

VILLAGE OF ALSIP, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2013



CliftonLarsonAllen

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Alsip, Illinois (the "Village"), as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Emphasis-of-Matter Regarding a Correction of an Error

As discussed in Note 6 to the financial statements, an error resulting from recording of certain expenses was discovered by management of the Village during the current year. Accordingly, amounts reported for beginning net position and fund balance have been restated in the 2013

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

financial statements presented, and an adjustment has been made to reduce both the net position and fund balance of the governmental and business-type activities, respectively, as of April 30, 2012 by \$453,938 to correct the error. Our opinion is not modified with respect to that matter.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 16 and budgetary comparison information and the schedules of pension and OPEB funding progress on pages 61 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and 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.

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

To the Honorable Mayor and Trustees
Village of Alsip, Illinois

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2013, on our consideration of the Village's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Oak Brook, Illinois
November 11, 2013

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013

As the management of the Village of Alsip (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the Village's financial activities for the fiscal year ended April 30, 2013. This discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activities, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

We encourage readers to consider information presented here in conjunction with the Village's financial statements which begin on page 17.

Financial Highlights

- The assets of the Village exceeded its liabilities at the close of the fiscal year by \$47,215,191. Net position for governmental activities account for \$20,825,225 or 44.1% of the total and business-type activities account for \$26,389,966 or 55.9%.
- The government's total net position increased by \$2,462,952 during fiscal year 2013, 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 \$19,484,419, an increase of \$1,292,526 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,308,120 or 61.5% of total general fund expenditures for the fiscal year.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. This statement combines and consolidates governmental fund's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information on how the Village's net positions have changed during the most recent fiscal year. All changes in net position are reported as soon as

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013

the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused employee leave time). The *Statement of Activities* also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

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

Fund Financial Statements

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

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

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

The basic governmental fund financial statements can be found on pages 19 and 20 of this report.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013

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

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

The basic proprietary fund financial statements can be found on pages 23 through 27 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds which account for the resources of the Alsip Police and Fire Pension Funds.

The fiduciary funds financial statements can be found on pages 28 and 29 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 30 through 59 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to employee retirement and other postemployment benefit plans. Required supplementary information can be found on pages 61 through 64 of this report. Combining and individual fund statements and schedules can be found on pages 66 through 111 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

Table 1 presents a condensed Statement of Net Position as of April 30, 2013 compared to the prior year ended April 30, 2012.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

**Table 1
Statement of Net Position
April 30, 2013**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Assets						
Current and other assets	\$ 25,657,163	\$ 24,546,044	\$ 9,719,152	\$ 9,755,065	\$ 35,376,315	\$ 34,301,109
Capital assets	<u>16,279,207</u>	<u>16,090,374</u>	<u>35,021,549</u>	<u>32,158,686</u>	<u>51,300,756</u>	<u>48,249,060</u>
Total assets	<u>\$ 41,936,370</u>	<u>\$ 40,636,418</u>	<u>\$ 44,740,701</u>	<u>\$ 41,913,751</u>	<u>\$ 86,677,071</u>	<u>\$ 82,550,169</u>
Liabilities						
Other liabilities	\$ 2,961,835	\$ 3,878,416	\$ 4,014,558	\$ 3,213,202	\$ 6,976,393	\$ 7,091,618
Long-term liabilities	<u>18,149,310</u>	<u>18,660,338</u>	<u>14,336,177</u>	<u>12,045,974</u>	<u>32,485,487</u>	<u>30,706,312</u>
Total liabilities	<u>\$ 21,111,145</u>	<u>\$ 22,538,754</u>	<u>\$ 18,350,735</u>	<u>\$ 15,259,176</u>	<u>\$ 39,461,880</u>	<u>\$ 37,797,930</u>
Net position						
Net investment in capital assets	\$ 6,609,013	\$ 5,084,808	\$ 23,108,772	\$ 19,897,961	\$ 29,717,785	\$ 24,982,769
Restricted	9,189,899	9,785,086	-	-	9,189,899	9,785,086
Unrestricted	<u>5,026,313</u>	<u>3,227,770</u>	<u>3,281,194</u>	<u>6,756,614</u>	<u>8,307,507</u>	<u>9,984,384</u>
Total net position	<u>\$ 20,825,225</u>	<u>\$ 18,097,664</u>	<u>\$ 26,389,966</u>	<u>\$ 26,654,575</u>	<u>\$ 47,215,191</u>	<u>\$ 44,752,239</u>

Net position may serve over time as one useful indicator of a government's financial condition. The assets of the Village of Alsip exceeded liabilities by \$47,215,191 as of April 30, 2013. Total net position increased \$2,462,952 in 2013 from the prior year. Of this amount, governmental activities accounted for an increase of \$2,727,561 while business-type activities decreased \$264,609. The largest contributing factor for the increase in governmental activities' net position is a larger temporary cash investments position and less other liabilities. Likewise, the business-type activities decrease was due to an increase in investment in capital assets.

The largest portion of net position (55.8%) reflects the Village's investment in capital assets (land, streets, water mains, sewers, building, machinery, and equipment) less any related debt. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of debt, resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these debts.

Restricted net position represents resources that are subject to external restrictions on how they may be used. Governmental restricted assets include debt service, Motor Fuel Tax funds for the maintenance of roadways, Asset Forfeiture funds, and Drug Prevention funds used for public safety/education. The decrease in restricted assets for governmental activities was primarily due to a reduction in monies restricted for debt service.

Unrestricted net position for governmental activities, the part of net position that can be used to finance day to day operations had a balance of \$5,026,313 compared with a balance of

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

\$3,227,770 in the previous year. This \$1,798,543 increase resulted primarily from revenue in excess of expenditures. Revenue in the General Fund exceeded budget at 101.7% while expenditures came in at 93.5% of budget.

Changes in Net Position (from the Statement of Activities)

For the fiscal year ended April 30, 2013, revenue from all sources totaled \$37,499,435. Governmental revenue accounted for \$23,328,926 of that total, while business-type activities accounted for \$14,170,509. Expenses for all functions totaled \$34,582,545 with \$20,999,508 for governmental activities and \$13,583,037 for business-type activities.

Table 2 summarizes the revenue and expenses of the Village's activities for fiscal year 2013 compared to the prior fiscal year 2012.

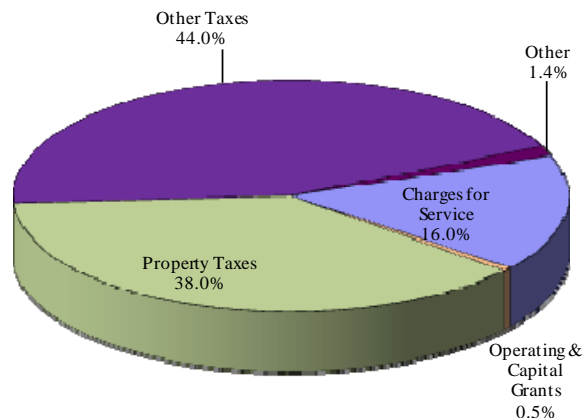
	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenue						
Program revenues:						
Charges for service	\$ 3,739,079	\$ 3,490,015	\$ 14,152,980	\$ 12,703,600	\$ 17,892,059	\$ 16,193,615
Operating and capital grants	127,816	38,873	-	-	127,816	38,873
General revenue:						
Property taxes	8,872,061	9,075,729	-	-	8,872,061	9,075,729
Other taxes	10,270,587	9,631,014	-	-	10,270,587	9,631,014
Other	319,383	279,127	17,529	52,542	336,912	331,669
Total revenue	<u>23,328,926</u>	<u>22,514,758</u>	<u>14,170,509</u>	<u>12,756,142</u>	<u>37,499,435</u>	<u>35,270,900</u>
Expenses						
Governmental activities:						
General government	2,148,786	1,615,710	-	-	2,148,786	1,615,710
Public safety	14,157,775	13,438,075	-	-	14,157,775	13,438,075
Road and bridge	2,785,201	2,879,227	-	-	2,785,201	2,879,227
Building	242,235	335,178	-	-	242,235	335,178
Health and welfare	1,183,432	1,138,503	-	-	1,183,432	1,138,503
Capital projects	52,627	122,955	-	-	52,627	122,955
Interest	429,452	517,994	-	-	429,452	517,994
Business-type:						
Water	-	-	10,021,742	8,075,930	10,021,742	8,075,930
Sewer	-	-	207,981	200,400	207,981	200,400
Senior Citizen Complex	-	-	3,353,314	3,377,985	3,353,314	3,377,985
Total expenses	<u>20,999,508</u>	<u>20,047,642</u>	<u>13,583,037</u>	<u>11,654,315</u>	<u>34,582,545</u>	<u>31,701,957</u>
Excess (deficiency) before transfers	2,329,418	2,467,116	587,472	1,101,827	2,916,890	3,568,943
Transfers	398,143	595,407	(398,143)	(595,407)	-	-
Change in net position	<u>\$ 2,727,561</u>	<u>\$ 3,062,523</u>	<u>\$ 189,329</u>	<u>\$ 506,420</u>	<u>\$ 2,916,890</u>	<u>\$ 3,568,943</u>

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

Governmental Activities

Revenues - For the fiscal year ended April 30, 2013, governmental revenues total \$23,328,926, signifying an increase in revenues of \$814,168 with 83.4% coming from taxes. Property taxes totaled \$8,872,061 or 38.0% of governmental revenues; a slight decrease of 2.2% from the prior year's property tax revenue of \$9,075,729. Other taxes, at \$10,270,587 are primarily attributable to the Village's sales, State income, fuel and real estate transfer taxes, realized an increase of \$639,573 over the 2012 fiscal year. Total sales taxes increased by 4.0% over the prior year. Charges for services, at \$3,739,079 represent 16.0% of total governmental revenues. Charges for services which include fees, licenses, and refuse removal were up from 2012 with an increase of \$249,064 or 7.1%.

**Governmental Activities - Revenue
Fiscal 2013**



Expenses - Expenses for governmental activities totaling \$20,999,508 increased \$951,866 or 4.7% which includes general government, public safety, road and bridge, building, health and welfare, capital projects and interest.

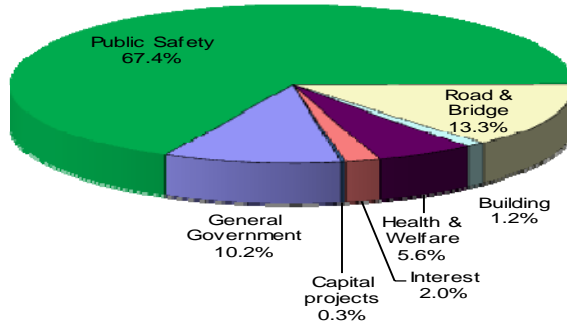
Public safety expenses are mainly accounted for in the General Fund in the departments of Police and Fire and Ambulance Service and totaled \$14,157,775 or 67.4%. The largest component of public safety expenses is salaries and benefits accounting for \$6,839,626 or 48.3% and pensions for \$2,938,791 or 20.8% of all public safety expenses. Road and bridge made up 13.3% of all governmental expenses in 2013 with \$2,785,201. Health and welfare amounts to \$1,183,432 or 5.6% and includes the refuse contract expense of \$1,104,194.

General government expenses are also accounted for in the General Fund and include the Village board and administration, planning and police and fire commissions, finance, Village clerk, insurance, Social Security and IMRF, and boat launch departments. Total general government expenses were \$2,148,786 or 10.2% of all governmental expenses in 2013.

Interest expense of \$429,452 was accounted for mainly in the Debt Service Fund and is the interest paid on outstanding debt along with the costs of issuing and maintaining debt during the current year.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

**Governmental Activities-Expenses
Fiscal 2013**



Business-type Activities

Revenue - Charges for water service rose from the prior fiscal year 18% which was due primarily to the 15% increase in water rates passed on from the increase in water purchase price from the City of Chicago. Charges for service under business-type activities of \$14,152,980 increased 11.1% over the prior year.

Expenses - business-type expenses of \$13,583,037 increased 16.6% over the prior year. Change in net position equaled \$189,329. There was a prior period adjustment to the beginning balance to include water purchased but not accounted for in the prior year.

Major Funds Discussion

General Fund Functions and Fund Balance

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

Table 3 presents a summary of General Fund revenues and other financing sources for the year ended April 30, 2013.

Table 3

	<u>2013</u>	<u>2012</u>	<u>Difference</u>	<u>% Increase (Decrease)</u>
Property taxes	\$ 6,304,630	\$ 6,803,920	\$ (499,290)	-7.3%
Other taxes	6,435,608	6,063,787	371,821	6.1%
Licenses and permits	473,640	386,584	87,056	22.5%
Franchise fees	310,778	297,620	13,158	4.4%
Other fees	844,549	834,203	10,346	1.2%
Intergovernmental	2,753,902	2,269,650	484,252	21.3%
Charges for services	562,738	547,336	15,402	2.8%
Police and court fines	431,330	362,579	68,751	19.0%
Investment income	4,487	3,124	1,363	43.6%
Miscellaneous	317,723	246,395	71,328	28.9%
Total revenue	\$ 18,439,385	\$ 17,815,198	\$ 624,187	3.4%

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

Due to re-evaluation and slow economic times especially in the housing market; Alsip's Equalized Assessed Valuation (EAV) actually decreased in 2012 to \$598,824,867 from the 2011 EAV of \$722,163,750. This was the third year that property values decreased in the Village.

