, an expenditure budget was not prepared for the Special Tax Allocation Special Revenue Fund or for the 2009A Bond, 2005B Bond, and Tax Incremental Financing District of the Debt Service Fund.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

**Budgetary information** (continued)

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

<u>Fund</u>	<u>Cash Basis</u>	<u>Accrual Basis</u>	<u>Difference</u>
General:			
Revenues	\$ 17,296,744	\$ 17,815,197	\$ (518,453)
Expenditures	\$ 15,392,813	\$ 16,034,210	\$ (641,397)
Road and Bridge:			
Revenues	\$ 1,668,926	\$ 1,668,926	\$ -
Expenditures	\$ 1,542,207	\$ 1,575,242	\$ (33,035)

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.

**Excess of expenditures over appropriations**

For the year ended April 30, 2012, expenditures exceeded appropriations in the debt service departments of the General Fund and Road and Bridge Fund by \$21,190 and \$29,945, respectively. 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 \$1,572,520 as of April 30, 2012.

**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, 2012, none of the Village's bank balance of \$25,435,141 was exposed to custodial credit risk.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

**Investments**

As of April 30, 2012, the Police and Firemen's Pension trust funds held all of the investments, which are comprised of the following:

<u>Investment Type</u>	<u>Fair Value</u>
U. S. Government securities	\$ 13,125,446
Domestic and international equities	2,181,566
Corporate bonds	1,901,964
Mutual funds	11,289,930
Insurance contracts	<u>200,523</u>
<b>Total</b>	<b><u>\$ 28,699,429</u></b>

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

*Credit Risk.* 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 Guggenheim S&P 500 Pure Growth Fund, a Fidelity Growth Company Fund and a First Midwest EB Large Cap Equity Mutual Fund. These investments are 6.2%, 7.4% and 13.9%, 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. These investments are 5.5% and 6.2%, respectively, of the Police Pension Fund's total investments.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

**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	\$ -	\$ -	\$ -	\$ -	\$ 127,302	\$ 127,302
Taxes	5,859,082	312,687	433,870	-	524,896	7,130,535
Accounts	<u>1,454,582</u>	<u>-</u>	<u>-</u>	<u>1,070,481</u>	<u>1,622,233</u>	<u>4,147,296</u>
Gross receivables	7,313,664	312,687	433,870	1,070,481	2,274,431	11,405,133
Less allowance for uncollectibles	<u>(1,145,545)</u>	<u>(18,050)</u>	<u>(40,694)</u>	<u>-</u>	<u>(30,150)</u>	<u>(1,234,439)</u>
<b>Net total receivables</b>	<u><b>\$6,168,119</b></u>	<u><b>\$ 294,637</b></u>	<u><b>\$ 393,176</b></u>	<u><b>\$1,070,481</b></u>	<u><b>\$2,244,281</b></u>	<u><b>\$10,170,694</b></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:

	<u>Unavailable</u>
Delinquent property and other taxes receivable (General Fund)	\$ 3,406,847
Delinquent property taxes receivable (Special Revenue Funds)	751,959
Delinquent property taxes receivable (Debt Service Fund)	<u>393,176</u>
<b>Total deferred/unearned revenue for governmental funds</b>	<u><b>\$ 4,551,982</b></u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

**C. Capital assets**

Capital asset activity for the year ended April 30, 2012 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	<u>432,164</u>	<u>-</u>	<u>(432,164)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>782,164</u>	<u>-</u>	<u>(432,164)</u>	<u>350,000</u>
Capital assets being depreciated:				
Buildings	8,473,041	-	-	8,473,041
Improvements	1,470,856	17,184	-	1,488,040
System infrastructure	38,034,074	1,351,128	-	39,385,202
Machinery and equipment	3,131,140	204,786	-	3,335,926
Furniture and fixtures	352,459	-	-	352,459
Vehicles	<u>3,898,875</u>	<u>359,117</u>	<u>(199,263)</u>	<u>4,058,729</u>
Total capital assets being depreciated	<u>55,360,445</u>	<u>1,932,215</u>	<u>(199,263)</u>	<u>57,093,397</u>
Less accumulated depreciation for:				
Buildings	(4,082,710)	(215,473)	-	(4,298,183)
Improvements	(976,264)	(58,981)	-	(1,035,245)
System infrastructure	(29,408,269)	(1,188,848)	-	(30,597,117)
Machinery and equipment	(2,123,231)	(192,110)	-	(2,315,341)
Furniture and fixtures	(308,742)	(10,255)	-	(318,997)
Vehicles	<u>(2,743,961)</u>	<u>(194,708)</u>	<u>150,529</u>	<u>(2,788,140)</u>
Total accumulated depreciation	<u>(39,643,177)</u>	<u>(1,860,375)</u>	<u>150,529</u>	<u>(41,353,023)</u>
Total capital assets being depreciated, net	<u>15,717,268</u>	<u>71,840</u>	<u>(48,734)</u>	<u>15,740,374</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 16,499,432</u>	<u>\$ 71,840</u>	<u>\$ (480,898)</u>	<u>\$ 16,090,374</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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>994,526</u>	<u>1,079,689</u>	<u>-</u>	<u>2,074,215</u>
Total capital assets, not being depreciated	<u>2,881,479</u>	<u>1,079,689</u>	<u>-</u>	<u>3,961,168</u>
Capital assets being depreciated:				
Buildings	18,522,067	-	-	18,522,067
Improvements	7,451,249	38,906	-	7,490,155
System infrastructure	23,247,453	85,676	-	23,333,129
Machinery and equipment	2,469,200	47,142	-	2,516,342
Vehicles	<u>201,547</u>	<u>-</u>	<u>-</u>	<u>201,547</u>
Total capital assets being depreciated	<u>51,891,516</u>	<u>171,724</u>	<u>-</u>	<u>52,063,240</u>
Less accumulated depreciation for:				
Buildings	(9,484,468)	(514,399)	-	(9,998,867)
Improvements	(2,786,258)	(294,579)	-	(3,080,837)
System infrastructure	(8,103,845)	(576,767)	-	(8,680,612)
Machinery and equipment	(1,914,839)	(94,299)	-	(2,009,138)
Vehicles	<u>(78,094)</u>	<u>(18,174)</u>	<u>-</u>	<u>(96,268)</u>
Total accumulated depreciation	<u>(22,367,504)</u>	<u>(1,498,218)</u>	<u>-</u>	<u>(23,865,722)</u>
Total capital assets being depreciated, net	<u>29,524,012</u>	<u>(1,326,494)</u>	<u>-</u>	<u>28,197,518</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 32,405,491</u>	<u>\$ (246,805)</u>	<u>\$ -</u>	<u>\$ 32,158,686</u>

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

Government activities:	
General government	\$ 123,142
Public safety	456,810
Highways and streets	1,214,531
Building	<u>65,892</u>
<b>Total</b>	<u>\$ 1,860,375</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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, 2012, is as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Road and Bridge Fund	\$ 1,881,284	\$ -
9-1-1 Emergency Telephone Fund	-	76,954
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Debt Service Fund	128,115	-
Water and Sewer Fund	-	437,186
Senior Citizen Complex Fund	302,169	-
Police Pension Fund	-	109,596
Firemen's Pension Fund	<u>81,402</u>	<u>-</u>
Total	<u>2,392,970</u>	<u>939,604</u>
Road and Bridge Fund:		
General Fund	<u>-</u>	<u>1,881,284</u>
9-1-1 Emergency Telephone Fund:		
General Fund	<u>76,954</u>	<u>-</u>
Special Tax Allocation Fund:		
General Fund	50,525	-
Debt Service Fund	<u>-</u>	<u>211,159</u>
Total	<u>50,525</u>	<u>211,159</u>
Motor Fuel Tax Fund:		
General Fund	<u>265,343</u>	<u>-</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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	-	128,115
Special Tax Allocation Fund	211,159	-
Water and Sewer Fund	-	32,400
Senior Citizen Complex Fund	-	44,989
	<u>211,159</u>	<u>205,504</u>
Total		
Water and Sewer Fund:		
General Fund	437,186	-
Debt Service Fund	32,400	-
	<u>469,586</u>	<u>-</u>
Total		
Senior Citizen Complex Fund:		
General Fund	184,290	486,459
Debt Service Fund	44,989	-
	<u>229,279</u>	<u>486,459</u>
Total		
Police Pension Fund:		
General Fund	109,596	-
	<u>109,596</u>	<u>-</u>
Total		
Firemen's Pension Fund:		
General Fund	-	81,402
	<u>-</u>	<u>81,402</u>
Total		
<b>Total all funds</b>	<u>\$ 3,805,412</u>	<u>\$ 3,805,412</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

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

The composition of interfund transfers as of April 30, 2012, is as follows:

	Transfer In:					Total
	General Fund	Road and Bridge Fund	Debt Service Fund	Special Tax Fund	Capital Projects Fund	
Transfer out:						
General Fund	\$ -	\$ 360,929	\$ -	\$ -	\$ -	\$ 360,929
Motor Fuel Tax Fund	-	-	143,326	-	-	143,326
Road and Bridge Fund	-	-	120,000	-	-	120,000
9-1-1 Emergency Telephone Fund	-	-	47,100	-	-	47,100
Special Allocation Tax Fund	-	-	548,412	-	-	548,412
Debt Service Fund	38,153	-	-	1,789,245	902,463	2,729,861
Waterworks and Sewerage Fund	-	-	252,000	-	-	252,000
Senior Citizen Complex Fund	43,407	-	300,000	-	-	343,407
<b>Total</b>	<u>\$ 81,560</u>	<u>\$ 360,929</u>	<u>\$ 1,410,838</u>	<u>\$ 1,789,245</u>	<u>\$ 902,463</u>	<u>\$ 4,545,035</u>

The purpose of the interfund transfer from the General Fund to the road and bridge fund was to transfer excess funds from the working cash bond in accordance with the bond ordinance. 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 Special Tax Fund was to transfer the excess of real estate taxes received over debt service payments required to the appropriate TIF account. 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.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

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

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

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50 - 5.20%	\$ 4,417,093
Governmental activities - refunding	2.00 - 4.50%	6,735,000
Business-type activities	1.50 - 5.20%	<u>12,215,334</u>
<b>Total general obligation bonds</b>		<b><u>\$ 23,367,427</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>
2013	\$ 2,161,389	\$ 1,056,634	\$ 3,218,023
2014	1,687,458	984,888	2,672,346
2015	1,593,580	927,119	2,520,699
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>\$ 23,367,427</u></b>	<b><u>\$ 11,255,538</u></b>	<b><u>\$ 34,622,965</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	2.99 - 11.27%	<u>\$ 322,365</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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>
2013	\$ 103,443	\$ 10,442	\$ 113,885
2014	69,890	7,568	77,458
2015	57,308	5,208	62,516
2016	48,642	3,202	51,844
2017	<u>43,082</u>	<u>1,518</u>	<u>44,600</u>
<b>Total</b>	<u>\$ 322,365</u>	<u>\$ 27,938</u>	<u>\$ 350,303</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, 2012, \$1,685,000 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, 2012, the defeased debt is no longer 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, 2012, \$3,110,000 of the defeased debt is still outstanding.

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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, 2011, for \$1,000,000 bearing interest at a rate of 3.47% annually. No amounts were drawn against the line during fiscal year 2012. The line matured on January 5, 2012 and was secured by the Village's deposit accounts at First Midwest Bank. This line of credit was renewed on January 5, 2012 for \$1,000,000 bearing interest at a rate of 3.47% annually of which \$0 was outstanding at April 30, 2012. The new line matures on January 5, 2013.

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Government activities:</b>					
Bonds payable:					
General obligation bonds	\$ 12,981,152	\$ -	\$ (1,829,059)	\$ 11,152,093	\$ 1,815,644
Less deferred amounts:					
For issuance costs, discounts and premiums	<u>(470,463)</u>	<u>-</u>	<u>67,159</u>	<u>(403,304)</u>	<u>-</u>
Total bonds payable	12,510,689	-	(1,761,900)	10,748,789	1,815,644
Notes payable	166,301	308,498	(152,434)	322,365	103,443
Compensated absences	185,723	1,122	-	186,845	-
Other long-term liabilities	244,410	-	(2)	244,408	-
Net pension obligation	7,589,521	-	(87,337)	7,502,184	-
Post retirement benefit obligation	<u>1,233,906</u>	<u>340,928</u>	<u>-</u>	<u>1,574,834</u>	<u>-</u>
<b>Governmental activities     long-term liabilities</b>	<u>\$ 21,930,550</u>	<u>\$ 650,548</u>	<u>\$ (2,001,673)</u>	<u>\$ 20,579,425</u>	<u>\$ 1,919,087</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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	\$13,651,646	\$ -	\$ (1,436,312)	\$12,215,334	\$ 345,745
Less deferred amounts:					
For loss on extinguishment of debt	(41,942)	-	41,942	-	-
For premiums and discounts	<u>43,234</u>	<u>6,670</u>	<u>(4,513)</u>	<u>45,391</u>	<u>-</u>
Total bonds payable	13,652,938	6,670	(1,398,883)	12,260,725	345,745
Compensated absences	11,799	49,078	-	60,877	-
Post employment benefit obligation	<u>55,467</u>	<u>14,650</u>	<u>-</u>	<u>70,117</u>	<u>-</u>
<b>Business-type activities long-term liabilities</b>	<u>\$13,720,204</u>	<u>\$ 70,398</u>	<u>\$ (1,398,883)</u>	<u>\$12,391,719</u>	<u>\$ 345,745</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, 2012 is presented below:

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Total</u>
Operating revenues	\$ 8,840,621	\$ 3,883,257	\$12,723,878
Depreciation expense	796,930	701,288	1,498,218
Operating income	844,504	835,679	1,680,183
Net income	317,442	188,978	506,420
Property, plant and equipment additions	1,165,365	86,048	1,251,413
Net working capital	2,183,581	(581,747)	1,601,834
Total assets	24,482,509	17,917,701	42,400,210
Bonds payable and other long-term debt	6,248,053	6,143,666	12,391,719
Net assets	15,880,886	10,773,689	26,654,575
Operating transfers out	252,000	343,407	595,407

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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, 2012, the Village owes \$88,091 for medical claims; this liability is accrued in the General Fund.

**B. Subsequent events**

Subsequent to April 30, 2012, the Village approved a bond issuance of \$1,600,000 related to its participation in the South Suburban Joint Action Water Agency. Terms of the bond had yet to be finalized as of the date of this report.

From May through September 2012, the Village approved contracts totaling approximately \$400,000 for road resurfacing.

**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, 2012**

**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 supplementary 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 2012 are based on the December 31, 2011 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	31
Active plan members	<u>37</u>	<u>32</u>
<b>Total</b>	<u><u>69</u></u>	<u><u>63</u></u>

**VILLAGE OF ALSIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2012**

**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 supplementary 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, 2011 and the PPP and FPP as of April 30, 2011, 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 Percentage of Covered Payroll (3) ÷ (5)</u>
IMRF	\$ 5,094,069	\$ 7,846,334	\$ 2,752,265	64.92%	\$ 3,014,722	91.29%
PPP	15,120,768	39,303,606	24,182,838	38.47%	2,642,412	915.18%
FPP	17,994,677	31,388,304	13,393,627	57.33%	2,467,342	542.84%

The schedule of funding progress presented as Required Supplementary 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, 2012**

**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 have 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 supplementary 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, 2012**

**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	14.93%	65.53%	48.76%	N/A
Plan members	4.50%	9.91%	9.46%	0.00%
Annual pension/OPEB cost	\$461,252	\$1,741,031	\$1,219,299	\$701,243
Contributions made	\$450,098	\$1,731,455	\$1,272,947	\$345,665
Actuarial valuation date	December 31, 2011	April 30, 2011	April 30, 2011	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	22 years	22 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, 2012**

**NOTE 6 - RESTATEMENT DUE TO IMPLEMENTATION OF NEW ACCOUNTING  
STANDARD**

For the year ended April 30, 2012, the Village implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As a result of implementing GASB 54, the Insurance Fund, previously reported as a Special Revenue Fund, no longer meets the criteria for reporting. The fund balance in the General Fund has been increased accordingly in the amount of \$661,391 and \$495,506, as of the beginning of 2012 and 2011, respectively, for the effect of the retroactive application of GASB 54.

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF ALSIP, ILLINOIS**  
**REQUIRED PENSION AND RETIREMENT INFORMATION**  
**April 30, 2012**

**I. SCHEDULE OF FUNDING PROGRESS**

**Illinois Municipal Retirement Fund**

	(1)	(2)	(3) (Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)	(4)	(5)	(6)
<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL) Entry Age</b>		<b>Funded Ratio (1) ÷ (2)</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
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%
12/31/11	\$5,094,069	\$7,846,334	\$2,752,265	64.92%	\$3,014,722	91.29%

**Police Pension Fund**

	(1)	(2)	(3) Unfunded AAL (2) - (1)	(4)	(5)	(6)
<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liabilities (AAL)</b>		<b>Funded Ratio (1) ÷ (2)</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (3) ÷ (5)</b>
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%
4/30/11	\$15,120,768	\$39,303,606	\$24,182,838	38.47%	\$2,642,412	915.18%

**VILLAGE OF ALSIP, ILLINOIS  
REQUIRED PENSION AND RETIREMENT INFORMATION  
April 30, 2012**

**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>
4/30/02	\$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%
4/30/11	\$17,994,677	\$31,388,304	\$13,393,627	57.33%	\$2,467,342	542.84%

**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, 2012**

**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	12/31/02	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%	-
	12/31/11	461,252	98%	-
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%	4,891,889
	4/30/11	1,741,031	99%	4,858,198
Firemen's Pension Fund	4/30/02	773,398	80%	1,722,707
	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	1,179,034	103%	2,721,705
	4/30/11	1,219,299	104%	2,643,626
Retired Employees' Health Insurance	4/30/06	612,210	56%	270,021
	4/30/07	647,321	71%	456,694
	4/30/08	650,433	71%	646,477
	4/30/09	712,077	43%	1,052,726
	4/30/10	697,298	66%	1,289,373
	4/30/11	701,243	49%	1,644,951

**VILLAGE OF ALSIP, ILLINOIS**  
**REQUIRED PENSION AND RETIREMENT INFORMATION**  
**April 30, 2012**

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

	<u><b>2012</b></u>	<u><b>2011</b></u>
Annual required contribution	\$ 679,753	\$ 679,753
Interest on net OPEB obligation	64,469	52,636
Adjustment to annual required contribution	<u>(42,979)</u>	<u>(35,091)</u>
Annual OPEB cost	701,243	697,298
Contributions made	<u>(345,665)</u>	<u>(460,651)</u>
Increase in net OPEB obligation	355,578	236,647
Net OPEB obligation, beginning of year	<u>1,289,373</u>	<u>1,052,726</u>
<b>Net OPEB obligation, end of year</b>	<u><b>\$ 1,644,951</b></u>	<u><b>\$ 1,289,373</b></u>

**SUPPLEMENTARY INFORMATION**

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u>2012</u>	<u>2011</u>
Cash	\$ 682,429	\$ 790,482
Temporary cash investment	5,511,553	3,866,756
Restricted assets:		
Temporary cash investment	1,243,745	946,593
Receivables (net of allowance for uncollectibles):		
Taxes	5,661,308	5,546,950
Accounts	506,811	476,975
Due from other funds	2,392,970	2,476,363
Prepaid expense	<u>38,846</u>	<u>95,898</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 16,037,662</u></b>	<b><u>\$ 14,200,017</u></b>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable	\$ 1,259,316	\$ 515,693
Accrued medical claims	88,091	183,070
Other accrued expenses	259,507	214,564
Due to other funds	939,604	1,298,415
Deferred revenue:		
Property and other taxes	3,406,847	3,610,717
Other	<u>-</u>	<u>8,750</u>
Total liabilities	<u>5,953,365</u>	<u>5,831,209</u>

**FUND BALANCES**

Nonspendable	38,846	95,898
Restricted for police department programs	104,970	143,210
Assigned for insurance premiums, claims and related expenditures	990,069	666,767
Unassigned	<u>8,950,412</u>	<u>7,462,933</u>
Total fund balances	<u>10,084,297</u>	<u>8,368,808</u>