The tax rate has increased from .8323 in 2009 to 1.4463 in 2012 (inclusive of debt). The real dollars in real estate taxes has increased from \$6,373,668 in 2009 to tax collections for 2012 of \$7,640,565 inclusive of debt. Taxes levied are collected in the subsequent fiscal year. Real estate taxes contribute approximately 38.2% of the General Fund revenue.

Sales tax revenue (a major part of other taxes) continues to be a major source of revenue for the General Fund accounting for 38.1% of its revenue. The Village continues to try to diversify its tax base and encourage reinvestment by making improvements in its TIF areas.

Licenses, permits, and fees showed an increase of 22.5% from fiscal 2012 primarily due to the slight increase in building and reinvestment during fiscal 2013.

Income tax revenue (part of intergovernmental) showed an increase of 19.5% over the prior year showing a continued recovery from the downturn in 2008.

The Village of Alsip charges residents for refuse on their monthly utility bill. Revenue for this service is recorded in the General Fund as charges for service. The Village then pays an independent waste hauler for this service. The increase in this revenue in 2013 is the annual increase in the contract with the waste hauler passed on to the residents.

Grants received in fiscal 2013 were \$127,816 for Public Safety and risk management.

Cash, cash equivalents, and investments available for investing increased from the prior fiscal year. This increase in available funds could not offset the poor interest rates that resulted in a decrease in interest income of \$1,363.

Expenditures - Table 4 presents a summary of General Fund expenditures for fiscal 2013.

**Table 4
General Fund Expenditures
As of April 30, 2013**

	<u>2013</u>	<u>2012</u>	<u>Difference</u>	<u>% Increase (Decrease)</u>
General government	\$ 1,321,430	\$ 1,052,539	\$ 268,891	25.5%
Public safety	10,740,083	10,764,720	(24,637)	-0.2%
Building	217,836	209,680	8,156	3.9%
Health and environment	1,164,184	1,120,624	43,560	3.9%
Insurance	2,937,049	2,663,223	273,826	10.3%
Boat launch	13,598	12,504	1,094	8.7%
Capital outlay	286,617	122,955	163,662	133.1%
Debt service	78,165	87,965	(9,800)	-11.1%
Total expenditures	<u>\$ 16,758,962</u>	<u>\$ 16,034,210</u>	<u>\$ 724,752</u>	<u>4.5%</u>

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

General Government

The main factors that played into the cost increase of \$268,891 for 2013 were the network administrator being incorporated into the information technology area under the Finance Department from Public Safety and a reduction of reimbursements from other funds.

Public Safety

The primary decrease in public safety expenditures of \$24,637 was for personnel benefits. The prior year 2012 was high due to the payout of vacation and sick time of the retiring fire chief.

Insurance

Insurance costs increased \$273,826 or 10.3% over the prior fiscal year.

Capital Outlay

Capital Outlay increased \$163,662 or 133.1% over the prior fiscal year.

**Table 5
General Fund Budgetary Highlights**

	Original Budget	Final Budget	Actual
Revenues	\$ 18,275,741	\$ 18,275,741	\$ 18,584,968
Expenditures	18,455,840	18,638,669	17,419,413
Net changes in fund balance	\$ (180,099)	\$ (362,928)	\$ 1,165,555

General Fund Budgetary Highlights

The Village general fund in the Annual Financial Report is shown in comparison to the original and final budget. The revenues were conservatively budgeted and actual was \$309,227 or 1.7% higher. The expenses were \$1,219,256 or 6.5% lower than budgeted.

Business-type Activities

The Enterprise Funds include Water/Sewer Fund and Senior Citizen Complex Funds. Business-type activities posted total revenues of \$14,158,594, while the cost of all business-type activities totaled \$13,969,265. This results in a change in net position of \$189,329. Water and Sewer had a decrease in net position of \$97,898 and Senior Citizen Complex contributed an increase of \$287,227.

Revenue

For the fiscal year ended April 30, 2013, revenues for the business-type activities totaled \$14,158,594, an increase of \$1,434,716, or 10.1%, due to increased charges for services in the Water and Sewer fund. This was from passing on a rate increase of 15% from the City of Chicago for the purchase of water.

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

Expenses

At fiscal year-end, the audited statements of the water/sewer fund include both depreciation and amortization. Without these two expenditures, the Water/Sewer and Senior Citizen Complex funds had operating income of \$2,614,385. However, with depreciation/amortization of \$1,525,486 and non-operating expenses and transfer out of \$899,570, the change in net position totaled \$189,329.

**Table 6
Enterprise Funds
As of April 30, 2013**

	Waterworks and Sewerage	Senior Citizen Complex	Totals		Difference	% Increase (Decrease)
			2013	2012		
Operating revenues						
Charges for services	\$ 10,158,167	\$ -	\$ 10,158,167	\$ 8,712,289	\$ 1,445,878	14.2%
Rental income	-	3,821,943	3,821,943	3,836,864	(14,921)	-0.4%
Other income	102,708	75,776	178,484	174,725	3,759	2.1%
Total operating revenues	10,260,875	3,897,719	14,158,594	12,723,878	1,434,716	10.1%
Operating expenses						
Water department	8,971,409	-	8,971,409	7,467,064	1,504,345	16.8%
Sewer department	197,212	-	197,212	186,061	11,151	5.7%
Senior Citizen Complex	-	2,375,588	2,375,588	2,346,290	29,298	0.0%
Depreciation and amortization	788,939	736,547	1,525,486	1,498,218	27,268	1.8%
Total operating expenses	9,957,560	3,112,135	13,069,695	11,497,633	1,572,062	13.7%
Non-operating expenses and transfers out						
Amortization bond costs	2,771	4,273	7,044	33,037	(25,993)	-78.7%
Net interest expense	266,442	227,941	494,383	545,319	(50,936)	-10.3%
Transfers out	132,000	266,143	398,143	595,407	(197,264)	-49.5%
Total non-operating expenses and transfers out	401,213	498,357	899,570	1,173,763	(274,193)	-23.4%
Total expenses and transfers out	10,358,773	3,610,492	13,969,265	12,671,396	1,297,869	9.3%
Change in net position	\$ (97,898)	\$ 287,227	\$ 189,329	\$ 52,482	\$ 136,847	72.3%

Capital Assets

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

**VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013**

Table 7

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Non-depreciable assets:						
Land	\$ 350,000	\$ 350,000	\$ 1,886,953	\$ 1,886,953	\$ 2,236,953	\$ 2,236,953
Construction in progress	240,226	-	3,619,926	2,074,215	3,860,152	2,074,215
Capital assets being depreciated:						
Buildings and improvements	10,170,438	9,961,081	26,608,494	26,012,222	36,778,932	35,973,303
Vehicles, machinery, and equipment	8,207,258	7,747,114	2,705,399	2,717,889	10,912,657	10,465,003
Infrastructure	40,128,291	39,385,202	25,555,985	23,333,129	65,684,276	62,718,331
Less accumulated depreciation	<u>(42,817,006)</u>	<u>(41,353,023)</u>	<u>(25,355,208)</u>	<u>(23,865,722)</u>	<u>(68,172,214)</u>	<u>(65,218,745)</u>
Capital assets	\$ 16,279,207	\$ 16,090,374	\$ 35,021,549	\$ 32,158,686	\$ 51,300,756	\$ 48,249,060

The Village's governmental capital assets increased \$1,652,816 and business-type assets had a net increase of \$4,352,349 for a combined increase of \$6,005,165 before depreciation during fiscal 2013. The primary increase in governmental activities was for system infrastructure and vehicles. The primary increase in business-type assets was from water system infrastructure. Additional detail regarding capital assets may be seen in the notes to the financial statements - Note 4C, pages 44 and 45.

Long-term Debt

At the end of the fiscal year, the Village had total bonded debt outstanding of \$21.206 million. Of this amount \$902,000 is funded directly from property taxes. The other funding for outstanding debt is from revenues from the Senior Citizen Complex, Water/Sewer, Road and Bridge, TIF and Corporate funds. In fiscal year ended 2009, the Village was assigned an Aa2 rating from Moody's and AA rating from Standard & Poor's. In 2010, both ratings were affirmed by the respective rating agencies during a refinancing. As a home rule government, under Illinois law, the Village does not have a legal debt limit, except that any debt issue may not exceed a 40-year payment period.

Table 8 summarizes the Village's debt structure.

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

	Governmental Activities		Business Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
General obligation bonds	<u>\$ 9.3</u>	<u>\$ 11.2</u>	<u>\$ 11.9</u>	<u>\$ 12.2</u>	<u>\$ 21.2</u>	<u>\$ 23.4</u>

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013

Economic Factors

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

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

- Looking forward towards fiscal year 2014, the Village will continue negotiations dealing with the redevelopment of the 123rd Street TIF and the remainder of Cicero Avenue to 119th Street. This redevelopment is anticipated to bring retail growth, providing additional sales and property tax to the Village.
- The Village is continuing the program begun in fiscal year ended April 30, 2009, to upgrade the water system. Major improvements that were completed in 2013 include the major renovations and replacement of water mains, and renovation of the 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 was completed.
- 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 has included both replacement and reconstruction of selected streets, both residential and commercial, in accordance with the Village's approved roadway program. The final phase of the project will be completed in 2014. Additionally, some of the funds derived from the sale of these bonds have been used to make capital improvements to Village-owned senior housing. In 2013, new boilers were installed. Patio doors, basement windows, and parking lot renovations will be completed in 2014.

In fiscal year 2014, the village anticipates issuing bonds to fund water and sewer projects needed within the Village. These capital improvements are necessary to maintain the quality of our current water/sewer system.

- In fiscal year 2013, the Village did realize a slight increase in tax receipts, most notably sales taxes and State income tax while property tax was down. Other major revenue sources remain comparable to previous fiscal year levels. Other revenue, related to housing and reinvestment started to increase slightly. On the expense side, the Village continues to maintain expense increases to coincide with increase in revenues and to restrict capital purchases.

VILLAGE OF ALSIP, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2013

- In the spring of 2013, the Village of Alsip commissioned Hitchcock Design Group, in partnership with Business Districts, Inc. (BDI), and Nicholas Associated, to update the 2007 Pulaski Road Corridor Plan, with an emphasis on priority items that would be accomplished over the next three years. The goal over the next three years is to firmly establish an improving mix of market-supported retail and services in a branded, attractive, and walkable environment. This initiative is being funded by the tax increment financing (TIF) dollars that are available. The Family Dollar Store that opened in 2013 was part of this initiative. Veterans Park opened in this area also and involved volunteer time and contributions from the community. The Village plans to use this economic development tool in fiscal year 2014 to continue to work to transform the overall area.

These factors will be prominent in the preparation of the Village's budget for the 2015 fiscal year.