<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 16,037,662</u></b>	<b><u>\$ 14,200,017</u></b>
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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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Taxes:		
Property tax	\$ 6,803,920	\$ 6,199,840
Sales tax	5,358,896	5,118,425
State income tax	1,914,828	2,005,627
Mini-warehouse tax	198,696	180,099
Hotel/motel tax	417,952	395,161
Replacement tax	315,949	366,009
Transfer tax	<u>88,243</u>	<u>106,477</u>
Total taxes	<u>15,098,484</u>	<u>14,371,638</u>
Miscellaneous revenue:		
Flea market fees	174,828	173,353
Miscellaneous income	181,224	217,805
Police seizure income	20,254	7,468
Damage to Village property - insurance reimbursements	44,917	32,581
Miscellaneous fees	650,486	706,103
Cable TV franchise fees	297,620	284,909
Boat launch fee	<u>8,888</u>	<u>11,153</u>
Total miscellaneous revenue	<u>1,378,217</u>	<u>1,433,372</u>
Police and court fines	362,579	495,422
Licenses and permits	386,584	325,321
Grants	38,873	71,395
Charges for services	547,336	522,530
Interest	<u>3,124</u>	<u>6,804</u>
Total	<u>1,338,496</u>	<u>1,421,472</u>
Total revenues	<u>17,815,197</u>	<u>17,226,482</u>
<b>EXPENDITURES</b>		
General government:		
Administrative department	177,333	131,381
Planning commission	3,690	4,223
Police and fire commission	8,386	31,222
Social Security and IMRF	529,622	482,527
Finance department	138,243	98,274
Village clerk department	85,473	55,531
Village hall department	<u>109,792</u>	<u>88,877</u>
Total general government	<u>1,052,539</u>	<u>892,035</u>

	<u>2012</u>	<u>2011</u>
<b>EXPENDITURES</b> (continued)		
Public safety:		
Civil defense	9,569	9,537
Fire department	3,438,747	3,232,789
Fire department ambulance service	1,260,090	1,272,141
Police department	<u>6,056,314</u>	<u>5,456,017</u>
Total public safety	<u>10,764,720</u>	<u>9,970,484</u>
Building department	209,680	194,457
Health and environmental control department	1,120,624	1,121,186
Insurance department	2,663,223	2,514,631
Boat launch	12,504	7,267
Capital improvements	122,955	-
Debt service	<u>87,965</u>	<u>106,100</u>
Total	<u>4,216,951</u>	<u>3,943,641</u>
Total expenditures	<u>16,034,210</u>	<u>14,806,160</u>
Excess of revenues over expenditures	1,780,987	2,420,322
<b>OTHER FINANCING SOURCES (USES)</b>		
Loan proceeds	182,035	-
Operating transfers in	81,560	139,506
Operating transfer out	(360,929)	-
Sale of Village property	<u>31,836</u>	<u>-</u>
Total other financing sources (uses)	<u>(65,498)</u>	<u>139,506</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>1,715,489</u>	<u>2,559,828</u>
<b>FUND BALANCE, BEGINNING OF YEAR AS ORIGINALLY STATED</b>	8,368,808	5,313,474
Change in fund designation due to new accounting standards See Note 1 and Note 6	<u>-</u>	<u>495,506</u>
<b>FUND BALANCE, BEGINNING OF YEAR AS RESTATED</b>	<u>8,368,808</u>	<u>5,808,980</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 10,084,297</u>	<u>\$ 8,368,808</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>GENERAL GOVERNMENT</b>		
<b>Administrative Department:</b>		
Salary - mayor	\$ 95,535	\$ 92,500
Salary - secretary	48,195	45,972
Compensation - trustees	76,414	75,600
Hotel/motel tax	65,794	61,943
Membership and dues	6,495	7,121
Legal retainer	12,000	12,000
Legal fees - other	127,370	175,633
Engineering fees	-	1,899
Contingent expenses	19,544	22,188
Newsletter expense	3,103	5,054
Employee travel	444	469
Office expense	272	1,185
Other expense	152,490	144,861
Reimbursements from other funds	<u>(430,323)</u>	<u>(515,044)</u>
Total administrative department	<u>177,333</u>	<u>131,381</u>
<b>Planning Commission:</b>		
Staff expense	317	1,581
Secretarial services	3,069	338
Legal	-	2,000
Contingent expense	<u>304</u>	<u>304</u>
Total planning commission	<u>3,690</u>	<u>4,223</u>
<b>Police and Fire Commission:</b>		
Secretarial service	150	-
Legal fees	-	5,375
Examinations	4,535	19,895
Staff expense	2,885	5,217
Office supplies	-	486
Printing and publications	<u>816</u>	<u>249</u>
Total police and fire commission	<u>8,386</u>	<u>31,222</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>GENERAL GOVERNMENT</b>		
<b>Social Security and IMRF:</b>		
Social Security and IMRF	499,166	469,352
Unemployment insurance	30,456	13,175
	<hr/>	<hr/>
Total Social Security and IMRF	529,622	482,527
	<hr/>	<hr/>
<b>Finance Department:</b>		
Salary - finance director and staff	257,710	252,993
Salary - computer operator	77,866	80,410
Payroll service and administrator	13,467	14,607
Purchase computer equipment	4,248	11,162
Computer forms and supplies	6,393	4,666
Computer maintenance	48,061	49,604
Office supplies	1,167	1,411
Accounting service	61,285	63,551
Contingent expense	3,510	3,133
Legal	-	2,000
Reimbursements from other funds	(335,464)	(385,263)
	<hr/>	<hr/>
Total finance department	138,243	98,274
	<hr/>	<hr/>
<b>Village Clerk Department:</b>		
Salary - village clerk	16,132	15,700
Salary - recording secretary	4,712	4,535
Salaries - clerical	169,592	159,992
Telephone expense	67,564	54,124
Postage expense	15,000	18,000
Contingent expense	1,641	2,015
Legal advertising	2,079	2,508
Codification	2,659	2,615
Decals and tags	564	670
Repair - office equipment	65	240
Equipment rental	8,082	8,286
Office supplies	3,080	3,402
Printing	1,716	1,137
Reimbursements from other funds	(207,413)	(217,693)
	<hr/>	<hr/>
Total village clerk department	85,473	55,531
	<hr/>	<hr/>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>GENERAL GOVERNMENT</b>		
<b>Village Hall Department:</b>		
Salary - wages	28,727	23,618
Salary - custodian	9,363	9,327
Maintain village hall	31,778	24,693
Contract repair and utilities	25,653	20,652
Cleaning supplies	12,561	10,587
Purchase new equipment	1,710	-
	<hr/>	<hr/>
Total village hall department	109,792	88,877
	<hr/>	<hr/>
Total General Government	1,052,539	892,035
	<hr/>	<hr/>
<b>PUBLIC SAFETY</b>		
<b>Civil Defense:</b>		
Salary - director	8,487	8,487
Repair - warning systems	1,082	1,050
	<hr/>	<hr/>
Total civil defense	9,569	9,537
	<hr/>	<hr/>
<b>Fire Department:</b>		
Salaries - all firemen	1,617,241	1,606,659
Volunteers, paid calls, and overtime	193,167	155,813
Holiday pay	29,464	30,989
Salaries - incentive pay	27,404	26,345
Retirement buyout	33,540	76,953
Publications and membership	6,236	5,519
Repair - fire trucks	20,984	30,163
Repair - radio equipment	6,704	3,494
Maintenance - fire stations	19,349	16,857
Utilities - fire stations	3,844	3,110
Fire prevention expense	3,148	1,712
Contingent expense	2,176	1,129
Purchase fire equipment	145,692	25,264
Purchase radio equipment	4,415	3,283
Education reimbursement	7,140	1,104
Gasoline and oil	14,300	12,000
Clothing allowance	6,119	3,347
Training materials	789	285
Physical examinations	10,764	13,326
Copy machine rental	5,065	3,080

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>PUBLIC SAFETY</b>		
<b>Fire Department:</b> (continued)		
Office supplies	8,315	9,285
Firemen's pension contribution	<u>1,272,891</u>	<u>1,203,072</u>
Total fire department	<u>3,438,747</u>	<u>3,232,789</u>
<b>Fire Department Ambulance Service:</b>		
Salaries - ambulance personnel	1,109,542	1,108,606
Holiday pay	26,863	27,294
Retirement buyout	-	16,196
Repairs - ambulance	18,313	20,849
Maintenance - stations	22,406	21,944
Contingent expense	1,713	1,637
Ambulance supplies	13,969	11,869
Gasoline and oil	14,013	13,754
Clothing allowance	11,628	8,701
Office supplies	1,512	993
Collection fees	<u>40,131</u>	<u>40,298</u>
Total fire department ambulance service	<u>1,260,090</u>	<u>1,272,141</u>
<b>Police Department:</b>		
Salaries - policemen	2,850,858	2,658,781
Salaries - clerical	135,795	140,456
Salaries - communications	460,341	420,239
Salaries - overtime	212,257	107,564
Salaries - crossing guards	25,423	23,404
Salaries - municipal court	36,000	36,096
Purchase equipment	193	14,806
Holiday pay	47,262	73,675
Impoundments	3,045	3,521
Clothing allowance	50,255	2,718
Purchase vehicles	93,774	-
Miscellaneous vehicle equipment	60,764	12,732
Equipment poundmasters and traffic safety	6,900	960
Computer purchase	12,280	14,747
Purchase office furniture	-	568
Photo supplies and rental	7,458	8,421
Gasoline and oil	108,424	93,132
Firearms and ammunition	10,439	4,838
Investigative aids	16,418	19,404
Training	14,072	3,821
Crime prevention	3,224	5,159

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>PUBLIC SAFETY</b>		
<b>Police Department: (continued)</b>		
Vehicle maintenance	58,779	39,892
Radio equipment repair and maintenance contract	36,218	12,526
Repair - office equipment	440	405
Contingent expense	14,388	14,699
Publications, membership and dues	3,460	1,000
Prisoner food/care	1,116	947
Physical examination fee	4,590	2,690
Office supplies	7,501	7,480
Police pension contribution	<u>1,774,640</u>	<u>1,731,336</u>
Total police department	<u>6,056,314</u>	<u>5,456,017</u>
Total Public Safety	<u>10,764,720</u>	<u>9,970,484</u>
 <b>BUILDING DEPARTMENT</b>		
Salary - commissioner	91,838	89,429
Salaries - clerical	86,173	80,755
Salaries - building inspectors	10,100	7,055
Salaries - electrical inspectors	2,318	1,939
Salaries - plumbing inspectors	1,436	918
Outside inspection fee	3,392	3,232
Contingent expense	927	1,458
Legal	-	2,000
Research, testing, and plan review	7,316	6,277
Office equipment and supplies	<u>6,180</u>	<u>1,394</u>
Total Building Department	<u>209,680</u>	<u>194,457</u>
 <b>HEALTH AND ENVIRONMENTAL CONTROL DEPARTMENT</b>		
Salary - commissioner	17,500	17,500
Part-time inspector/office assistant	35,552	34,114
Dues and memberships	200	175
Refuse contract	1,061,919	1,065,054
Rodent control contract	2,560	2,720
Equipment maintenance	281	216
Contingent expense	2,184	1,407
Supplies	<u>428</u>	<u>-</u>
Total Health and Environmental Control Department	<u>1,120,624</u>	<u>1,121,186</u>

**VILLAGE OF ALSIP, ILLINOIS  
GENERAL FUND  
COMPARATIVE STATEMENT OF EXPENDITURES  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>INSURANCE DEPARTMENT</b>		
General liability	9,728	17,691
Liability - public official and police	103,967	88,935
Comprehensive general, automobile, umbrella and workmen's compensation	584,580	585,554
Group health and life	2,334,948	2,092,451
Reimbursements from other funds	<u>(370,000)</u>	<u>(270,000)</u>
Total Insurance Department	<u>2,663,223</u>	<u>2,514,631</u>
 <b>BOAT LAUNCH</b>		
Salary - wages	3,038	3,996
Utilities	660	872
Grounds and maintenance	8,540	1,918
Telephone expense	266	287
Physicals	<u>-</u>	<u>194</u>
Total Boat Launch	<u>12,504</u>	<u>7,267</u>
 <b>CAPITAL IMPROVEMENTS</b>	<u>122,955</u>	<u>-</u>
 <b>DEBT SERVICE</b>	<u>87,965</u>	<u>106,100</u>
 <b>TOTAL GENERAL FUND EXPENDITURES</b>	<u>\$ 16,034,210</u>	<u>\$ 14,806,160</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
April 30, 2012  
with Comparative Totals at April 30, 2011**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2012	2011
<b>ASSETS</b>							
Temporary cash investments	\$ 442,263	\$ 632,965	\$ 3,052,108	\$ 968,552	\$ 131,732	\$ 5,227,620	\$ 2,406,800
Receivables (net of allowance for uncollectibles):							
Taxes	294,637	-	457,322	-	-	751,959	519,513
Other	-	-	-	37,424	-	37,424	40,711
Prepaid expense	3,123	-	-	-	-	3,123	2,863
Due from other funds	-	76,954	50,525	265,343	-	392,822	392,822
<b>TOTAL ASSETS</b>	<b>\$ 740,023</b>	<b>\$ 709,919</b>	<b>\$ 3,559,955</b>	<b>\$ 1,271,319</b>	<b>\$ 131,732</b>	<b>\$ 6,412,948</b>	<b>\$ 3,362,709</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>							
Liabilities:							
Accounts payable	\$ 91,761	\$ -	\$ 4,776	\$ 11,117	\$ -	\$ 107,654	\$ 110,961
Other accrued expenses	44,861	-	-	-	-	44,861	35,515
Deferred property tax revenue	294,637	-	457,322	-	-	751,959	519,513
Due to other funds	1,881,284	-	211,159	-	-	2,092,443	2,303,952
Total liabilities	2,312,543	-	673,257	11,117	-	2,996,917	2,969,941
Fund balances (deficit):							
Nonspendable	3,123	-	-	-	-	3,123	2,863
Restricted for:							
Maintenance of 9-1-1 Emergency Telephone System	-	709,919	-	-	-	709,919	678,941
Tax Increment Financing allocation for project areas	-	-	2,886,698	-	-	2,886,698	719,466
Street maintenance and improvement programs	-	-	-	1,260,202	-	1,260,202	959,708
Fire department programs	-	-	-	-	131,732	131,732	66,407
Total restricted fund balance	-	709,919	2,886,698	1,260,202	131,732	4,988,551	2,424,522
Unassigned	(1,575,643)	-	-	-	-	(1,575,643)	(2,034,617)
Total fund balances (deficit)	(1,572,520)	709,919	2,886,698	1,260,202	131,732	3,416,031	392,768
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 740,023</b>	<b>\$ 709,919</b>	<b>\$ 3,559,955</b>	<b>\$ 1,271,319</b>	<b>\$ 131,732</b>	<b>\$ 6,412,948</b>	<b>\$ 3,362,709</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, 2012**  
**with Comparative Totals for the Year Ended April 30, 2011**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2012	2011
<b>REVENUES</b>							
Taxes	\$ 1,056,229	\$ -	\$ 975,139	\$ 477,655	\$ 136,114	\$ 2,645,137	\$ 2,465,872
Licenses and permits	356,202	387,025	-	-	-	743,227	925,670
Interest	95	241	171	533	96	1,136	2,847
Miscellaneous	256,400	17,522	-	120,419	-	394,341	273,867
Total revenues	<u>1,668,926</u>	<u>404,788</u>	<u>975,310</u>	<u>598,607</u>	<u>136,210</u>	<u>3,783,841</u>	<u>3,668,256</u>
<b>EXPENDITURES</b>							
Public safety	-	246,024	-	-	70,885	316,909	437,593
Highways and streets	1,506,050	-	-	154,787	-	1,660,837	1,427,191
Drainage and storm sewers	6,276	-	-	-	-	6,276	3,556
Forestry maintenance	32,971	-	-	-	-	32,971	14,362
Miscellaneous	-	-	48,911	-	-	48,911	365,012
Debt service	29,945	80,686	-	-	-	110,631	107,480
Total expenditures	<u>1,575,242</u>	<u>326,710</u>	<u>48,911</u>	<u>154,787</u>	<u>70,885</u>	<u>2,176,535</u>	<u>2,355,194</u>
Excess of revenues over expenditures	<u>93,684</u>	<u>78,078</u>	<u>926,399</u>	<u>443,820</u>	<u>65,325</u>	<u>1,607,306</u>	<u>1,313,062</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	360,929	-	1,789,245	-	-	2,150,174	-
Operating transfers out	(120,000)	(47,100)	(548,412)	(143,326)	-	(858,838)	(836,729)
Loan proceeds	124,621	-	-	-	-	124,621	-
Total other financing sources (uses)	<u>365,550</u>	<u>(47,100)</u>	<u>1,240,833</u>	<u>(143,326)</u>	<u>-</u>	<u>1,415,957</u>	<u>(836,729)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>459,234</u>	<u>30,978</u>	<u>2,167,232</u>	<u>300,494</u>	<u>65,325</u>	<u>3,023,263</u>	<u>476,333</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS ORIGINALLY STATED</b>	<u>(2,031,754)</u>	<u>678,941</u>	<u>719,466</u>	<u>959,708</u>	<u>66,407</u>	<u>392,768</u>	<u>411,941</u>
Change in fund designation due to new accounting standards. See Note 1 and Note 6	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(495,506)</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS RESTATED</b>	<u>(2,031,754)</u>	<u>678,941</u>	<u>719,466</u>	<u>959,708</u>	<u>66,407</u>	<u>392,768</u>	<u>(83,565)</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ (1,572,520)</u>	<u>\$ 709,919</u>	<u>\$ 2,886,698</u>	<u>\$ 1,260,202</u>	<u>\$ 131,732</u>	<u>\$ 3,416,031</u>	<u>\$ 392,768</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
ROAD AND BRIDGE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u>2012</u>	<u>2011</u>
Temporary cash investment	\$ 442,263	\$ 144,578
Receivable (net of allowance for uncollectibles):		
Taxes	294,637	115,651
Prepaid expense	<u>3,123</u>	<u>2,863</u>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 740,023</u></b>	 <b><u>\$ 263,092</u></b>

**LIABILITIES AND FUND DEFICIT**

**LIABILITIES**

Accounts payable	\$ 91,761	\$ 71,103
Other accrued expenses	44,861	15,299
Deferred property tax revenue	294,637	115,651
Due to other funds	<u>1,881,284</u>	<u>2,092,793</u>
Total liabilities	<u>2,312,543</u>	<u>2,294,846</u>

**FUND DEFICIT**

Nonspendable	3,123	2,863
Unassigned	<u>(1,575,643)</u>	<u>(2,034,617)</u>
Total fund deficit	<u>(1,572,520)</u>	<u>(2,031,754)</u>

<b>TOTAL LIABILITIES AND FUND DEFICIT</b>	<b><u>\$ 740,023</u></b>	<b><u>\$ 263,092</u></b>
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**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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Property taxes	\$ 403,379	\$ 156,920
Replacement tax	14,508	18,763
Fuel use tax	638,342	669,964
Vehicle license	356,202	368,125
Garage fees	199,000	199,000
Waste transfer fee	11,579	11,627
Property rental	14,400	14,400
Miscellaneous income	31,421	15,959
Interest income	95	172
	<hr/>	<hr/>
Total revenues	1,668,926	1,454,930
 <b>EXPENDITURES</b>		
Street department:		
Salary - superintendent	90,798	88,412
Wages	629,458	557,757
Engineering fees	2,165	1,276
Purchase new equipment and vehicles	136,113	2,307
Uniforms	5,348	6,191
Purchase street signs	517	4,591
Resurface and repair streets	53,938	59,509
Sidewalk repair and maintenance	28,482	-
Purchase salt	75,098	112,885
Village vehicle stickers	10,651	13,437
Gasoline and oil	30,355	35,030
Equipment and repair	18,828	19,430
Equipment maintenance	13,651	12,476
Purchase radio communication	4,009	130
Garage maintenance and supplies	33,252	19,502
Utilities	4,564	6,176
Energy charge - street lights	32,847	44,508
Insurance and administrative	120,000	20,000
Social Security and IMRF	165,461	156,175
Unemployment insurance	4,043	5,390
Contingent expense	1,960	1,920
Dumping charges	19,819	14,605
Office supplies	1,115	939
Training	1,215	898
Refunds	416	460
Equipment rental - pagers	1,789	1,851
Cleaning supplies	17,416	14,810
Physicals	469	536
JULIE charges	1,896	1,055
Chemicals - West Nile Virus	377	-
	<hr/>	<hr/>
Total street department	1,506,050	1,202,256