Requests for Information

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 349,690	\$ 100	\$ 349,790
Temporary cash investments	16,400,176	4,468,734	20,868,910
Receivables (net of allowance for uncollectibles)	7,517,106	1,181,510	8,698,616
Internal balances	(211,511)	211,511	-
Bond issuance costs	-	178,513	178,513
Deposits	-	166,394	166,394
Prepaid expenses	54,656	5,939	60,595
Restricted assets:			
Temporary cash investments	1,547,046	3,506,451	5,053,497
Capital assets (net of accumulated depreciation):			
Buildings	3,954,071	8,018,300	11,972,371
Improvements	605,823	4,673,329	5,279,152
System infrastructure	8,481,993	16,292,539	24,774,532
Machinery and equipment	915,326	421,433	1,336,759
Furniture and fixtures	23,207	-	23,207
Vehicles	1,708,561	109,069	1,817,630
Capital assets not being depreciated:			
Land	350,000	1,886,953	2,236,953
Construction in progress	240,226	3,619,926	3,860,152
Total assets	<u>41,936,370</u>	<u>44,740,701</u>	<u>86,677,071</u>
LIABILITIES			
Accounts payable and other current liabilities	1,324,803	3,044,406	4,369,209
Accrued interest payable	137,325	191,359	328,684
Intergovernmental liability	14,546	-	14,546
Due to fiduciary funds	28,194	-	28,194
Deposits	-	335,135	335,135
Payable from restricted accounts:			
Customer deposits	-	29,126	29,126
Noncurrent liabilities:			
Due within one year	1,456,967	414,532	1,871,499
Due in more than one year	18,149,310	14,336,177	32,485,487
Total liabilities	<u>21,111,145</u>	<u>18,350,735</u>	<u>39,461,880</u>
NET POSITION			
Net investment in capital assets	6,609,013	20,418,191	27,027,204
Restricted for:			
Debt service	3,141,831	-	3,141,831
Special purposes	6,048,068	-	6,048,068
Unrestricted	<u>5,026,313</u>	<u>5,971,775</u>	<u>10,998,088</u>
TOTAL NET POSITION	<u>\$ 20,825,225</u>	<u>\$ 26,389,966</u>	<u>\$ 47,215,191</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, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS						
Primary government:						
Governmental activities:						
General government	\$ 2,148,786	\$ 917,990	\$ 54,180	\$ (1,176,616)	\$ -	\$ (1,176,616)
Public safety	14,157,775	1,610,874	73,636	(12,473,265)	-	(12,473,265)
Highway and streets	2,760,221	573,971	-	(2,186,250)	-	(2,186,250)
Building	242,235	73,506	-	(168,729)	-	(168,729)
Health and environmental control	1,183,432	562,738	-	(620,694)	-	(620,694)
Drainage and storm sewers	2,665	-	-	(2,665)	-	(2,665)
Forestry maintenance	22,315	-	-	(22,315)	-	(22,315)
Capital improvements	52,627	-	-	(52,627)	-	(52,627)
Interest on long-term debt	429,452	-	-	(429,452)	-	(429,452)
Total governmental activities	<u>20,999,508</u>	<u>3,739,079</u>	<u>127,816</u>	<u>(17,132,613)</u>	<u>-</u>	<u>(17,132,613)</u>
Business-type activities:						
Water	10,021,742	9,496,481	-	-	(525,261)	(525,261)
Sewer	207,981	758,780	-	-	550,799	550,799
Senior Citizen Complex	3,353,314	3,897,719	-	-	544,405	544,405
Total business-type activities	<u>13,583,037</u>	<u>14,152,980</u>	<u>-</u>	<u>-</u>	<u>569,943</u>	<u>569,943</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 34,582,545</u>	<u>\$ 17,892,059</u>	<u>\$ 127,816</u>	<u>\$ (17,132,613)</u>	<u>\$ 569,943</u>	<u>\$ (16,562,670)</u>
General revenues:						
Property taxes				\$ 8,872,061	\$ -	\$ 8,872,061
Sales taxes				5,572,201	-	5,572,201
State income taxes				2,287,977	-	2,287,977
Fuel use taxes				663,633	-	663,633
Motor fuel taxes				459,034	-	459,034
Replacement taxes				349,094	-	349,094
Real estate transfer taxes				193,655	-	193,655
Other taxes				702,285	-	702,285
Insurance proceeds				42,708	-	42,708
Unrestricted interest/investment earnings				13,452	7,402	20,854
Other				305,931	10,127	316,058
Transfers				398,143	(398,143)	-
Total general revenues and transfers				<u>19,860,174</u>	<u>(380,614)</u>	<u>19,479,560</u>
CHANGE IN NET POSITION				<u>2,727,561</u>	<u>189,329</u>	<u>2,916,890</u>
NET POSITION - BEGINNING, AS ORIGINALLY STATED				18,097,664	26,654,575	44,752,239
Prior period adjustment - see Note 6				-	(453,938)	(453,938)
NET POSITION - BEGINNING, AS RESTATED				<u>18,097,664</u>	<u>26,200,637</u>	<u>44,298,301</u>
NET POSITION - ENDING				<u>\$ 20,825,225</u>	<u>\$ 26,389,966</u>	<u>\$ 47,215,191</u>

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

VILLAGE OF ALSIP, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2013

	General	Road and Bridge	Special Tax Allocation	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 349,690	\$ -	\$ -	\$ -	\$ -	\$ 349,690
Temporary cash investments	6,878,371	740,328	3,756,615	3,031,100	1,993,762	16,400,176
Receivables (net of allowance for uncollectibles)	6,319,691	285,690	433,591	444,983	33,151	7,517,106
Due from other funds	2,457,666	-	50,525	211,159	342,297	3,061,647
Prepaid expenses	51,315	3,341	-	-	-	54,656
Restricted assets:						
Temporary cash investments	<u>1,547,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,547,046</u>
TOTAL ASSETS	<u>\$ 17,603,779</u>	<u>\$ 1,029,359</u>	<u>\$ 4,240,731</u>	<u>\$ 3,687,242</u>	<u>\$ 2,369,210</u>	<u>\$ 28,930,321</u>
LIABILITIES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable and other current liabilities	\$ 1,225,481	\$ 77,229	\$ 15,099	\$ -	\$ 6,994	\$ 1,324,803
Intergovernmental liability	-	-	-	14,546	-	14,546
Deferred property and other tax revenue	3,640,937	285,690	433,591	444,983	-	4,805,201
Due to other funds	<u>936,984</u>	<u>2,067,327</u>	<u>211,159</u>	<u>85,882</u>	<u>-</u>	<u>3,301,352</u>
Total liabilities	<u>5,803,402</u>	<u>2,430,246</u>	<u>659,849</u>	<u>545,411</u>	<u>6,994</u>	<u>9,445,902</u>
FUND BALANCES (DEFICIT)						
Nonspendable	<u>51,315</u>	<u>3,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,656</u>
Restricted for:						
Police department programs	104,970	-	-	-	-	104,970
Maintenance of 9-1-1 Emergency Telephone System	-	-	-	-	649,389	649,389
Tax Increment Financing allocation for project areas	-	-	3,580,882	-	-	3,580,882
Street maintenance and improvement programs	-	-	-	-	1,661,236	1,661,236
Fire department programs	-	-	-	-	51,591	51,591
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,141,831</u>	<u>-</u>	<u>3,141,831</u>
Total restricted fund balance	<u>104,970</u>	<u>-</u>	<u>3,580,882</u>	<u>3,141,831</u>	<u>2,362,216</u>	<u>9,189,899</u>
Assigned for insurance premiums, claims and related expenditures	<u>1,335,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,335,972</u>
Unassigned	<u>10,308,120</u>	<u>(1,404,228)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,903,892</u>
Total fund balances (deficit)	<u>11,800,377</u>	<u>(1,400,887)</u>	<u>3,580,882</u>	<u>3,141,831</u>	<u>2,362,216</u>	<u>19,484,419</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 17,603,779</u>	<u>\$ 1,029,359</u>	<u>\$ 4,240,731</u>	<u>\$ 3,687,242</u>	<u>\$ 2,369,210</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						16,279,207
Receivables are not available to pay for current period expenditures and, therefore, are deferred in the funds.						4,805,201
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.						<u>(19,743,602)</u>
						<u>\$ 20,825,225</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) -
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2013

	<u>General</u>	<u>Road and Bridge</u>	<u>Special Tax Allocation</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
REVENUES						
Taxes	\$ 15,366,324	\$ 1,244,408	\$ 903,456	\$ 840,966	\$ 491,567	\$ 18,846,721
Fines	431,330	-	-	-	-	431,330
Licenses and permits	473,640	353,063	-	-	422,845	1,249,548
Grants	127,816	-	-	-	-	127,816
Charges for services	562,738	-	-	-	-	562,738
Investment income	4,487	1	18	7,825	1,121	13,452
Miscellaneous	<u>1,473,050</u>	<u>240,924</u>	<u>-</u>	<u>-</u>	<u>154,498</u>	<u>1,868,472</u>
Total revenues	<u>18,439,385</u>	<u>1,838,396</u>	<u>903,474</u>	<u>848,791</u>	<u>1,070,031</u>	<u>23,100,077</u>
EXPENDITURES						
Current: General government	1,321,430	-	-	-	-	1,321,430
Public safety	10,740,083	-	-	-	525,267	11,265,350
Highways and streets	-	1,496,507	-	-	213,487	1,709,994
Building	217,836	-	-	-	-	217,836
Health and environmental control	1,164,184	-	-	-	-	1,164,184
Insurance	2,937,049	-	-	-	-	2,937,049
Drainage and storm sewers	-	2,665	-	-	-	2,665
Forestry maintenance	-	22,315	-	-	-	22,315
Capital projects	286,617	-	-	-	710,572	997,189
Miscellaneous	13,598	-	209,290	15,645	-	238,533
Debt service: Principal retirement	68,761	31,806	-	1,815,663	26,977	1,943,207
Interest and fiscal charges	<u>9,404</u>	<u>3,470</u>	<u>-</u>	<u>391,959</u>	<u>762</u>	<u>405,595</u>
Total expenditures	<u>16,758,962</u>	<u>1,556,763</u>	<u>209,290</u>	<u>2,223,267</u>	<u>1,477,065</u>	<u>22,225,347</u>
Excess (deficiency) of revenues over expenditures	<u>1,680,423</u>	<u>281,633</u>	<u>694,184</u>	<u>(1,374,476)</u>	<u>(407,034)</u>	<u>874,730</u>
OTHER FINANCING SOURCES (USES)						
Operating transfer in	16,004	-	-	535,314	710,572	1,261,890
Operating transfer out	-	(110,000)	-	(710,572)	(43,175)	(863,747)
Sale of Village property	<u>19,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,653</u>
Total other financing sources (uses)	<u>35,657</u>	<u>(110,000)</u>	<u>-</u>	<u>(175,258)</u>	<u>667,397</u>	<u>417,796</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,716,080	171,633	694,184	(1,549,734)	260,363	1,292,526
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>10,084,297</u>	<u>(1,572,520)</u>	<u>2,886,698</u>	<u>4,691,565</u>	<u>2,101,853</u>	<u>18,191,893</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 11,800,377</u>	<u>\$ (1,400,887)</u>	<u>\$ 3,580,882</u>	<u>\$ 3,141,831</u>	<u>\$ 2,362,216</u>	<u>\$ 19,484,419</u>

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, 2013**

Amounts reported for governmental activities in the Statement of Activities
(page 18) are different because:

Net change in fund balances - total governmental funds (page 20)	\$ 1,292,526
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, \$1,981,726, exceeded depreciation, \$1,748,872, in the current period.	232,854
The effect of miscellaneous transactions involving capital assets (i.e. sales and trade-ins) is to decrease net position by the undepreciated balance of the capital assets.	(44,021)
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.	253,219
The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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.	1,405,143
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>(412,160)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (PAGE 18)	<u>\$ 2,727,561</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD AND BRIDGE FUNDS (BUDGETARY BASIS)
For the Year Ended April 30, 2013

	General				Road and Bridge			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES								
Taxes	\$ 15,553,241	\$ 15,553,241	\$ 15,380,665	\$ (172,576)	\$ 1,750,000	\$ 1,750,000	\$ 1,244,408	\$ (505,592)
Fines	500,000	500,000	431,330	(68,670)	-	-	-	-
Licenses and permits	465,000	465,000	473,640	8,640	370,000	370,000	353,063	(16,937)
Grants	140,000	140,000	127,816	(12,184)	-	-	-	-
Charges for services	520,000	520,000	560,500	40,500	-	-	-	-
Investment income	-	-	4,487	4,487	-	-	1	1
Miscellaneous	1,097,500	1,097,500	1,606,530	509,030	232,000	232,000	240,924	8,924
Total revenues	<u>18,275,741</u>	<u>18,275,741</u>	<u>18,584,968</u>	<u>309,227</u>	<u>2,352,000</u>	<u>2,352,000</u>	<u>1,838,396</u>	<u>(513,604)</u>
EXPENDITURES								
Current:								
General government	1,166,560	1,173,860	1,756,115	(582,255)	-	-	-	-
Public safety	11,979,633	11,985,633	10,535,188	1,450,445	-	-	-	-
Highway and streets	-	-	-	-	1,917,282	1,917,282	1,538,477	378,805
Building	236,337	236,337	207,343	28,994	-	-	-	-
Health and environmental control	1,191,599	1,191,599	1,516,917	(325,318)	-	-	-	-
Drainage and storm sewers	-	-	-	-	37,800	37,800	2,665	35,135
Forestry maintenance	-	-	-	-	152,500	152,500	22,554	129,946
Insurance	3,252,000	3,406,734	3,008,685	398,049	-	-	-	-
Capital projects	582,800	597,595	286,617	310,978	-	-	-	-
Miscellaneous	16,401	16,401	30,383	(13,982)	-	-	-	-
Debt service:								
Principal retirement	30,510	30,510	68,761	(38,251)	-	-	31,806	(31,806)
Interest and fiscal charges	-	-	9,404	(9,404)	-	-	3,470	(3,470)
Total expenditures	<u>18,455,840</u>	<u>18,638,669</u>	<u>17,419,413</u>	<u>1,219,256</u>	<u>2,107,582</u>	<u>2,107,582</u>	<u>1,598,972</u>	<u>508,610</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (180,099)</u>	<u>\$ (362,928)</u>	<u>\$ 1,165,555</u>	<u>\$ 1,528,483</u>	<u>\$ 244,418</u>	<u>\$ 244,418</u>	<u>\$ 239,424</u>	<u>\$ (4,994)</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
April 30, 2013

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
ASSETS			
Current assets:			
Cash	\$ 100	\$ -	\$ 100
Temporary cash investments	3,637,921	830,813	4,468,734
Receivables (net of allowance for uncollectibles)	1,181,510	-	1,181,510
Prepaid insurance/expense	2,300	3,639	5,939
Due from other funds	466,966	46,714	513,680
Total current assets	<u>5,288,797</u>	<u>881,166</u>	<u>6,169,963</u>
Noncurrent assets:			
Restricted temporary cash investments	668,521	2,837,930	3,506,451
Bond issuance costs	63,162	115,351	178,513
Deposits	-	166,394	166,394
Capital assets:			
Land	-	1,886,953	1,886,953
Buildings	3,823,869	14,698,198	18,522,067
Building improvements	36,138	7,344,806	7,380,944
Improvements other than building	-	705,483	705,483
System infrastructure	25,555,985	-	25,555,985
Machinery and equipment	1,638,351	877,991	2,516,342
Vehicles	189,057	-	189,057
Construction in progress	3,619,926	-	3,619,926
Less accumulated depreciation	<u>(13,739,586)</u>	<u>(11,615,622)</u>	<u>(25,355,208)</u>
Total capital assets (net of accumulated depreciation)	<u>21,123,740</u>	<u>13,897,809</u>	<u>35,021,549</u>
Total noncurrent assets	<u>21,855,423</u>	<u>17,017,484</u>	<u>38,872,907</u>
TOTAL ASSETS	<u>\$ 27,144,220</u>	<u>\$ 17,898,650</u>	<u>\$ 45,042,870</u>

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 2,944,621	\$ 99,785	\$ 3,044,406
Accrued interest payable	87,045	104,314	191,359
Security deposits	-	335,135	335,135
Due to other funds	-	302,169	302,169
Current portion of notes payable	59,623	-	59,623
Current portion of general obligation bonds	<u>205,000</u>	<u>149,909</u>	<u>354,909</u>
Total current liabilities	<u>3,296,289</u>	<u>991,312</u>	<u>4,287,601</u>
Current liabilities payable from restricted assets:			
Deposits	<u>29,126</u>	<u>-</u>	<u>29,126</u>
Noncurrent liabilities:			
Compensated absences payable	65,842	-	65,842
Post employment benefit obligation	81,509	-	81,509
Notes payable	2,630,958	-	2,630,958
Long-term portion of general obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>5,711,446</u>	<u>5,846,422</u>	<u>11,557,868</u>
Total noncurrent liabilities	<u>8,489,755</u>	<u>5,846,422</u>	<u>14,336,177</u>
Total liabilities	<u>11,815,170</u>	<u>6,837,734</u>	<u>18,652,904</u>
NET POSITION			
Net investment in capital assets	12,516,713	7,901,478	20,418,191
Unrestricted	<u>2,812,337</u>	<u>3,159,438</u>	<u>5,971,775</u>
Total net position	<u>15,329,050</u>	<u>11,060,916</u>	<u>26,389,966</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 27,144,220</u>	<u>\$ 17,898,650</u>	<u>\$ 45,042,870</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 POSITION -
PROPRIETARY FUNDS
For the Year Ended April 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for sales and services:			
Water and sewer sales	\$ 10,158,167	\$ -	\$ 10,158,167
Rental income	-	3,821,943	3,821,943
Other sales and services	<u>102,708</u>	<u>75,776</u>	<u>178,484</u>
Total operating revenues	<u>10,260,875</u>	<u>3,897,719</u>	<u>14,158,594</u>
OPERATING EXPENSES			
Cost of sales and services	9,168,621	2,375,588	11,544,209
Depreciation	<u>788,939</u>	<u>736,547</u>	<u>1,525,486</u>
Total operating expenses	<u>9,957,560</u>	<u>3,112,135</u>	<u>13,069,695</u>
Operating income	<u>303,315</u>	<u>785,584</u>	<u>1,088,899</u>
NON-OPERATING REVENUES (EXPENSES)			
Amortization of bond issuance costs	(3,384)	(5,863)	(9,247)
Amortization of underwriter's discount	(2,310)	-	(2,310)
Amortization of bond premium	2,923	1,590	4,513
Note and bond interest and fiscal charges	(266,469)	(235,318)	(501,787)
Investment earnings	<u>27</u>	<u>7,377</u>	<u>7,404</u>
Total non-operating revenues (expenses)	<u>(269,213)</u>	<u>(232,214)</u>	<u>(501,427)</u>
Income before transfers	34,102	553,370	587,472
OPERATING TRANSFERS			
Transfer out	<u>(132,000)</u>	<u>(266,143)</u>	<u>(398,143)</u>
Change in net position	<u>(97,898)</u>	<u>287,227</u>	<u>189,329</u>
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED			
	15,880,886	10,773,689	26,654,575
Prior period adjustment - see Note 6	<u>(453,938)</u>	<u>-</u>	<u>(453,938)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED			
	<u>15,426,948</u>	<u>10,773,689</u>	<u>26,200,637</u>
NET POSITION, END OF YEAR			
	<u>\$ 15,329,050</u>	<u>\$ 11,060,916</u>	<u>\$ 26,389,966</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, 2013

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 10,144,382	\$ 3,900,794	\$ 14,045,176
Payments to suppliers	(8,335,399)	(1,779,573)	(10,114,972)
Payments to employees	(560,594)	(563,012)	(1,123,606)
Net cash provided by operating activities	<u>1,248,389</u>	<u>1,558,209</u>	<u>2,806,598</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers out	<u>(132,000)</u>	<u>(266,143)</u>	<u>(398,143)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of property, building and equipment	(3,796,077)	(596,272)	(4,392,349)
Proceeds from sale of equipment	9,464	-	9,464
Principal payments on bonds payable	(200,000)	(145,745)	(345,745)
Proceeds from issuance of notes payable	2,690,581	-	2,690,581
Interest paid on notes and bonds	(269,136)	(240,476)	(509,612)
Net cash used in capital and related financing activities	<u>(1,565,168)</u>	<u>(982,493)</u>	<u>(2,547,661)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	<u>27</u>	<u>7,377</u>	<u>7,404</u>
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	(448,752)	316,950	(131,802)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>4,755,294</u>	<u>3,351,793</u>	<u>8,107,087</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 4,306,542</u>	<u>\$ 3,668,743</u>	<u>\$ 7,975,285</u>

	Business-type Activities - Enterprise Funds		
	Waterworks and Sewerage	Senior Citizen Complex	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 303,315	\$ 785,584	\$ 1,088,899
Adjustments to reconcile operating income to net cash provided by operating activities:			
Gain on sale of equipment	(5,464)	-	(5,464)
Depreciation	788,939	736,547	1,525,486
Effects of changes in operating assets and liabilities:			
Receivables - account customers	(8,110)	-	(8,110)
Receivables - unbilled charges	(102,919)	-	(102,919)
Due from other funds	2,620	(1,725)	895
Prepaid insurance/expense	(2,300)	(78)	(2,378)
Utility overpayment	(6,029)	-	(6,029)
Deposits	-	7,376	7,376
Accounts payable	252,644	27,430	280,074
Other accrued expenses	7,029	-	7,029
Security deposits	-	3,075	3,075
Post employment benefit obligation	11,392	-	11,392
Compensated absences payable	4,965	-	4,965
Restricted liabilities	2,307	-	2,307
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 1,248,389	\$ 1,558,209	\$ 2,806,598

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
April 30, 2013

	Pension Trust		
	Police Pension	Firemen's Pension	Totals
ASSETS			
Cash and cash equivalents	\$ 3,742,861	\$ 366,520	\$ 4,109,381
Receivables:			
Contributions	1,143,121	734,246	1,877,367
Accrued interest	59,296	59,664	118,960
Due from other funds	109,596	-	109,596
Investments, at fair value:			
U.S. Government securities	4,452,674	7,026,694	11,479,368
Corporate bonds	-	1,794,001	1,794,001
Mutual funds	5,135,222	10,710,848	15,846,070
Stocks	2,508,963	-	2,508,963
	<u>17,151,733</u>	<u>20,691,973</u>	<u>37,843,706</u>
Total assets			
LIABILITIES			
Accrued liabilities	16,402	-	16,402
Deferred contributions	1,132,081	734,246	1,866,327
Due to other funds	-	81,402	81,402
	<u>1,148,483</u>	<u>815,648</u>	<u>1,964,131</u>
Total liabilities			
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	<u>\$ 16,003,250</u>	<u>\$ 19,876,325</u>	<u>\$ 35,879,575</u>

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

VILLAGE OF ALSIP, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
For the Year Ended April 30, 2013

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Police Pension Fund</u>	<u>Firemen's Pension Fund</u>	
ADDITIONS			
Contributions:			
Employer	\$ 1,716,750	\$ 1,222,157	\$ 2,938,907
Employee	<u>285,568</u>	<u>255,960</u>	<u>541,528</u>
Total contributions	<u>2,002,318</u>	<u>1,478,117</u>	<u>3,480,435</u>
Investment earnings:			
Net appreciation in fair value of investments	807,251	1,084,521	1,891,772
Dividends	165,189	93,076	258,265
Interest	254,892	244,182	499,074
Miscellaneous income	<u>-</u>	<u>25</u>	<u>25</u>
Total investment earnings	1,227,332	1,421,804	2,649,136
Less investment expense	<u>74,329</u>	<u>85,361</u>	<u>159,690</u>
Net investment earnings	<u>1,153,003</u>	<u>1,336,443</u>	<u>2,489,446</u>
Total additions	<u>3,155,321</u>	<u>2,814,560</u>	<u>5,969,881</u>
DEDUCTIONS			
Retirement benefits	2,243,541	806,472	3,050,013
Duty disability benefits	27,444	517,127	544,571
Surviving spouse benefits	47,228	191,907	239,135
Miscellaneous	<u>32,033</u>	<u>13,442</u>	<u>45,475</u>
Total deductions	<u>2,350,246</u>	<u>1,528,948</u>	<u>3,879,194</u>
NET INCREASE	805,075	1,285,612	2,090,687
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, BEGINNING	<u>15,198,175</u>	<u>18,590,713</u>	<u>33,788,888</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, ENDING	<u>\$ 16,003,250</u>	<u>\$ 19,876,325</u>	<u>\$ 35,879,575</u>

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment 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, 2013

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, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The *Special Tax Allocation Fund* accounts for the resources related to the Village's tax incremental financing districts, 123rd Street TIF, 123rd Street and Cicero TIF and the Pulaski Road Corridor TIF. No work has commenced on the Pulaski Road Corridor TIF through April 30, 2013.

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

The Village reports the following major proprietary funds:

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

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

Additionally, the Village reports the following fund type:

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

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

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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 position 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, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net position 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 (due March 1) is an estimate of the current year's levy based on the prior year's taxes: the second billing (due August 1) reflects adjustments to the current year's actual levy.

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

3. *Inventories and prepaid items*

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

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

4. *Restricted assets*

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net position 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 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, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net position 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 Position. 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*

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

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net position 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.

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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

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

The Governmental Fund Balance Sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds." The details of this \$19,743,602 difference are as follows:

Bonds and notes payable	\$ 10,005,900
Less deferred charge on refunding (to be amortized over life of debt)	(238,861)
Less deferred charge for issuance costs (to be amortized over life of debt)	(168,626)
Less net issuance (discount) premium (to be amortized over life of debt)	67,598
Accrued interest payable	137,325
Other payable	244,408
Compensated absences	177,685
Net pension obligation	7,722,410
Post retirement benefit obligation	<u>1,795,763</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 19,743,602</u>

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

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The detail of this \$232,854 difference is as follows:

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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	\$ 1,981,726
Depreciation expense	<u>(1,748,872)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 232,854</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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 \$1,405,136 difference is as follows:

Issuance of notes payable	\$ (510,023)
Principal repayments:	
Note payable debt	162,918
General obligation debt	1,815,663
Amortization of charge on refunding	(51,767)
Amortization of issuance costs	(24,008)
Amortization of bond premiums	23,472
Amortization of bond discounts	<u>(11,112)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,405,143</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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 \$(412,160) difference are as follows:

Net pension obligation	\$ (220,226)
Post retirement benefit obligation	(220,929)
Accrued interest	19,835
Other liabilities	<u>9,160</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (412,160)</u></u>

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

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

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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	\$ 18,584,968	\$ 18,439,385	\$ 145,583
Expenditures	\$ 17,419,413	\$ 16,758,962	\$ 660,451
Road and Bridge:			
Revenues	\$ 1,838,396	\$ 1,838,396	\$ -
Expenditures	\$ 1,598,972	\$ 1,556,763	\$ 42,209

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, 2013, expenditures exceeded appropriations in the general government, health and environmental control, miscellaneous and debt service departments of the General Fund by \$582,255, \$325,318, \$13,982 and \$47,655, respectively. These over-expenditures were funded by less than anticipated expenditures in other General Fund departments and by the available fund balance of the General Fund. In the debt service department of the Road and Bridge Fund expenditures exceeded appropriations by \$35,276. These were funded by less than anticipated expenditures in the other departments of the Road and Bridge Fund.

Deficit fund equity

The Road and Bridge Special Revenue Fund had a deficit fund balance of \$1,400,887 as of April 30, 2013.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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, 2013, none of the Village's bank balance of \$26,755,239 was exposed to custodial credit risk.