	<u>2012</u>	<u>2011</u>
<b>EXPENDITURES (continued)</b>		
Drainage and storm sewers:		
Engineering fees	3,800	-
Supplies	1,476	299
Maintenance - storm sewers	-	1,361
Contingent expense	<u>1,000</u>	<u>1,896</u>
Total drainage and storm sewers	<u>6,276</u>	<u>3,556</u>
Forestry maintenance:		
Equipment purchase	3,373	913
Equipment maintenance	1,930	1,362
Forestry maintenance	25,499	10,512
Equipment repairs	<u>2,169</u>	<u>1,575</u>
Total forestry maintenance	<u>32,971</u>	<u>14,362</u>
Debt service	<u>29,945</u>	<u>25,468</u>
Total expenditures	<u>1,575,242</u>	<u>1,245,642</u>
Excess of revenues over expenditures	93,684	209,288
 <b>OTHER FINANCING SOURCES (USES)</b>		
Loan proceeds	124,621	-
Operating transfers in	360,929	-
Operating transfers out	<u>(120,000)</u>	<u>(110,000)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	459,234	99,288
 <b>FUND DEFICIT, BEGINNING OF YEAR</b>	<u>(2,031,754)</u>	<u>(2,131,042)</u>
 <b>FUND DEFICIT, END OF YEAR</b>	<u>\$ (1,572,520)</u>	<u>\$ (2,031,754)</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
9-1-1 EMERGENCY TELEPHONE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u><b>2012</b></u>	<u><b>2011</b></u>
Temporary cash investment	\$ 632,965	\$ 622,203
Due from other funds	<u>76,954</u>	<u>76,954</u>
 <b>TOTAL ASSETS</b>	 <u><b>\$ 709,919</b></u>	 <u><b>\$ 699,157</b></u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

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

Restricted for maintenance of 9-1-1 Emergency Telephone System	<u>709,919</u>	<u>678,941</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><b>\$ 709,919</b></u>	<u><b>\$ 699,157</b></u>
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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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Surcharge fees	\$ 387,025	\$ 557,545
Interest income	241	939
Miscellaneous income	<u>17,522</u>	<u>1,000</u>
Total revenues	<u>404,788</u>	<u>559,484</u>
 <b>EXPENDITURES</b>		
Wages	100,000	148,500
Telephone charges	46,395	48,975
Equipment purchases	99,349	88,216
Maintenance	280	1,413
Debt service	<u>80,686</u>	<u>82,012</u>
Total expenditures	<u>326,710</u>	<u>369,116</u>
Excess of revenues over expenditures	78,078	190,368
 <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	30,978	143,268
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	 <u>678,941</u>	 <u>535,673</u>
 <b>FUND BALANCE, END OF YEAR</b>	 <u>\$ 709,919</u>	 <u>\$ 678,941</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
SPECIAL TAX ALLOCATION FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u><b>2012</b></u>	<u><b>2011</b></u>
Temporary cash investment	\$ 3,052,108	\$ 880,144
Receivable (net of allowance for uncollectibles):		
Taxes	457,322	403,862
Due from other funds	<u>50,525</u>	<u>50,525</u>
 <b>TOTAL ASSETS</b>	 <u><b>\$ 3,559,955</b></u>	 <u><b>\$ 1,334,531</b></u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 4,776	\$ 44
Deferred property tax revenue	457,322	403,862
Due to other funds	<u>211,159</u>	<u>211,159</u>
Total liabilities	673,257	615,065

**FUND BALANCE**

Restricted for Tax Increment Financing allocation for project areas	<u>2,886,698</u>	<u>719,466</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u><b>\$ 3,559,955</b></u>	 <u><b>\$ 1,334,531</b></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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Property taxes	\$ 975,139	\$ 920,729
Interest income	171	766
	<hr/>	<hr/>
Total revenues	975,310	921,495
	<hr/>	<hr/>
<b>EXPENDITURES</b>		
Bank fees	-	7,749
Legal fees	44,911	53,263
Surplus distribution	-	300,000
Contingencies	4,000	4,000
	<hr/>	<hr/>
Total expenditures	48,911	365,012
	<hr/>	<hr/>
Excess of revenues over expenditures	926,399	556,483
 <b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers out	(548,412)	(523,388)
Operating transfers in	1,789,245	-
	<hr/>	<hr/>
Total other financing sources (uses)	1,240,833	(523,388)
	<hr/>	<hr/>
Excess of revenues and other financing sources over expenditures and other financing uses	2,167,232	33,095
	<hr/>	<hr/>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>719,466</u>	<u>686,371</u>
	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 2,886,698</u>	<u>\$ 719,466</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
MOTOR FUEL TAX FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u><b>2012</b></u>	<u><b>2011</b></u>
Temporary cash investment	\$ 968,552	\$ 693,468
Receivables:		
Allotments from the State of Illinois	37,424	40,711
Due from other funds	<u>265,343</u>	<u>265,343</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 1,271,319</u></u>	 <u><u>\$ 999,522</u></u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 11,117	\$ 39,814
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**FUND BALANCE**

Restricted for street maintenance and improvement programs	<u>1,260,202</u>	<u>959,708</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 1,271,319</u></u>	<u><u>\$ 999,522</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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
State allotments	\$ 477,655	\$ 499,007
Interest income	533	857
Miscellaneous income	<u>120,419</u>	<u>117,540</u>
Total revenues	<u>598,607</u>	<u>617,404</u>
 <b>EXPENDITURES</b>		
General maintenance	102,156	115,378
Road maintenance	<u>52,631</u>	<u>109,557</u>
Total expenditures	<u>154,787</u>	<u>224,935</u>
Excess of revenues over expenditures	443,820	392,469
 <b>OTHER FINANCING USES</b>		
Operating transfers out	<u>(143,326)</u>	<u>(156,241)</u>
Excess of revenues over expenditures and other financing uses	300,494	236,228
 <b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>959,708</u>	<u>723,480</u>
 <b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,260,202</u>	<u>\$ 959,708</u>

**VILLAGE OF ALSIP, ILLINOIS  
SPECIAL REVENUE FUNDS  
FOREIGN FIRE INSURANCE TAX FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u><b>2012</b></u>	<u><b>2011</b></u>
Temporary cash investment	\$ <u>131,732</u>	\$ <u>66,407</u>
<b>TOTAL ASSETS</b>	<u>\$ 131,732</u>	<u>\$ 66,407</u>

**LIABILITIES AND FUND BALANCE**

**FUND BALANCE**

Restricted for fire department programs	\$ <u>131,732</u>	\$ <u>66,407</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 131,732</u>	<u>\$ 66,407</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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Foreign fire insurance tax	\$ 136,114	\$ 114,830
Interest income	<u>96</u>	<u>113</u>
Total revenues	<u>136,210</u>	<u>114,943</u>
 <b>EXPENDITURES</b>		
Clothing allowance	2,511	3,490
Ambulance supplies	2,776	4,646
Furniture and fixtures	1,153	4,423
Equipment and supplies	46,399	74,412
Public education materials	-	468
Training	13,674	3,254
Vehicle	-	54,766
Contingent expense	<u>4,372</u>	<u>5,030</u>
Total expenditures	<u>70,885</u>	<u>150,489</u>
Excess (deficiency) of revenues over expenditures	65,325	(35,546)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>66,407</u>	<u>101,953</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 131,732</u>	<u>\$ 66,407</u>

**VILLAGE OF ALSIP, ILLINOIS  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
April 30, 2012 and 2011**

**ASSETS**

	<u>2012</u>	<u>2011</u>
Temporary cash investment	\$ 4,700,456	\$ 6,663,382
Receivable (net of allowance for uncollectibles):		
Taxes	393,176	572,994
Due from other funds	<u>211,159</u>	<u>567,012</u>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 5,304,791</u></b>	 <b><u>\$ 7,803,388</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Deferred property tax revenues	\$ 393,176	\$ 572,994
Intergovernmental liability	14,546	14,546
Due to other funds	<u>205,504</u>	<u>35,884</u>
Total liabilities	613,226	623,424

**FUND BALANCE**

Restricted for debt service	<u>4,691,565</u>	<u>7,179,964</u>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 5,304,791</u></b>	<b><u>\$ 7,803,388</u></b>
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**VILLAGE OF ALSIP, ILLINOIS**  
**DEBT SERVICE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Taxes	\$ 1,056,779	\$ 1,111,456
Investment income:		
Interest	27,087	46,346
Dividends	-	197
	<u>1,083,866</u>	<u>1,157,999</u>
Total revenues		
	<u>1,083,866</u>	<u>1,157,999</u>
 <b>EXPENDITURES</b>		
Debt service:		
Principal retirement	1,792,479	1,811,001
Interest and fiscal charges	458,130	686,488
Bond issuance costs	-	59,728
Underwriter's discount	-	31,240
Contingencies	2,633	3,100
Miscellaneous	-	79,015
	<u>2,253,242</u>	<u>2,670,572</u>
Total expenditures		
	<u>2,253,242</u>	<u>2,670,572</u>
Deficiency of revenues over expenditures	<u>(1,169,376)</u>	<u>(1,512,573)</u>
 <b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers in	1,410,838	1,403,924
Operating transfers out	(2,729,861)	(1,788,323)
Refunding bonds issued and related premium	-	3,666,078
Payment to refunded bond escrow agent	-	(3,482,531)
	<u>(1,319,023)</u>	<u>(200,852)</u>
Total other financing sources (uses)		
	<u>(1,319,023)</u>	<u>(200,852)</u>
Excess of expenditures and other financing uses over revenues and other financing sources	(2,488,399)	(1,713,425)
	<u>7,179,964</u>	<u>8,893,389</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		
	<u>7,179,964</u>	<u>8,893,389</u>
 <b>FUND BALANCE, END OF YEAR</b>		
	<u>\$ 4,691,565</u>	<u>\$ 7,179,964</u>

**VILLAGE OF ALSIP, ILLINOIS  
CAPITAL PROJECTS FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>EXPENDITURES</b>		
Construction services	\$ 813,845	\$ 1,521,457
Engineering fees	88,618	216,312
Bank fees	-	1,028
Total expenditures	902,463	1,738,797
 <b>OTHER FINANCING SOURCES</b>		
Operating transfers in	902,463	1,738,797
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 STATEMENT OF NET ASSETS**  
**April 30, 2012**  
**With Comparative Totals at April 30, 2011**

	<b>ASSETS</b>		<b>Totals</b>	
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>2012</b>	<b>2011</b>
<b>CURRENT ASSETS</b>				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	3,170,165	331,504	3,501,669	3,445,991
Receivables (net of allowance for uncollectibles):				
Account customers	247,606	-	247,606	260,801
Estimated unbilled water and sewer charges	822,875	-	822,875	671,312
Prepaid expense/insurance	-	3,561	3,561	3,749
Due from other funds	<u>469,586</u>	<u>229,279</u>	<u>698,865</u>	<u>660,318</u>
Total current assets	<u>4,710,332</u>	<u>564,344</u>	<u>5,274,676</u>	<u>5,042,271</u>
<b>RESTRICTED ASSETS</b>				
Temporary cash investments	<u>1,585,029</u>	<u>3,020,289</u>	<u>4,605,318</u>	<u>5,619,798</u>
<b>FIXED ASSETS</b>				
Property, building and equipment - net	<u>18,120,602</u>	<u>14,038,084</u>	<u>32,158,686</u>	<u>32,405,491</u>
<b>OTHER ASSETS</b>				
Bond issuance costs	66,546	121,214	187,760	218,640
Deposits	<u>-</u>	<u>173,770</u>	<u>173,770</u>	<u>172,084</u>
Total other assets	<u>66,546</u>	<u>294,984</u>	<u>361,530</u>	<u>390,724</u>
<b>TOTAL ASSETS</b>	<u>\$ 24,482,509</u>	<u>\$ 17,917,701</u>	<u>\$ 42,400,210</u>	<u>\$ 43,458,284</u>