Investments

As of April 30, 2013, the Police and Firemen's Pension trust funds held all of the investments, which are comprised of the following:

<u>Investment Type</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 4,109,381
U. S. Government securities	11,479,368
Corporate bonds	1,794,001
Mutual funds	15,846,070
Domestic and international equities	<u>2,508,963</u>
Total	<u>\$ 35,737,783</u>

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

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

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Investments (continued)

Concentration of Credit Risk. The pension funds do limit the amount of funds that may be invested in any one issuer. However, more than 5% of the Firemen's Pension Fund's investments are in Guggenheim S&P 500 Pure Growth Fund, Fidelity Growth Company Fund and First Midwest EB Large Cap Equity Mutual Fund. These investments are 6.8%, 7.4% and 13.7%, respectively, of the Firemen's Pension Fund's total investments. The Police Pension Fund has no investments that represent more than 5% of the fund's total investments.

B. Receivables

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

	<u>General</u>	<u>Road and Bridge</u>	<u>Special Tax Allocation</u>	<u>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Non-major and Fiduciary Funds</u>	<u>Total</u>
Receivables:							
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,960	\$ 118,960
Taxes	6,088,051	303,115	462,211	489,173	-	33,151	7,375,701
Accounts	<u>1,338,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,181,510</u>	<u>1,877,367</u>	<u>4,397,553</u>
Gross receivables	7,426,727	303,115	462,211	489,173	1,181,510	2,029,478	11,892,214
Less allowance for uncollectibles	<u>(1,107,036)</u>	<u>(17,425)</u>	<u>(28,620)</u>	<u>(44,190)</u>	<u>-</u>	<u>-</u>	<u>(1,197,271)</u>
Net total receivables	<u>\$ 6,319,691</u>	<u>\$ 285,690</u>	<u>\$ 433,591</u>	<u>\$ 444,983</u>	<u>\$ 1,181,510</u>	<u>\$ 2,029,478</u>	<u>\$10,694,943</u>

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

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables (continued)

	<u>Unavailable</u>
Delinquent property taxes receivable (General Fund)	\$ 3,640,937
Delinquent property taxes receivable (Special Revenue Funds)	719,281
Delinquent property taxes receivable (Debt Service Fund)	<u>444,983</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 4,805,201</u>

C. Capital assets

Capital asset activity for the year ended April 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 350,000	\$ -	\$ -	\$ 350,000
Construction in progress	<u>-</u>	<u>240,226</u>	<u>-</u>	<u>240,226</u>
Total capital assets, not being depreciated	<u>350,000</u>	<u>240,226</u>	<u>-</u>	<u>590,226</u>
Capital assets being depreciated:				
Buildings	8,473,041	-	-	8,473,041
Improvements	1,488,040	209,357	-	1,697,397
System infrastructure	39,385,202	743,089	-	40,128,291
Machinery and equipment	3,335,926	79,273	-	3,415,199
Furniture and fixtures	352,459	-	-	352,459
Vehicles	<u>4,058,729</u>	<u>709,781</u>	<u>(328,910)</u>	<u>4,439,600</u>
Total capital assets being depreciated	<u>57,093,397</u>	<u>1,741,500</u>	<u>(328,910)</u>	<u>58,505,987</u>
Less accumulated depreciation for:				
Buildings	(4,298,183)	(220,787)	-	(4,518,970)
Improvements	(1,035,245)	(56,329)	-	(1,091,574)
System infrastructure	(30,597,117)	(1,049,181)	-	(31,646,298)
Machinery and equipment	(2,315,341)	(184,532)	-	(2,499,873)
Furniture and fixtures	(318,997)	(10,255)	-	(329,252)
Vehicles	<u>(2,788,140)</u>	<u>(227,788)</u>	<u>284,889</u>	<u>(2,731,039)</u>
Total accumulated depreciation	<u>(41,353,023)</u>	<u>(1,748,872)</u>	<u>284,889</u>	<u>(42,817,006)</u>
Total capital assets being depreciated, net	<u>15,740,374</u>	<u>(7,372)</u>	<u>(44,021)</u>	<u>15,688,981</u>
Governmental activities capital assets, net	<u>\$ 16,090,374</u>	<u>\$ 232,854</u>	<u>\$ (44,021)</u>	<u>\$ 16,279,207</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,886,953	\$ -	\$ -	\$ 1,886,953
Construction in progress	<u>2,074,215</u>	<u>1,545,711</u>	<u>-</u>	<u>3,619,926</u>
Total capital assets, not being depreciated	<u>3,961,168</u>	<u>1,545,711</u>	<u>-</u>	<u>5,506,879</u>
Capital assets being depreciated:				
Buildings	18,522,067	-	-	18,522,067
Improvements	7,490,155	596,272	-	8,086,427
System infrastructure	23,333,129	2,222,856	-	25,555,985
Machinery and equipment	2,516,342	-	-	2,516,342
Vehicles	<u>201,547</u>	<u>27,510</u>	<u>(40,000)</u>	<u>189,057</u>
Total capital assets being depreciated	<u>52,063,240</u>	<u>2,846,638</u>	<u>(40,000)</u>	<u>54,869,878</u>
Less accumulated depreciation for:				
Buildings	(9,998,867)	(504,900)	-	(10,503,767)
Improvements	(3,080,837)	(332,261)	-	(3,413,098)
System infrastructure	(8,680,612)	(582,834)	-	(9,263,446)
Machinery and equipment	(2,009,138)	(85,771)	-	(2,094,909)
Vehicles	<u>(96,268)</u>	<u>(19,720)</u>	<u>36,000</u>	<u>(79,988)</u>
Total accumulated depreciation	<u>(23,865,722)</u>	<u>(1,525,486)</u>	<u>36,000</u>	<u>(25,355,208)</u>
Total capital assets being depreciated, net	<u>28,197,518</u>	<u>1,321,152</u>	<u>(4,000)</u>	<u>29,514,670</u>
Business-type activities capital assets, net	<u>\$ 32,158,686</u>	<u>\$ 2,866,863</u>	<u>\$ (4,000)</u>	<u>\$ 35,021,549</u>

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

Government activities:	
General government	\$ 152,708
Public safety	493,816
Highways and streets	1,044,271
Building	<u>58,077</u>
Total	<u>\$ 1,748,872</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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, 2013, is as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Road and Bridge Fund	\$ 2,067,327	\$ -
9-1-1 Emergency Telephone Fund	-	76,954
Special Tax Allocation Fund	-	50,525
Motor Fuel Tax Fund	-	265,343
Debt Service Fund	6,768	-
Water and Sewer Fund	-	434,566
Senior Citizen Complex Fund	302,169	-
Police Pension Fund	-	109,596
Firemen's Pension Fund	<u>81,402</u>	<u>-</u>
Total	<u>2,457,666</u>	<u>936,984</u>
Road and Bridge Fund:		
General Fund	<u>-</u>	<u>2,067,327</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, 2013

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	-	6,768
Special Tax Allocation Fund	211,159	-
Water and Sewer Fund	-	32,400
Senior Citizen Complex Fund	-	46,714
	<u>211,159</u>	<u>85,882</u>
Total		
Water and Sewer Fund:		
General Fund	434,566	-
Debt Service Fund	32,400	-
	<u>466,966</u>	<u>-</u>
Total		
Senior Citizen Complex Fund:		
General Fund	-	302,169
Debt Service Fund	46,714	-
	<u>46,714</u>	<u>302,169</u>
Total		
Police Pension Fund:		
General Fund	109,596	-
	<u>109,596</u>	<u>-</u>
Firemen's Pension Fund:		
General Fund	-	81,402
	<u>-</u>	<u>81,402</u>
Total all funds	<u>\$ 3,684,923</u>	<u>\$ 3,684,923</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund receivables, payables and transfers (continued)

The composition of interfund transfers as of April 30, 2013, is as follows:

	Transfer In:			Total
	General Fund	Debt Service Fund	Capital Projects Fund	
Transfer out:				
Road and Bridge Fund	\$ -	\$ 110,000	\$ -	\$ 110,000
9-1-1 Emergency Telephone Fund	-	43,175	-	43,175
Debt Service Fund	-	-	710,572	710,572
Waterworks and Sewerage Fund	-	132,000	-	132,000
Senior Citizen Complex Fund	<u>16,004</u>	<u>250,139</u>	<u>-</u>	<u>266,143</u>
Total	<u>\$ 16,004</u>	<u>\$ 535,314</u>	<u>\$ 710,572</u>	<u>\$ 1,261,890</u>

The purpose of the interfund transfers into the Debt Service Fund is to support debt retirement as per the original bond and note ordinances. The purpose of the transfer from the Debt Service Fund to the Capital Projects Fund was to transfer a portion of bond proceeds to the Capital Projects Fund to be used for bond expenditures. 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, 2013

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%	\$ 4,366,430
Governmental activities - refunding	2.00 - 4.50%	4,970,000
Business-type activities	1.50 - 5.20%	<u>11,869,589</u>
Total general obligation bonds		<u>\$ 21,206,019</u>

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

<u>Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,687,440	\$ 829,324	\$ 2,516,764
2015	1,593,579	771,555	2,365,134
2016	1,460,000	719,710	2,179,710
2017	1,420,000	670,481	2,090,481
2018-2022	5,445,000	2,650,960	8,095,960
2023-2027	4,275,000	1,666,138	5,941,138
2028-2032	4,715,000	751,543	5,466,543
2033-2035	<u>610,000</u>	<u>25,773</u>	<u>635,773</u>
Total	<u>\$ 21,206,019</u>	<u>\$ 8,085,484</u>	<u>\$ 29,291,503</u>

Notes payable

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	2.39 - 4.72%	\$ 669,470
Business-type activities	0%	<u>2,690,581</u>
Total notes payable		<u>\$ 3,360,051</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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>
2014	\$ 206,499	\$ 33,859	\$ 240,358
2015	256,195	45,719	301,914
2016	237,122	40,632	277,754
2017	236,274	35,810	272,084
2018-2022	799,270	128,847	928,117
2023-2027	681,805	83,175	764,980
2028-2032	725,636	39,344	764,980
2033-2035	<u>217,250</u>	<u>2,839</u>	<u>220,089</u>
Total	<u>\$ 3,360,051</u>	<u>\$ 410,225</u>	<u>\$ 3,770,276</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, 2013, \$1,510,000 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, 2013, the defeased debt is no longer outstanding.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Advance refunding (continued)

In August 2010, the Village issued \$3,550,000 of general obligation refunding bonds to advance refund for two general obligation bonds issued totaling \$3,805,000. The net proceeds of \$3,634,838 were used to purchase U.S. Government State and Local Government Series securities. Those securities are placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded debt. As a result, the refunded securities are considered to be defeased and the liability has been removed from the noncurrent liabilities of the governmental activities. This advance refunding was undertaken to obtain an economic gain of approximately \$290,948. As of April 30, 2013, \$2,615,000 of the defeased debt is still outstanding.

Line of credit

The Village renewed a working capital line of credit with First Midwest Bank on April 22, 2012, for \$1,000,000 bearing interest at a rate of 3.47% annually. No amounts were drawn against the line during fiscal year 2013. The line matured on January 5, 2013 and was secured by the Village's deposit accounts at First Midwest Bank.

Changes in long-term liabilities

Long-term liabilities activity for the year ended April 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Government activities:					
Bonds payable:					
General obligation bonds	\$ 11,152,093	\$ -	\$ (1,815,663)	\$ 9,336,430	\$ 1,310,091
Less deferred amounts:					
For issuance costs, discounts and premiums	<u>(403,304)</u>	<u>-</u>	<u>63,415</u>	<u>(339,889)</u>	<u>-</u>
Total bonds payable	10,748,789	-	(1,752,248)	8,996,541	1,310,091
Notes payable	322,365	510,023	(162,918)	669,470	146,876
Compensated absences	186,845	-	(9,160)	177,685	-
Other long-term liabilities	244,408	-	-	244,408	-
Net pension obligation	7,502,184	220,226	-	7,722,410	-
Post retirement benefit obligation	<u>1,574,834</u>	<u>220,929</u>	<u>-</u>	<u>1,795,763</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 20,579,425</u>	<u>\$ 951,178</u>	<u>\$ (1,924,326)</u>	<u>\$ 19,606,277</u>	<u>\$ 1,456,967</u>

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

E. Long-term debt (continued)

Changes in long-term liabilities (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$12,215,334	\$ -	\$ (345,745)	\$11,869,589	\$ 354,909
Less deferred amounts:					
For premiums and discounts	<u>45,391</u>	<u>2,310</u>	<u>(4,513)</u>	<u>43,188</u>	<u>-</u>
Total bonds payable	12,260,725	2,310	(350,258)	11,912,777	354,909
Notes payable	-	2,690,581	-	2,690,581	59,623
Compensated absences	60,877	4,965	-	65,842	-
Post employment benefit obligation	<u>70,117</u>	<u>11,392</u>	<u>-</u>	<u>81,509</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$12,391,719</u>	<u>\$ 2,709,248</u>	<u>\$ (350,258)</u>	<u>\$14,750,709</u>	<u>\$ 414,532</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, 2013 is presented below:

	<u>Waterworks and Sewerage</u>	<u>Senior Citizen Complex</u>	<u>Total</u>
Operating revenues	\$ 10,260,875	\$ 3,897,719	\$14,158,594
Depreciation expense	788,939	736,547	1,525,486
Operating income	303,315	785,584	1,088,899
Change in net position	(97,898)	287,227	189,329
Property, plant and equipment additions	3,796,077	596,272	4,392,349
Net working capital	1,992,508	(110,146)	1,882,362
Total assets	27,144,220	17,898,650	45,042,870
Bonds payable and other long-term debt	8,489,755	5,846,422	14,336,177
Net position	15,329,050	11,060,916	26,389,966
Operating transfers out	132,000	266,143	398,143

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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, 2013, the Village owes \$105,556 for medical claims; this liability is accrued in the General Fund.