**LIABILITIES AND NET ASSETS**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2012</b>	<b>2011</b>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>				
Accounts payable	\$ 676,782	\$ 72,355	\$ 749,137	\$ 967,332
Other accrued expenses	1,547,353	-	1,547,353	1,556,451
Current portion of general obligation bonds	200,000	145,745	345,745	1,436,311
Due to other funds	-	486,459	486,459	486,459
Security deposits	-	332,060	332,060	333,275
Utility overpayments	12,904	-	12,904	10,006
Accrued interest payable	89,712	109,472	199,184	210,513
Total current liabilities (payable from current assets)	2,526,751	1,146,091	3,672,842	5,000,347
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>				
Deposits	26,819	-	26,819	25,889
<b>LONG-TERM LIABILITIES</b>				
Compensated absences payable	60,877	-	60,877	11,799
Post employment benefit obligation	70,117	-	70,117	55,467
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	5,917,059	5,997,921	11,914,980	12,216,627
Total long-term liabilities	6,048,053	5,997,921	12,045,974	12,283,893
Total liabilities	8,601,623	7,144,012	15,745,635	17,310,129
<b>NET ASSETS</b>				
Contributed capital	480,831	-	480,831	480,831
Retained earnings:				
Unreserved	15,400,055	10,773,689	26,173,744	25,667,324
Total net assets	15,880,886	10,773,689	26,654,575	26,148,155
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 24,482,509</b>	<b>\$ 17,917,701</b>	<b>\$ 42,400,210</b>	<b>\$ 43,458,284</b>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET ASSETS  
For the Year Ended April 30, 2012  
with Comparative Totals for the Year Ended April 30, 2011**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2012</b>	<b>2011</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 8,712,289	\$ -	\$ 8,712,289	\$ 8,558,137
Rental income	-	3,836,864	3,836,864	3,899,899
Other income	128,332	46,393	174,725	141,617
	<u>8,840,621</u>	<u>3,883,257</u>	<u>12,723,878</u>	<u>12,599,653</u>
<b>OPERATING EXPENSES</b>				
Water department	7,013,126	-	7,013,126	7,258,093
Sewer department	186,061	-	186,061	241,028
Senior citizen complex	-	2,346,290	2,346,290	2,392,001
	<u>7,199,187</u>	<u>2,346,290</u>	<u>9,545,477</u>	<u>9,891,122</u>
Operating income before depreciation	1,641,434	1,536,967	3,178,401	2,708,531
<b>DEPRECIATION</b>				
	<u>796,930</u>	<u>701,288</u>	<u>1,498,218</u>	<u>1,491,642</u>
Operating income	<u>844,504</u>	<u>835,679</u>	<u>1,680,183</u>	<u>1,216,889</u>
<b>NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS</b>				
Amortization of bond premium	2,923	1,590	4,513	4,513
Amortization of bond issue costs	(3,384)	(27,496)	(30,880)	(30,361)
Amortization of underwriter's discount	(2,310)	(4,360)	(6,670)	(8,851)
Note and bond interest and fiscal charges	(274,519)	(298,551)	(573,070)	(763,380)
Operating transfers out	(252,000)	(343,407)	(595,407)	(657,175)
Interest income	2,228	25,523	27,751	54,389
	<u>(527,062)</u>	<u>(646,701)</u>	<u>(1,173,763)</u>	<u>(1,400,865)</u>
<b>NET INCOME (LOSS)</b>	317,442	188,978	506,420	(183,976)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>15,563,444</u>	<u>10,584,711</u>	<u>26,148,155</u>	<u>26,332,131</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 15,880,886</u>	<u>\$ 10,773,689</u>	<u>\$ 26,654,575</u>	<u>\$ 26,148,155</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended April 30, 2012**  
**with Comparative Totals for the Year Ended April 30, 2011**

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2012</b>	<b>2011</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 844,504	\$ 835,679	\$ 1,680,183	\$ 1,216,889
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	796,930	701,288	1,498,218	1,491,642
Effects of changes in operating assets and liabilities:				
Receivables - account customers	13,195	-	13,195	11,149
Receivables - unbilled charges	(151,563)	-	(151,563)	21,640
Due from other funds	(9,192)	(29,355)	(38,547)	72,042
Prepaid insurance/expense	-	188	188	6
Utility overpayment	2,898	-	2,898	7,555
Deposits	-	(1,686)	(1,686)	(3,769)
Accounts payable	(227,791)	9,596	(218,195)	263,834
Other accrued expenses	(9,098)	-	(9,098)	11,197
Security deposits	-	(1,215)	(1,215)	4,555
Post employment benefit obligation	14,650	-	14,650	8,668
Compensated absences payable	49,078	-	49,078	-
Restricted liabilities	930	-	930	(2,150)
	<u>1,324,541</u>	<u>1,514,495</u>	<u>2,839,036</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>(343,407)</u>	<u>(595,407)</u>	<u>(657,175)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property, building and equipment	(1,165,365)	(86,048)	(1,251,413)	(2,481,993)
Principal payments on bonds payable	(267,850)	(1,126,520)	(1,394,370)	(1,387,017)
Interest paid on notes and bonds	<u>(279,076)</u>	<u>(305,323)</u>	<u>(584,399)</u>	<u>(718,299)</u>
	<u>(1,712,291)</u>	<u>(1,517,891)</u>	<u>(3,230,182)</u>	<u>(4,587,309)</u>
Net cash used in capital and related financing activities				

	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Totals</b>	
			<b>2012</b>	<b>2011</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	<u>2,228</u>	<u>25,523</u>	<u>27,751</u>	<u>54,389</u>
<b>NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>	(637,522)	(321,280)	(958,802)	(2,086,837)
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	<u>5,392,816</u>	<u>3,673,073</u>	<u>9,065,889</u>	<u>11,152,726</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	<u>\$ 4,755,294</u>	<u>\$ 3,351,793</u>	<u>\$ 8,107,087</u>	<u>\$ 9,065,889</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
WATERWORKS AND SEWERAGE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
April 30, 2012 and 2011**

**ASSETS**

	<u>2012</u>	<u>2011</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 100	\$ 100
Temporary cash investments	3,170,165	2,713,556
Receivables (net of allowance for uncollectibles):		
Account customers	247,606	260,801
Estimated unbilled water and sewer charges	822,875	671,312
Due from other funds	<u>469,586</u>	<u>460,394</u>
Total current assets	4,710,332	4,106,163
<b>RESTRICTED ASSETS</b>		
Temporary cash investments	1,585,029	2,679,160
<b>PROPERTY, BUILDING AND EQUIPMENT, NET</b>		
	18,120,602	17,752,167
<b>OTHER ASSETS</b>		
Bond issue costs	<u>66,546</u>	<u>69,930</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 24,482,509</u>	 <u>\$ 24,607,420</u>

## LIABILITIES AND NET ASSETS

	<u>2012</u>	<u>2011</u>
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>		
Accounts payable	\$ 676,782	\$ 904,573
Accrued interest payable	89,712	94,269
Other accrued expenses	1,547,353	1,556,451
Utility overpayments	12,904	10,006
Current portion of general obligation bonds	<u>200,000</u>	<u>267,850</u>
Total current liabilities (payable from current assets)	<u>2,526,751</u>	<u>2,833,149</u>
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>		
Deposits	<u>26,819</u>	<u>25,889</u>
<b>LONG-TERM LIABILITIES</b>		
Compensated absences payable	60,877	11,799
Post employment benefit obligation	70,117	55,467
General obligation bonds (net of unamortized discount and premium)	<u>5,917,059</u>	<u>6,117,672</u>
Total long-term liabilities	<u>6,048,053</u>	<u>6,184,938</u>
Total liabilities	<u>8,601,623</u>	<u>9,043,976</u>
<b>NET ASSETS</b>		
Contributed capital	480,831	480,831
Retained earnings:		
Unreserved	<u>15,400,055</u>	<u>15,082,613</u>
Total net assets	<u>15,880,886</u>	<u>15,563,444</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 24,482,509</u>	<u>\$ 24,607,420</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**WATERWORKS AND SEWERAGE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET ASSETS**  
**For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Water	\$ 7,800,359	\$ 7,675,536
Sewer	736,274	759,119
Tapping fees	98,344	23,283
Fines and penalties	77,312	100,199
Other income	<u>128,332</u>	<u>102,297</u>
Total operating revenues	<u>8,840,621</u>	<u>8,660,434</u>
 <b>OPERATING EXPENSES</b>		
Water department	7,013,126	7,258,093
Sewer department	<u>186,061</u>	<u>241,028</u>
Total operating expenses	<u>7,199,187</u>	<u>7,499,121</u>
Operating income before depreciation	1,641,434	1,161,313
 <b>DEPRECIATION</b>	<u>796,930</u>	<u>796,964</u>
Operating income	<u>844,504</u>	<u>364,349</u>
 <b>NON-OPERATING REVENUES (EXPENSES)</b> <b>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	(274,519)	(288,128)
Operating transfers out	(252,000)	(252,000)
Interest income	<u>2,228</u>	<u>8,190</u>
Total non-operating expenses and transfers	<u>(527,062)</u>	<u>(534,709)</u>
 <b>NET INCOME (LOSS)</b>	317,442	(170,360)
 <b>NET ASSETS, BEGINNING OF YEAR</b>	<u>15,563,444</u>	<u>15,733,804</u>
 <b>NET ASSETS, END OF YEAR</b>	<u>\$ 15,880,886</u>	<u>\$ 15,563,444</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
WATERWORKS AND SEWERAGE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income	\$ 844,504	\$ 364,349
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	796,930	796,964
Effects of changes in operating assets and liabilities:		
Receivables - account customers	13,195	11,149
Receivables - unbilled charges	(151,563)	21,640
Due from other funds	(9,192)	192,481
Accounts payable	(227,791)	294,821
Other accrued expenses	(9,098)	11,197
Utility overpayments	2,898	7,555
Post employment benefit obligation	14,650	8,668
Compensated absences payable	49,078	-
Restricted liabilities	930	(2,150)
	1,324,541	1,706,674
Net cash provided by operating activities		
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Operating transfers out	(252,000)	(252,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property, building and equipment	(1,165,365)	(1,505,611)
Principal payments on bonds payable	(267,850)	(249,875)
Interest paid on notes and bonds	(279,076)	(290,904)
Net cash used in capital and related financing activities	(1,712,291)	(2,046,390)