B. Subsequent events

Management evaluated subsequent events through November 11, 2013, the date the financial statements were available to be issued. Events or transactions occurring after April 30, 2013, but prior to November 11, 2013 that provide additional evidence about conditions that existed at April 30, 2013, have been recognized in the financial statements for the year ended April 30, 2013. Events or transactions that provided evidence about conditions that did not exist at April 30, 2013 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended April 30, 2013.

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, 2013

NOTE 5 - OTHER INFORMATION (continued)

C. Contingent liabilities (continued)

The Village is a member of the South Suburban Joint Action Water Agency (JAWA). As of April 30, 2013, the JAWA is conducting a feasibility study regarding the construction and distribution of a water pipeline to member communities with the objective to lower water rates for their residents. In order to conduct this study, the JAWA issued bonds, which are guaranteed by its members based on a pro-rata share, of which the Village is obligated for \$1,650,000. The Village could be liable for this amount if the feasibility of the project is not favorable.

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.

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 2013 are based on the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 5 - OTHER INFORMATION (continued)

D. Employment retirement systems and pension plans (continued)

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	33	31
Active plan members	<u>40</u>	<u>34</u>
Total	<u><u>73</u></u>	<u><u>65</u></u>

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 5 - OTHER INFORMATION (continued)

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

The funded status of the IMRF as of December 31, 2012 and the PPP and FPP as of April 30, 2012, the most recent actuarial valuation dates, respectively, is as follows:

Plan	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) (Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) ÷ (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) ÷ (5)
IMRF	\$ 5,985,191	\$ 8,494,289	\$ 2,509,098	70.46%	\$ 2,994,461	83.79%
PPP	15,198,174	41,470,346	26,272,172	36.65%	2,921,239	899.35%
FPP	18,590,714	32,803,218	14,212,504	56.67%	2,653,763	535.54%

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.

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.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

NOTE 5 - OTHER INFORMATION (continued)

F. Post employment benefit plans other than pensions (continued)

Health Insurance Plan for Retired Employees: (continued)

Plan Description: (continued)

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

Retirees and beneficiaries currently receiving benefits	67
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	71
Active nonvested plan members	<u>55</u>
Total	<u><u>193</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, 2012, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$12,257,486 and the actuarial value of plan assets was \$0, resulting in an unfunded actuarial liability of \$12,257,486.

VILLAGE OF ALSIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2013

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

	Illinois Municipal Retirement Fund	Police Pension Fund	Firemen's Pension Fund	Health Insurance Plan for Retired Employees
Contribution rates:				
Village	15.29%	60.75%	47.97%	N/A
Plan members	4.50%	9.91%	9.46%	0.00%
Annual pension/OPEB cost	\$457,853	\$1,891,414	\$1,268,040	\$876,973
Contributions made	\$457,853	\$1,716,750	\$1,222,157	\$644,653
Actuarial valuation date	December 31, 2012	April 30, 2012	April 30, 2012	April 30, 2012
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	21 years	21 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	4.0% compounded annually
Projected salary increases attributable to inflation*	.4% to 10.0% compounded annually	5.5% compounded annually	5.5% compounded annually	4.0% 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, 2013

NOTE 6 - PRIOR PERIOD ADJUSTMENT

Due to an accounting error in a prior period, \$453,938 of water purchase expenses were omitted from the Water and Sewer Fund as of April 30, 2012, which caused an understatement of accounts payable and an overstatement of retained earnings as of April 30, 2012. The effect of this prior period adjustment on the government-wide and fund financial statements was to decrease the retained earnings of the business-type net position and fund balance, respectively. The 2012 balances in the supplementary schedules were adjusted to reflect this prior period adjustment.

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, 2013

I. SCHEDULE OF FUNDING PROGRESS

Illinois Municipal Retirement Fund						
	(1)	(2)	(3) (Excess of Assets Over) Unfunded AAL (UAAL) (2) - (1)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age		Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
12/31/02	\$5,773,306	\$5,507,787	\$ (265,519)	104.82%	\$1,898,136	0.00%
12/31/03	\$6,120,977	\$5,988,220	\$ (132,757)	102.05%	\$1,977,602	0.00%
12/31/04	\$6,146,998	\$6,376,910	\$ 229,913	96.39%	\$2,198,108	10.46%
12/31/05	\$4,025,870	\$5,132,842	\$1,106,972	78.43%	\$2,403,463	46.06%
12/31/06	\$4,312,748	\$6,004,736	\$1,692,988	71.81%	\$2,307,763	73.36%
12/31/07	\$4,998,559	\$6,258,388	\$1,259,829	79.87%	\$2,551,900	49.37%
12/31/08	\$3,336,332	\$5,926,929	\$2,590,597	56.29%	\$2,766,516	93.64%
12/31/09	\$4,105,809	\$6,670,414	\$2,564,605	61.55%	\$3,048,486	84.13%
12/31/10	\$4,633,689	\$7,141,226	\$2,507,537	64.89%	\$3,130,680	80.10%
12/31/11	\$5,094,069	\$7,846,334	\$2,752,265	64.92%	\$3,014,722	91.29%
12/31/12	\$5,985,191	\$8,494,289	\$2,509,098	70.46%	\$2,994,461	83.79%

Police Pension Fund						
	(1)	(2)	(3) Unfunded AAL (2) - (1)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)		Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/03	\$13,912,696	\$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	\$13,073,668	\$38,700,846	\$26,627,208	31.20%	\$2,857,149	931.95%
4/30/10	\$13,897,458	\$37,750,857	\$23,853,399	36.81%	\$2,571,316	927.67%
4/30/11	\$15,120,768	\$39,303,606	\$24,182,838	38.47%	\$2,642,413	915.18%
4/30/12	\$15,198,174	\$41,470,346	\$26,272,172	36.65%	\$2,921,239	899.35%

**VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2013**

I. SCHEDULE OF FUNDING PROGRESS (continued)

Firemen's Pension Fund

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (2) - (1)	Funded Ratio (1) ÷ (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3) ÷ (5)
4/30/03	\$10,926,500	\$18,269,849	\$ 7,343,349	59.81%	\$2,258,460	325.15%
4/30/04	\$12,716,680	\$19,774,070	\$ 8,057,390	59.25%	\$2,385,475	337.77%
4/30/05	\$13,643,083	\$20,135,387	\$ 7,482,304	62.82%	\$2,370,182	315.68%
4/30/06	\$13,862,998	\$20,410,714	\$ 6,547,716	67.92%	\$2,247,854	291.29%
4/30/07	\$15,253,135	\$22,372,210	\$ 7,129,075	68.18%	\$2,558,973	278.20%
4/30/08	\$15,721,646	\$24,757,356	\$ 9,035,710	63.50%	\$2,567,263	351.96%
4/30/09	\$14,171,338	\$25,998,247	\$12,826,909	54.51%	\$2,723,064	434.32%
4/30/10	\$16,451,367	\$28,812,898	\$13,360,531	57.10%	\$2,680,721	461.09%
4/30/11	\$17,994,677	\$31,388,304	\$13,393,627	57.33%	\$2,467,342	542.84%
4/30/12	\$18,590,714	\$32,803,218	\$14,212,504	56.67%	\$2,653,763	535.54%

Health Insurance for Retired Employees

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

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2013

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	12/31/03	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%	-
	12/31/12	457,853	100%	-
Police Pension Fund	4/30/03	944,444	57%	3,049,674
	4/30/04	1,099,096	67%	3,412,507
	4/30/05	1,125,147	79%	3,646,700
	4/30/06	1,275,727	71%	4,012,069
	4/30/07	1,282,803	67%	4,429,918
	4/30/08	1,678,103	67%	4,986,137
	4/30/09	1,822,271	102%	4,944,152
	4/30/10	1,664,129	104%	4,891,889
	4/30/11	1,741,031	99%	4,858,198
	4/30/12	1,891,414	91%	5,032,887
Firemen's Pension Fund	4/30/03	842,952	77%	1,914,785
	4/30/04	909,508	83%	2,068,123
	4/30/05	892,675	92%	2,137,975
	4/30/06	836,301	95%	2,178,582
	4/30/07	909,275	81%	2,352,766
	4/30/08	1,033,558	77%	2,593,442
	4/30/09	1,212,395	87%	2,745,186
	4/30/10	1,179,034	103%	2,721,705
	4/30/11	1,219,299	104%	2,643,626
	4/30/12	1,268,040	96%	2,689,523
Retired Employees' Health Insurance	4/30/06	613,210	56%	270,021
	4/30/07	647,321	71%	456,694
	4/30/08	650,433	71%	646,477
	4/30/09	713,077	43%	1,052,726
	4/30/10	697,298	66%	1,289,373
	4/30/11	701,243	49%	1,644,951
	4/30/12	1,004,851	64%	1,877,272

VILLAGE OF ALSIP, ILLINOIS
REQUIRED PENSION AND RETIREMENT INFORMATION
April 30, 2013

III. SCHEDULE OF ANNUAL OPEB COST AND NET OPEB OBLIGATION

	<u>2013</u>	<u>2012</u>
Annual required contribution	\$ 994,737	\$ 679,753
Interest on net OPEB obligation	60,683	64,469
Adjustment to annual required contribution	<u>(178,446)</u>	<u>(42,979)</u>
Annual OPEB cost	876,974	701,243
Contributions made	<u>(644,653)</u>	<u>(345,665)</u>
Increase in net OPEB obligation	232,321	355,578
Net OPEB obligation, beginning of year	<u>1,644,951</u>	<u>1,289,373</u>
Net OPEB obligation, end of year	<u>\$ 1,877,272</u>	<u>\$ 1,644,951</u>

SUPPLEMENTARY INFORMATION

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Cash	\$ 349,690	\$ 682,429
Temporary cash investment	6,878,371	5,511,553
Restricted assets:		
Temporary cash investment	1,547,046	1,243,745
Receivables (net of allowance for uncollectibles):		
Taxes	5,881,057	5,661,308
Accounts	438,634	506,811
Due from other funds	2,457,666	2,392,970
Prepaid expense	<u>51,315</u>	<u>38,846</u>
 TOTAL ASSETS	 <u>\$ 17,603,779</u>	 <u>\$ 16,037,662</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 451,768	\$ 1,259,316
Accrued medical claims	105,556	88,091
Other accrued expenses	668,157	259,507
Due to other funds	936,984	939,604
Deferred revenue:		
Property and other taxes	<u>3,640,937</u>	<u>3,406,847</u>
Total liabilities	<u>5,803,402</u>	<u>5,953,365</u>

FUND BALANCES

Nonspendable	51,315	38,846
Restricted for police department programs	104,970	104,970
Assigned for insurance premiums, claims and related expenditures	1,335,972	990,069
Unassigned	<u>10,308,120</u>	<u>8,950,412</u>
Total fund balances	<u>11,800,377</u>	<u>10,084,297</u>

TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 17,603,779</u>	<u>\$ 16,037,662</u>
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**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
REVENUES		
Taxes:		
Property tax	\$ 6,304,630	\$ 6,803,920
Sales tax	5,572,201	5,358,896
State income tax	2,287,977	1,914,828
Mini-warehouse tax	208,412	198,696
Hotel/motel tax	461,340	417,952
Replacement tax	338,109	315,949
Transfer tax	193,655	88,243
	<hr/>	<hr/>
Total taxes	15,366,324	15,098,484
Miscellaneous revenue:		
Flea market fees	168,173	174,828
Miscellaneous income	270,300	181,224
Police seizure income	-	20,254
Damage to Village property - insurance reimbursements	47,423	44,917
Miscellaneous fees	665,624	650,487
Cable TV franchise fees	310,778	297,620
Boat launch fee	10,752	8,888
	<hr/>	<hr/>
Total miscellaneous revenue	1,473,050	1,378,218
Police and court fines	431,330	362,579
Licenses and permits	473,640	386,584
Grants	127,816	38,873
Charges for services	562,738	547,336
Interest	4,487	3,124
	<hr/>	<hr/>
Total	1,600,011	1,338,496
	<hr/>	<hr/>
Total revenues	18,439,385	17,815,198
 EXPENDITURES		
General government:		
Administrative department	290,671	177,333
Planning commission	874	3,690
Police and fire commission	25,108	8,386
Social Security and IMRF	526,839	529,622
Finance department	248,948	138,243
Village clerk department	129,967	85,473
Village hall department	99,023	109,792
	<hr/>	<hr/>
Total general government	1,321,430	1,052,539