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Earnings on investments	<u>2,228</u>	<u>8,190</u>
<b>NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS</b>	(637,522)	(583,526)
<b>CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	<u>5,392,816</u>	<u>5,976,342</u>
<b>CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	<u>\$ 4,755,294</u>	<u>\$ 5,392,816</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**WATERWORKS AND SEWERAGE FUND**  
**COMPARATIVE STATEMENT OF OPERATING EXPENSES**  
**For the Years Ended April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>WATER DEPARTMENT</b>		
Salary - commissioner	\$ 90,798	\$ 88,412
Salary - clerical	56,307	50,892
Wages - meter readers	17,640	16,896
Wages - general labor	242,613	199,403
Uniforms	618	1,752
Engineering fees	25,657	16,147
Audit fee	10,000	10,000
Tools and equipment	3,635	3,715
Purchase - office equipment	121	271
Purchase - new equipment	13,139	29,332
Purchase - meters	12,762	26,493
Purchase - computer	2,424	2,942
Repairs - equipment	13,080	15,554
Restoration (main breaks)	82,576	113,815
Maintenance water system	418,584	338,701
Utilities	158,988	234,352
Water tap-ons	53,817	12,656
Purchase - water	4,513,696	4,791,539
Social Security and IMRF	98,500	100,340
Insurance and administrative expense	921,878	920,000
Contingent expense	20,495	17,636
Water system expense	21,318	25,539
Building and grounds maintenance	186,316	197,990
Pager service	3,485	3,923
Office supplies	3,144	2,954
Postage	-	2,373
Water sampling fees	4,330	3,150
Purchase chlorine	1,446	967
Gasoline and oil	6,050	8,000
Water billing charges	17,136	15,345
Dues and memberships	1,224	300
Post employment benefit obligation	<u>11,349</u>	<u>6,704</u>
Total water department	<u>7,013,126</u>	<u>7,258,093</u>
<b>SEWER DEPARTMENT</b>		
Salary - clerical	57,540	55,502
Wages - general labor	60,916	104,844
Purchase - new equipment	2,689	4,973
Material and supplies	6,867	14,208
Repair - equipment	606	381
Maintenance - sanitary sewers	26,573	33,275
Contingent expense	-	250
Uniforms	569	631
Garage rentals	27,000	25,000
Post employment benefit obligation	<u>3,301</u>	<u>1,964</u>
Total sewer department	<u>186,061</u>	<u>241,028</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 7,199,187</u>	<u>\$ 7,499,121</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING STATEMENT OF NET ASSETS  
April 30, 2012 and 2011**

	<b>ASSETS</b>		<b>Totals</b>	
	<u>Heritage I</u>	<u>Heritage II</u>	<u>2012</u>	<u>2011</u>
<b>CURRENT ASSETS</b>				
Temporary cash investments	\$ -	\$ 331,504	\$ 331,504	\$ 732,435
Due from other funds	44,989	184,290	229,279	199,924
Prepaid insurance	<u>1,134</u>	<u>2,427</u>	<u>3,561</u>	<u>3,749</u>
Total current assets	<u>46,123</u>	<u>518,221</u>	<u>564,344</u>	<u>936,108</u>
<b>RESTRICTED ASSETS</b>				
Temporary cash investments	<u>-</u>	<u>3,020,289</u>	<u>3,020,289</u>	<u>2,940,638</u>
<b>PROPERTY, BUILDING AND EQUIPMENT - NET</b>				
	<u>5,263,442</u>	<u>8,774,642</u>	<u>14,038,084</u>	<u>14,653,324</u>
<b>OTHER ASSETS</b>				
Bond issuance costs	-	121,214	121,214	148,710
Deposits	<u>172,770</u>	<u>1,000</u>	<u>173,770</u>	<u>172,084</u>
Total other assets	<u>172,770</u>	<u>122,214</u>	<u>294,984</u>	<u>320,794</u>
<b>TOTAL ASSETS</b>	<u>\$ 5,482,335</u>	<u>\$ 12,435,366</u>	<u>\$ 17,917,701</u>	<u>\$ 18,850,864</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accrued interest payable	\$ 25,528	\$ 83,944	\$ 109,472	\$ 116,244
Accounts payable	-	72,355	72,355	62,759
Current portion of general obligation bonds	116,200	29,545	145,745	1,168,461
Due to other funds	486,459	-	486,459	486,459
Security deposits	<u>114,390</u>	<u>217,670</u>	<u>332,060</u>	<u>333,275</u>
Total current liabilities	742,577	403,514	1,146,091	2,167,198
<b>LONG-TERM LIABILITIES</b>				
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>1,640,080</u>	<u>4,357,841</u>	<u>5,997,921</u>	<u>6,098,955</u>
Total liabilities	2,382,657	4,761,355	7,144,012	8,266,153
<b>NET ASSETS</b>				
Retained earnings - unreserved	<u>3,099,678</u>	<u>7,674,011</u>	<u>10,773,689</u>	<u>10,584,711</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 5,482,335</u>	<u>\$ 12,435,366</u>	<u>\$ 17,917,701</u>	<u>\$ 18,850,864</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**ENTERPRISE FUNDS**  
**SENIOR CITIZEN COMPLEX FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET ASSETS**  
**For the Year Ended April 30, 2012**  
**with Comparative Totals for the Year Ended April 30, 2011**

	Heritage I	Heritage II	Totals	
			2012	2011
<b>OPERATING REVENUES</b>				
Rental income	\$ 1,328,175	\$ 2,508,689	\$ 3,836,864	\$ 3,899,899
Other income	14,144	32,249	46,393	39,320
Total operating revenues	1,342,319	2,540,938	3,883,257	3,939,219
<b>OPERATING EXPENSES</b>	775,288	1,571,002	2,346,290	2,392,001
Operating income before depreciation	567,031	969,936	1,536,967	1,547,218
<b>DEPRECIATION</b>	207,513	493,775	701,288	694,678
Operating income	359,518	476,161	835,679	852,540
<b>NON-OPERATING REVENUES (EXPENSES)</b> <b>AND TRANSFERS</b>				
Amortization of bond issuance costs	-	(27,496)	(27,496)	(26,977)
Amortization of bond premium	-	1,590	1,590	1,590
Amortization of underwriter's discount	-	(4,360)	(4,360)	(6,541)
Operating transfers out	(343,407)	-	(343,407)	(405,175)
Bond interest	(72,437)	(226,114)	(298,551)	(475,252)
Interest income	-	25,523	25,523	46,199
Total non-operating expenses and transfers	(415,844)	(230,857)	(646,701)	(866,156)
<b>NET INCOME (LOSS)</b>	(56,326)	245,304	188,978	(13,616)
<b>NET ASSETS, BEGINNING OF YEAR</b>	3,156,004	7,428,707	10,584,711	10,598,327
<b>NET ASSETS, END OF YEAR</b>	\$ 3,099,678	\$ 7,674,011	\$ 10,773,689	\$ 10,584,711

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended April 30, 2012  
with Comparative Totals for the Year Ended April 30, 2011**

	<u>Heritage I</u>	<u>Heritage II</u>	<u>Totals</u>	
			<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 359,518	\$ 476,161	\$ 835,679	\$ 852,540
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	207,513	493,775	701,288	694,678
Effects of changes in operating assets and liabilities:				
Due from other funds	(29,355)	-	(29,355)	(120,439)
Prepaid insurance	60	128	188	6
Deposits	(1,686)	-	(1,686)	(3,769)
Accounts payable	-	9,596	9,596	(30,987)
Security deposits	(835)	(380)	(1,215)	4,555
Net cash provided by operating activities	<u>535,215</u>	<u>979,280</u>	<u>1,514,495</u>	<u>1,396,584</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfer out	<u>(343,407)</u>	<u>-</u>	<u>(343,407)</u>	<u>(405,175)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property, building and equipment	(5,163)	(80,885)	(86,048)	(976,382)
Principal payments on bonds payable	(112,880)	(1,013,640)	(1,126,520)	(1,137,142)
Interest paid on bonds	<u>(73,765)</u>	<u>(231,558)</u>	<u>(305,323)</u>	<u>(427,395)</u>
Net cash used in capital and related financing activities	<u>(191,808)</u>	<u>(1,326,083)</u>	<u>(1,517,891)</u>	<u>(2,540,919)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	<u>-</u>	<u>25,523</u>	<u>25,523</u>	<u>46,199</u>
<b>NET DECREASE IN TEMPORARY CASH INVESTMENTS</b>	-	(321,280)	(321,280)	(1,503,311)
<b>TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR</b>	<u>-</u>	<u>3,673,073</u>	<u>3,673,073</u>	<u>5,176,384</u>
<b>TEMPORARY CASH INVESTMENTS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 3,351,793</u>	<u>\$ 3,351,793</u>	<u>\$ 3,673,073</u>

**VILLAGE OF ALSIP, ILLINOIS  
ENTERPRISE FUNDS  
SENIOR CITIZEN COMPLEX FUND  
COMBINING STATEMENT OF OPERATING EXPENSES  
For the Year Ended April 30, 2012  
with Comparative Totals for the Year Ended April 30, 2011**

	Heritage I	Heritage II	Totals	
			2012	2011
Salaries	\$ 151,500	\$ 358,108	\$ 509,608	\$ 514,474
Audit fee	-	3,500	3,500	3,500
Repairs and maintenance	182,304	323,177	505,481	391,230
Management fee	79,606	150,521	230,127	233,796
Administrative fee	60,000	243,200	303,200	448,000
Decorating	17,580	47,614	65,194	72,510
Office supplies	6,517	91	6,608	5,216
Telephone	11,328	-	11,328	10,279
Utilities	145,593	213,181	358,774	372,424
Insurance	39,598	69,836	109,434	109,999
Scavenger	17,035	57,675	74,710	74,123
Pest control	4,063	8,300	12,363	11,366
Contingent expense	8,237	3,637	11,874	7,105
Payroll taxes	12,144	23,187	35,331	35,688
Uniforms	2,428	4,079	6,507	5,388
Union health/pension	37,355	64,896	102,251	96,798
Other employee benefits	-	-	-	105
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 775,288</b>	<b>\$ 1,571,002</b>	<b>\$ 2,346,290</b>	<b>\$ 2,392,001</b>

**VILLAGE OF ALSIP, ILLINOIS  
TRUST FUNDS  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF PLAN NET ASSETS  
April 30, 2012  
with Comparative Totals at April 30, 2011**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,518,696	\$ 1,429,382	\$ 4,948,078	\$ 4,460,896
Receivables:				
Contributions	949,011	673,222	1,622,233	1,698,700
Accrued interest	63,114	64,188	127,302	132,411
Due from other funds	109,596	-	109,596	109,596
Investments, at fair value:				
U.S. Government securities	3,740,981	9,384,465	13,125,446	14,905,583
Corporate bonds	1,053,633	848,331	1,901,964	-
Mutual funds	4,544,385	6,745,545	11,289,930	11,484,045
Stocks	2,181,566	-	2,181,566	1,911,243
Insurance contracts	-	200,523	200,523	193,071
Total assets	<u>16,160,982</u>	<u>19,345,656</u>	<u>35,506,638</u>	<u>34,895,545</u>
<b>LIABILITIES</b>				
Accrued liabilities	13,796	319	14,115	-
Deferred contributions	949,011	673,222	1,622,233	1,698,700
Due to other funds	-	81,402	81,402	81,401
Total liabilities	<u>962,807</u>	<u>754,943</u>	<u>1,717,750</u>	<u>1,780,101</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
	<u>\$ 15,198,175</u>	<u>\$ 18,590,713</u>	<u>\$ 33,788,888</u>	<u>\$ 33,115,444</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**TRUST FUNDS**  
**PENSION TRUST FUNDS**  
**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**For the Year Ended April, 30, 2012**  
**with Comparative Totals for the Year Ended April, 30, 2011**

	Police Pension Fund	Firemen's Pension Fund	Total	
			2012	2011
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 1,774,722	\$ 1,272,947	\$ 3,047,669	\$ 2,934,600
Employee	280,863	253,254	534,117	530,471
Total contributions	<u>2,055,585</u>	<u>1,526,201</u>	<u>3,581,786</u>	<u>3,465,071</u>
Investment income:				
Net appreciation (depreciation) in fair value of investments	(111,451)	200,370	88,919	2,241,597
Dividends	112,662	88,753	201,415	132,075
Interest	267,510	268,350	535,860	489,025
Miscellaneous income	-	90	90	177
Total investment income	<u>268,721</u>	<u>557,563</u>	<u>826,284</u>	<u>2,862,874</u>
Less investment expense	<u>64,871</u>	<u>88,855</u>	<u>153,726</u>	<u>144,233</u>
Net investment income	<u>203,850</u>	<u>468,708</u>	<u>672,558</u>	<u>2,718,641</u>
Total additions	<u>2,259,435</u>	<u>1,994,909</u>	<u>4,254,344</u>	<u>6,183,712</u>
<b>DEDUCTIONS</b>				
Retirement benefits	2,086,022	706,704	2,792,726	2,653,895
Duty disability benefits	27,444	503,115	530,559	517,873
Surviving spouse benefits	47,228	189,053	236,281	236,684
Miscellaneous	21,334	-	21,334	8,682
Total deductions	<u>2,182,028</u>	<u>1,398,872</u>	<u>3,580,900</u>	<u>3,417,134</u>
<b>NET INCREASE</b>	77,407	596,037	673,444	2,766,578
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR</b>	<u>15,120,768</u>	<u>17,994,676</u>	<u>33,115,444</u>	<u>30,348,866</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR</b>	<u>\$ 15,198,175</u>	<u>\$ 18,590,713</u>	<u>\$ 33,788,888</u>	<u>\$ 33,115,444</u>

**VILLAGE OF ALSIP, ILLINOIS**  
**SCHEDULE OF INSURANCE COVERAGE**  
**April 30, 2012**  
(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	WA10002421	05/01/11-12	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Scottsdale	PKS0000612	05/01/11-12	Professional liability insurance	Law enforcement officers and public officials	Multiple Coverages
Scottsdale	PES0005219	05/01/11-12	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Scottsdale and Arch Insurance	UMS0025993 MEUM07163104	05/01/11-12	Excess liability - umbrella	Bodily injury and property damage, includes civil rights	\$10,000,000
Arch Insurance	MEPK07351004	05/01/11-12	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137804	05/01/11-12	Portable Equipment		Multiple Coverages
IPRF	AGC4045962	12/15/11-12	Workmen's Compensation		\$2,500,000
Travelers	103199571	08/03/11-14	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	103062011	02/20/12-13	Blanket Employee Crime Bond		\$250,000
Travelers	103199575	08/03/11-14	Police Pension Fund Bond	Errors and omissions	\$1,000,000
Blue Cross/ Blue Shield	793165	05/01/11-12	Specific/ Aggregate Health		Various

**VILLAGE OF ALSIP, ILLINOIS**  
**SCHEDULE OF INSURANCE COVERAGE**  
**April 30, 2012**  
(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	05/09/11-12	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	6760466307776	05/09/11-12	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
AutoOwners	6760466307570	05/17/11-12	Public Official Bond - Gregory Palumbo	Errors and omissions	\$150,000
Liberty Mutual	285025029	01/30/12-13	Public Official Bond - Elizabeth Gonzalez	Errors and omissions	\$150,000
Safeco	6400805	12/20/11-12	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
Liberty Mutual	6609415	04/04/09-13	IL Notary Public Bond - Judith DeLuise	Errors and omissions	\$5,000
Liberty Mutual	32S332584	04/21/12-16	IL Notary Public Bond - Violet Regan	Errors and omissions	\$5,000
Liberty Mutual	32S332612	03/28/12-16	IL Notary Public Bond - Sharon Szynalski	Errors and omissions	\$5,000
Liberty Mutual	6609421	2/3/10-14	IL Notary Public Bond - Sharon McDowell	Errors and omissions	\$5,000
Liberty Mutual	6609430	04/08/11-15	IL Notary Public Bond - Dawn Maier	Errors and omissions	\$5,000
Liberty Mutual	6609423	08/01/10-14	IL Notary Public Bond - Susan Bruesch	Errors and omissions	\$5,000
Liberty Mutual	6609429	03/20/11-15	IL Notary Public Bond - Elizabeth Gonzalez	Errors and omissions	\$5,000
Liberty Mutual	32S332585	02/18/12-16	IL Notary Public Bond - Alisa Bahr	Errors and omissions	\$5,000
Fort Dearborn	F017942-0001	05/01/11-12	Life insurance & Accidental Death and Dismemberment		Various
North Pointe	NPCM005152	4/21/12-13	Canine Police		Multiple Coverages

**VILLAGE OF ALSIP  
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS  
AND ASSESSED VALUATION  
April 30, 2012**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Assessed valuation</b>	\$ 710,758,298	\$ 802,041,333	\$ 749,936,394	\$ 722,163,750	\$ 598,824,867
<b>Tax rates:</b>					
General	.4014	.3592	.4308	.4812	.5928
Police pension	.1617	.1995	.2301	.2430	.2977
Fire pension	.1176	.1216	.1548	.1703	.2104
Road and bridge	.0294	.0066	.0069	.0143	.0860
Debt service	.2004	.1454	.1555	.1532	.1384
Total - All Funds	<u>.9105</u>	<u>.8323</u>	<u>.9781</u>	<u>1.0620</u>	<u>1.3253</u>
<b>Tax levies:</b>					
General	\$ 2,812,916	\$ 2,880,986	\$ 3,230,986	\$ 3,475,000	\$ 3,550,000
Police pension	1,133,000	1,600,000	1,725,345	1,755,000	1,782,529
Fire pension	824,000	975,587	1,160,980	1,229,708	1,259,952
Road and bridge	206,000	51,500	51,500	103,000	515,000
Debt service	1,363,753	1,166,351	1,166,163	1,106,149	828,560
Total - All Funds	<u>\$ 6,339,669</u>	<u>\$ 6,674,424</u>	<u>\$ 7,334,974</u>	<u>\$ 7,668,857</u>	<u>\$ 7,936,041</u>
<b>Collections:</b>					
General	\$ 2,816,590	\$ 2,726,247	\$ 3,187,124	\$ 3,488,048	\$ 1,801,459
Police pension	997,978	1,568,246	1,726,842	1,687,375	886,994
Fire pension	786,697	938,520	1,145,530	1,186,604	624,529
Road and bridge	175,930	51,436	51,347	105,062	261,254
Debt service	1,167,311	1,089,219	1,116,802	1,127,024	420,688
Total - All Funds	<u>\$ 5,944,506</u>	<u>\$ 6,373,668</u>	<u>\$ 7,227,645</u>	<u>\$ 7,594,113</u>	<u>\$ 3,994,924</u>
Percentage of levies collected	<u>93.8%</u>	<u>95.5%</u>	<u>98.5%</u>	<u>99.0%</u>	<u>50.3%</u>
Township levies	<u>\$ 91,849</u>	<u>\$ 95,952</u>	<u>\$ 116,296</u>	<u>\$ 108,741</u>	<u>\$ 86,660</u>
Collections	<u>\$ 88,556</u>	<u>\$ 91,792</u>	<u>\$ 87,859</u>	<u>\$ 82,780</u>	<u>\$ 43,168</u>
Percentage of collections	<u>96.4%</u>	<u>95.7%</u>	<u>75.5%</u>	<u>76.1%</u>	<u>49.8%</u>
Special service areas levies	<u>\$ 168,862</u>	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>
Collections	<u>\$ 168,876</u>	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ 14,308</u>	<u>\$ -</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>55.0%</u>	<u>0.0%</u>
Tax increment levies	<u>\$ 835,330</u>	<u>\$ 895,000</u>	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 1,005,000</u>
Collections	<u>\$ 835,330</u>	<u>\$ 885,228</u>	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 517,527</u>
Percentage of collections	<u>100.0%</u>	<u>98.9%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>51.5%</u>

**VILLAGE OF ALSIP, ILLINOIS  
LEGAL DEBT MARGIN  
April 30, 2012**

	<b>Tax Year <u>2011</u></b>
<b>ASSESSED VALUATION</b>	<u>\$ 598,824,867</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 51,648,645</u>
<b>Total debt:</b>	
General obligation debt:	
Notes payable	322,365
Bonds payable	<u>23,367,427</u>
	23,689,792
Deductions:	
Amount available for repayment of general obligation bonds	<u>4,691,565</u>
	<u>18,998,227</u>
<b>LEGAL DEBT MARGIN</b>	<u>\$ 32,650,418</u>