	<u>2013</u>	<u>2012</u>
EXPENDITURES (continued)		
Public safety:		
Civil defense	9,569	9,569
Fire department	3,379,089	3,438,747
Fire department ambulance service	1,405,230	1,260,090
Police department	<u>5,946,195</u>	<u>6,056,314</u>
Total public safety	<u>10,740,083</u>	<u>10,764,720</u>
Building department	217,836	209,680
Health and environmental control department	1,164,184	1,120,624
Insurance department	2,937,049	2,663,223
Boat launch	13,598	12,504
Capital improvements	286,617	122,955
Debt service	<u>78,165</u>	<u>87,965</u>
Total	<u>4,697,449</u>	<u>4,216,951</u>
Total expenditures	<u>16,758,962</u>	<u>16,034,210</u>
Excess of revenues over expenditures	<u>1,680,423</u>	<u>1,780,988</u>
OTHER FINANCING SOURCES (USES)		
Loan proceeds	-	182,035
Operating transfers in	16,004	81,559
Operating transfer out	-	(360,929)
Sale of Village property	<u>19,653</u>	<u>31,836</u>
Total other financing sources (uses)	<u>35,657</u>	<u>(65,499)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	1,716,080	1,715,489
FUND BALANCE, BEGINNING OF YEAR	<u>10,084,297</u>	<u>8,368,808</u>
FUND BALANCE, END OF YEAR	<u>\$ 11,800,377</u>	<u>\$ 10,084,297</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
GENERAL GOVERNMENT		
Administrative Department:		
Salary - mayor	\$ 98,401	\$ 95,535
Salary - secretary	51,524	48,195
Compensation - trustees	72,357	76,414
Hotel/motel tax	73,542	65,794
Membership and dues	7,078	6,495
Legal retainer	12,000	12,000
Legal fees - other	146,103	127,370
Engineering fees	2,853	-
Contingent expenses	20,506	19,544
Newsletter expense	5,487	3,103
Employee travel	195	444
Office expense	573	272
Beautification	1,950	-
Other expense	149,746	152,490
Reimbursements from other funds	<u>(351,644)</u>	<u>(430,323)</u>
Total administrative department	<u>290,671</u>	<u>177,333</u>
Planning Commission:		
Staff expense	465	317
Secretarial services	-	3,069
Contingent expense	<u>409</u>	<u>304</u>
Total planning commission	<u>874</u>	<u>3,690</u>
Police and Fire Commission:		
Secretarial service	970	150
Examinations	20,640	4,535
Staff expense	3,445	2,885
Printing and publications	<u>53</u>	<u>816</u>
Total police and fire commission	<u>25,108</u>	<u>8,386</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
GENERAL GOVERNMENT		
Social Security and IMRF:		
Social Security and IMRF	506,707	499,166
Unemployment insurance	<u>20,132</u>	<u>30,456</u>
Total Social Security and IMRF	<u>526,839</u>	<u>529,622</u>
Finance Department:		
Salary - finance director and staff	267,961	257,710
Salary - computer operator	134,582	77,866
Payroll service and administrator	15,205	13,467
Purchase computer equipment	8,138	4,248
Computer forms and supplies	5,523	6,393
Computer maintenance	48,718	48,061
Office supplies	1,917	1,168
Accounting service	62,075	61,285
Contingent expense	5,997	3,509
Reimbursements from other funds	<u>(301,168)</u>	<u>(335,464)</u>
Total finance department	<u>248,948</u>	<u>138,243</u>
Village Clerk Department:		
Salary - village clerk	17,677	16,132
Salary - recording secretary	4,672	4,712
Salaries - clerical	175,118	169,592
Telephone expense	47,769	67,564
Postage expense	18,289	15,000
Contingent expense	4,539	1,641
Legal advertising	1,772	2,079
Codification	3,056	2,659
Decals and tags	785	564
Repair - office equipment	437	65
Equipment rental	8,948	8,082
Office supplies	3,155	3,080
Printing	979	1,716
Reimbursements from other funds	<u>(157,229)</u>	<u>(207,413)</u>
Total village clerk department	<u>129,967</u>	<u>85,473</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
GENERAL GOVERNMENT		
Village Hall Department:		
Salary - wages	27,364	28,727
Salary - custodian	10,858	9,363
Maintain village hall	34,445	31,778
Contract repair and utilities	20,829	25,653
Cleaning supplies	4,971	12,561
Purchase new equipment	-	1,710
Contingencies	556	-
	<hr/>	<hr/>
Total village hall department	99,023	109,792
	<hr/>	<hr/>
Total General Government	1,321,430	1,052,539
	<hr/>	<hr/>
PUBLIC SAFETY		
Civil Defense:		
Salary - director	8,487	8,487
Repair - warning systems	1,082	1,082
	<hr/>	<hr/>
Total civil defense	9,569	9,569
	<hr/>	<hr/>
Fire Department:		
Salaries - all firemen	1,602,320	1,617,241
Volunteers, paid calls, and overtime	221,386	193,167
Holiday pay	28,449	29,464
Salaries - incentive pay	26,258	27,404
Retirement buyout	29,165	33,540
Publications and membership	4,309	6,236
Repair - fire trucks	58,080	20,984
Repair - radio equipment	6,572	6,704
Maintenance - fire stations	24,921	19,349
Utilities - fire stations	1,521	3,844
Fire prevention expense	4,434	3,148
Contingent expense	2,712	2,176
Purchase fire equipment	39,331	145,692
Purchase radio equipment	48,227	4,415
Education reimbursement	1,341	7,140
Gasoline and oil	12,224	14,300
Clothing allowance	4,050	6,119
Training materials	2,329	789
Physical examinations	11,834	10,764
Copy machine rental	3,078	5,065

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
PUBLIC SAFETY		
Fire Department: (continued)		
Office supplies	24,410	8,315
Firemen's pension contribution	1,222,138	1,272,891
	<hr/>	<hr/>
Total fire department	3,379,089	3,438,747
	<hr/>	<hr/>
Fire Department Ambulance Service:		
Salaries - ambulance personnel	1,210,235	1,109,542
Holiday pay	29,428	26,863
Repairs - ambulance	16,099	18,313
Maintenance - stations	39,663	22,406
Contingent expense	6,226	1,713
Ambulance supplies	31,885	13,969
Gasoline and oil	13,884	14,013
Clothing allowance	16,300	11,628
Office supplies	3,586	1,512
Collection fees	37,924	40,131
	<hr/>	<hr/>
Total fire department ambulance service	1,405,230	1,260,090
	<hr/>	<hr/>
Police Department:		
Salaries - policemen	2,957,398	2,850,858
Salaries - clerical	140,392	135,795
Salaries - communications	406,369	460,341
Salaries - overtime	126,572	212,257
Salaries - crossing guards	25,654	25,423
Salaries - municipal court	36,000	36,000
Purchase equipment	-	193
Holiday pay	80,232	47,262
Impoundments	4,196	3,045
Clothing allowance	24,597	50,255
Purchase vehicles	-	93,774
Miscellaneous vehicle equipment	99,564	60,764
Equipment poundmasters and traffic safety	1,210	6,900
Computer purchase	17,035	12,280
Purchase office furniture	3,197	-
Photo supplies and rental	8,293	7,458
Gasoline and oil	109,245	108,424
Firearms and ammunition	15,923	10,439
Investigative aids	39,466	16,418
Training	7,635	14,072
Crime prevention	5,773	3,224

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
PUBLIC SAFETY		
Police Department: (continued)		
Vehicle maintenance	47,783	58,779
Radio equipment repair and maintenance contract	44,227	36,218
Repair - office equipment	194	440
Contingent expense	13,961	14,388
Publications, membership and dues	1,569	3,460
Prisoner food/care	875	1,116
Physical examination fee	3,315	4,590
Office supplies	8,867	7,501
Police pension contribution	<u>1,716,653</u>	<u>1,774,640</u>
Total police department	<u>5,946,195</u>	<u>6,056,314</u>
Total Public Safety	<u>10,740,083</u>	<u>10,764,720</u>
BUILDING DEPARTMENT		
Salary - commissioner	93,735	91,838
Salaries - clerical	88,501	86,173
Salaries - building inspectors	11,124	10,100
Salaries - electrical inspectors	2,682	2,318
Salaries - plumbing inspectors	2,574	1,436
Outside inspection fee	3,728	3,392
Contingent expense	764	927
Research, testing, and plan review	9,403	7,316
Office equipment and supplies	<u>5,325</u>	<u>6,180</u>
Total Building Department	<u>217,836</u>	<u>209,680</u>
HEALTH AND ENVIRONMENTAL CONTROL DEPARTMENT		
Salary - commissioner	17,500	17,500
Part-time inspector/office assistant	37,226	35,552
Dues and memberships	200	200
Refuse contract	1,104,194	1,061,919
Rodent control contract	2,640	2,560
Equipment maintenance	812	281
Contingent expense	1,612	2,184
Supplies	<u>-</u>	<u>428</u>
Total Health and Environmental Control Department	<u>1,164,184</u>	<u>1,120,624</u>

**VILLAGE OF ALSIP, ILLINOIS
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
INSURANCE DEPARTMENT		
General liability	15,289	9,728
Liability - public official and police	108,159	103,967
Comprehensive general, automobile, umbrella and workmen's compensation	575,854	584,580
Group health and life	2,597,747	2,334,948
Reimbursements from other funds	<u>(360,000)</u>	<u>(370,000)</u>
Total Insurance Department	<u>2,937,049</u>	<u>2,663,223</u>
 BOAT LAUNCH		
Salary - wages	6,844	3,038
Utilities	754	660
Grounds and maintenance	5,504	8,540
Telephone expense	476	266
Contingent expense - boat	<u>20</u>	<u>-</u>
Total Boat Launch	<u>13,598</u>	<u>12,504</u>
 CAPITAL IMPROVEMENTS	<u>286,617</u>	<u>122,955</u>
 DEBT SERVICE	<u>78,165</u>	<u>87,965</u>
 TOTAL GENERAL FUND EXPENDITURES	 <u>\$ 16,758,962</u>	 <u>\$ 16,034,210</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
April 30, 2013
with Comparative Totals at April 30, 2012**

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2013	2012
ASSETS							
Temporary cash investments	\$ 740,328	\$ 572,435	\$ 3,756,615	\$ 1,369,736	\$ 51,591	\$ 6,490,705	\$ 5,227,620
Receivables (net of allowance for uncollectibles):							
Taxes	285,690	-	433,591	-	-	719,281	751,959
Other	-	-	-	33,151	-	33,151	37,424
Prepaid expense	3,341	-	-	-	-	3,341	3,123
Due from other funds	-	76,954	50,525	265,343	-	392,822	392,822
TOTAL ASSETS	\$ 1,029,359	\$ 649,389	\$ 4,240,731	\$ 1,668,230	\$ 51,591	\$ 7,639,300	\$ 6,412,948
LIABILITIES AND FUND BALANCES (DEFICIT)							
Liabilities:							
Accounts payable	\$ 41,347	\$ -	\$ 15,099	\$ 6,994	\$ -	\$ 63,440	\$ 107,654
Other accrued expenses	35,882	-	-	-	-	35,882	44,861
Deferred property tax revenue	285,690	-	433,591	-	-	719,281	751,959
Due to other funds	2,067,327	-	211,159	-	-	2,278,486	2,092,443
Total liabilities	2,430,246	-	659,849	6,994	-	3,097,089	2,996,917
Fund balances (deficit):							
Nonspendable	3,341	-	-	-	-	3,341	3,123
Restricted for:							
Maintenance of 9-1-1 Emergency Telephone System	-	649,389	-	-	-	649,389	709,919
Tax Increment Financing allocation for project areas	-	-	3,580,882	-	-	3,580,882	2,886,698
Street maintenance and improvement programs	-	-	-	1,661,236	-	1,661,236	1,260,202
Fire department programs	-	-	-	-	51,591	51,591	131,732
Total restricted fund balance	-	649,389	3,580,882	1,661,236	51,591	5,943,098	4,988,551
Unassigned	(1,404,228)	-	-	-	-	(1,404,228)	(1,575,643)
Total fund balances (deficit)	(1,400,887)	649,389	3,580,882	1,661,236	51,591	4,542,211	3,416,031
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 1,029,359	\$ 649,389	\$ 4,240,731	\$ 1,668,230	\$ 51,591	\$ 7,639,300	\$ 6,412,948

VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012

	Road and Bridge	9-1-1 Emergency Telephone	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Totals	
						2013	2012
REVENUES							
Taxes	\$ 1,244,408	\$ -	\$ 903,456	\$ 459,034	\$ 32,533	\$ 2,639,431	\$ 2,645,137
Licenses and permits	353,063	422,845	-	-	-	775,908	743,227
Interest	1	-	18	989	132	1,140	1,136
Miscellaneous	240,924	-	-	154,498	-	395,422	394,341
Total revenues	<u>1,838,396</u>	<u>422,845</u>	<u>903,474</u>	<u>614,521</u>	<u>32,665</u>	<u>3,811,901</u>	<u>3,783,841</u>
EXPENDITURES							
Public safety	-	412,461	-	-	112,806	525,267	316,909
Highways and streets	1,496,507	-	-	213,487	-	1,709,994	1,660,837
Drainage and storm sewers	2,665	-	-	-	-	2,665	6,276
Forestry maintenance	22,315	-	-	-	-	22,315	32,971
Miscellaneous	-	-	209,290	-	-	209,290	48,911
Debt service	35,276	27,739	-	-	-	63,015	110,631
Total expenditures	<u>1,556,763</u>	<u>440,200</u>	<u>209,290</u>	<u>213,487</u>	<u>112,806</u>	<u>2,532,546</u>	<u>2,176,535</u>
Excess (deficiency) of revenues over expenditures	<u>281,633</u>	<u>(17,355)</u>	<u>694,184</u>	<u>401,034</u>	<u>(80,141)</u>	<u>1,279,355</u>	<u>1,607,306</u>
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	-	2,150,174
Operating transfers out	(110,000)	(43,175)	-	-	-	(153,175)	(858,838)
Loan proceeds	-	-	-	-	-	-	124,621
Total other financing sources (uses)	<u>(110,000)</u>	<u>(43,175)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(153,175)</u>	<u>1,415,957</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>171,633</u>	<u>(60,530)</u>	<u>694,184</u>	<u>401,034</u>	<u>(80,141)</u>	<u>1,126,180</u>	<u>3,023,263</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<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>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ (1,400,887)</u>	<u>\$ 649,389</u>	<u>\$ 3,580,882</u>	<u>\$ 1,661,236</u>	<u>\$ 51,591</u>	<u>\$ 4,542,211</u>	<u>\$ 3,416,031</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 740,328	\$ 442,263
Receivable (net of allowance for uncollectibles):		
Taxes	285,690	294,637
Prepaid expense	<u>3,341</u>	<u>3,123</u>
 TOTAL ASSETS	 <u>\$ 1,029,359</u>	 <u>\$ 740,023</u>

LIABILITIES AND FUND DEFICIT

LIABILITIES

Accounts payable	\$ 41,347	\$ 91,761
Other accrued expenses	35,882	44,861
Deferred property tax revenue	285,690	294,637
Due to other funds	<u>2,067,327</u>	<u>1,881,284</u>
Total liabilities	<u>2,430,246</u>	<u>2,312,543</u>

FUND DEFICIT

Nonspendable	3,341	3,123
Unassigned	<u>(1,404,228)</u>	<u>(1,575,643)</u>
Total fund deficit	<u>(1,400,887)</u>	<u>(1,572,520)</u>

TOTAL LIABILITIES AND FUND DEFICIT	<u>\$ 1,029,359</u>	<u>\$ 740,023</u>
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VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
ROAD AND BRIDGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND DEFICIT
For the Years Ended April 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
REVENUES		
Property taxes	\$ 569,790	\$ 403,379
Replacement tax	10,985	14,508
Fuel use tax	663,633	638,342
Vehicle license	353,063	356,202
Garage fees	199,000	199,000
Waste transfer fee	7,508	11,579
Property rental	14,400	14,400
Miscellaneous income	20,016	31,421
Interest income	1	95
	<hr/>	<hr/>
Total revenues	1,838,396	1,668,926
 EXPENDITURES		
Street department:		
Salary - superintendent	93,020	90,798
Wages	626,037	629,458
Engineering fees	3,963	2,165
Purchase new equipment and vehicles	14,470	136,113
Uniforms	5,775	5,348
Purchase street signs	15,050	517
Resurface and repair streets	68,678	53,938
Sidewalk repair and maintenance	48,056	28,482
Purchase salt	60,257	75,098
Village vehicle stickers	9,004	10,651
Gasoline and oil	38,070	30,355
Equipment and repair	20,895	18,828
Equipment maintenance	15,965	13,651
Purchase radio communication	869	4,009
Garage maintenance and supplies	110,544	33,252
Utilities	4,728	4,564
Energy charge - street lights	34,196	32,847
Insurance and administrative	110,000	120,000
Social Security and IMRF	166,739	165,461
Unemployment insurance	3,749	4,043
Contingent expense	2,689	1,960
Dumping charges	16,620	19,819
Office supplies	1,994	1,115
Training	1,691	1,215
Refunds	464	416
Equipment rental - pagers	2,932	1,789
Cleaning supplies	17,653	17,416
Physicals	954	469
JULIE charges	1,445	1,896
Chemicals - West Nile Virus	-	377
	<hr/>	<hr/>
Total street department	1,496,507	1,506,050

	<u>2013</u>	<u>2012</u>
EXPENDITURES (continued)		
Drainage and storm sewers:		
Engineering fees	1,125	3,800
Supplies	-	1,476
Contingent expense	<u>1,540</u>	<u>1,000</u>
Total drainage and storm sewers	<u>2,665</u>	<u>6,276</u>
Forestry maintenance:		
Equipment purchase	736	3,373
Equipment maintenance	1,118	1,930
Forestry maintenance	17,875	25,499
Equipment repairs	2,293	2,169
Training	<u>293</u>	<u>-</u>
Total forestry maintenance	<u>22,315</u>	<u>32,971</u>
Debt service	<u>35,276</u>	<u>29,945</u>
Total expenditures	<u>1,556,763</u>	<u>1,575,242</u>
Excess of revenues over expenditures	281,633	93,684
 OTHER FINANCING SOURCES (USES)		
Loan proceeds	-	124,621
Operating transfers in	-	360,929
Operating transfers out	<u>(110,000)</u>	<u>(120,000)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	171,633	459,234
 FUND DEFICIT, BEGINNING OF YEAR	<u>(1,572,520)</u>	<u>(2,031,754)</u>
 FUND DEFICIT, END OF YEAR	<u>\$ (1,400,887)</u>	<u>\$ (1,572,520)</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 572,435	\$ 632,965
Due from other funds	<u>76,954</u>	<u>76,954</u>
 TOTAL ASSETS	 <u>\$ 649,389</u>	 <u>\$ 709,919</u>

FUND BALANCE

FUND BALANCE

Restricted for maintenance of 9-1-1 Emergency Telephone System	<u>\$ 649,389</u>	<u>\$ 709,919</u>
 TOTAL FUND BALANCE	 <u>\$ 649,389</u>	 <u>\$ 709,919</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
9-1-1 EMERGENCY TELEPHONE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
REVENUES		
Surcharge fees	\$ 422,845	\$ 387,025
Interest income	-	241
Miscellaneous income	-	17,522
	<hr/>	<hr/>
Total revenues	422,845	404,788
	<hr/>	<hr/>
EXPENDITURES		
Wages	100,000	100,000
Telephone charges	49,421	46,395
Equipment purchases	109,489	99,349
Communication room improvements	152,666	-
Maintenance	885	280
Debt service	27,739	80,686
	<hr/>	<hr/>
Total expenditures	440,200	326,710
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	(17,355)	78,078
OTHER FINANCING USES		
Operating transfers out	(43,175)	(47,100)
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures and other financing uses	(60,530)	30,978
FUND BALANCE, BEGINNING OF YEAR		
	<hr/>	<hr/>
	709,919	678,941
FUND BALANCE, END OF YEAR		
	<hr/>	<hr/>
	\$ 649,389	\$ 709,919

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
SPECIAL TAX ALLOCATION FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>123rd Street</u>	<u>123rd Street and Cicero</u>	<u>Totals</u>	
			<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 3,349,754	\$ 406,861	\$ 3,756,615	\$ 3,052,108
Receivable (net of allowance for uncollectibles):				
Taxes	423,014	10,577	433,591	457,322
Due from other funds	<u>50,525</u>	<u>-</u>	<u>50,525</u>	<u>50,525</u>
TOTAL ASSETS	<u>\$ 3,823,293</u>	<u>\$ 417,438</u>	<u>\$ 4,240,731</u>	<u>\$ 3,559,955</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 13,430	\$ 1,669	\$ 15,099	\$ 4,776
Deferred property tax revenue	423,014	10,577	433,591	457,322
Due to other funds	<u>211,159</u>	<u>-</u>	<u>211,159</u>	<u>211,159</u>
Total liabilities	647,603	12,246	659,849	673,257

FUND BALANCE

Restricted for Tax Increment Financing allocation for project areas	<u>3,175,690</u>	<u>405,192</u>	<u>3,580,882</u>	<u>2,886,698</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,823,293</u>	<u>\$ 417,438</u>	<u>\$ 4,240,731</u>	<u>\$ 3,559,955</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, 2013 and 2012**

	123rd Street		Totals	
	123rd Street	and Cicero	2013	2012
REVENUES				
Property taxes	\$ 888,982	\$ 14,474	\$ 903,456	\$ 975,139
Interest income	18	-	18	171
Total revenues	<u>889,000</u>	<u>14,474</u>	<u>903,474</u>	<u>975,310</u>
EXPENDITURES				
Construction costs	24,099	-	24,099	-
Legal fees	151,991	23,784	175,775	44,911
Contingencies	9,416	-	9,416	4,000
Total expenditures	<u>185,506</u>	<u>23,784</u>	<u>209,290</u>	<u>48,911</u>
Excess (deficiency) of revenues over expenditures	<u>703,494</u>	<u>(9,310)</u>	<u>694,184</u>	<u>926,399</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	-	-	(548,412)
Operating transfers in	-	-	-	1,789,245
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,240,833</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>703,494</u>	<u>(9,310)</u>	<u>694,184</u>	<u>2,167,232</u>
FUND BALANCE, BEGINNING OF YEAR	<u>2,472,196</u>	<u>414,502</u>	<u>2,886,698</u>	<u>719,466</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 3,175,690</u></u>	<u><u>\$ 405,192</u></u>	<u><u>\$ 3,580,882</u></u>	<u><u>\$ 2,886,698</u></u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
MOTOR FUEL TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 1,369,736	\$ 968,552
Receivables:		
Allotments from the State of Illinois	33,151	37,424
Due from other funds	<u>265,343</u>	<u>265,343</u>
 TOTAL ASSETS	 <u><u>\$ 1,668,230</u></u>	 <u><u>\$ 1,271,319</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 6,994	\$ 11,117
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FUND BALANCE

Restricted for street maintenance and improvement programs	<u>1,661,236</u>	<u>1,260,202</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 1,668,230</u></u>	<u><u>\$ 1,271,319</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, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
REVENUES		
State allotments	\$ 459,034	\$ 477,655
Interest income	989	533
Miscellaneous income	<u>154,498</u>	<u>120,419</u>
Total revenues	<u>614,521</u>	<u>598,607</u>
 EXPENDITURES		
General maintenance	87,721	102,156
Road maintenance	<u>125,766</u>	<u>52,631</u>
Total expenditures	<u>213,487</u>	<u>154,787</u>
Excess of revenues over expenditures	401,034	443,820
 OTHER FINANCING USES		
Operating transfers out	<u>-</u>	<u>(143,326)</u>
Excess of revenues over expenditures and other financing uses	401,034	300,494
 FUND BALANCE, BEGINNING OF YEAR	 <u>1,260,202</u>	 <u>959,708</u>
 FUND BALANCE, END OF YEAR	 <u>\$ 1,661,236</u>	 <u>\$ 1,260,202</u>

**VILLAGE OF ALSIP, ILLINOIS
SPECIAL REVENUE FUNDS
FOREIGN FIRE INSURANCE TAX FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 51,591	\$ 131,732
TOTAL ASSETS	\$ 51,591	\$ 131,732

FUND BALANCE

FUND BALANCE

Restricted for fire department programs	\$ 51,591	\$ 131,732
TOTAL FUND BALANCE	\$ 51,591	\$ 131,732

**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, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
REVENUES		
Foreign fire insurance tax	\$ 32,533	\$ 136,114
Interest income	<u>132</u>	<u>96</u>
Total revenues	<u>32,665</u>	<u>136,210</u>
EXPENDITURES		
Clothing allowance	13,370	2,511
Ambulance supplies	12,425	2,776
Furniture and fixtures	10,045	1,153
Equipment and supplies	60,761	46,399
Public education materials	2,923	-
Training	5,259	13,674
Vehicle	5,000	-
Contingent expense	<u>3,023</u>	<u>4,372</u>
Total expenditures	<u>112,806</u>	<u>70,885</u>
Excess (deficiency) of revenues over expenditures	(80,141)	65,325
FUND BALANCE, BEGINNING OF YEAR	<u>131,732</u>	<u>66,407</u>
FUND BALANCE, END OF YEAR	<u>\$ 51,591</u>	<u>\$ 131,732</u>

**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
Temporary cash investment	\$ 3,031,100	\$ 4,700,456
Receivable (net of allowance for uncollectibles):		
Taxes	444,983	393,176
Due from other funds	<u>211,159</u>	<u>211,159</u>
 TOTAL ASSETS	 <u><u>\$ 3,687,242</u></u>	 <u><u>\$ 5,304,791</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred property tax revenues	\$ 444,983	\$ 393,176
Intergovernmental liability	14,546	14,546
Due to other funds	<u>85,882</u>	<u>205,504</u>
Total liabilities	545,411	613,226

FUND BALANCE

Restricted for debt service	<u>3,141,831</u>	<u>4,691,565</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 3,687,242</u></u>	<u><u>\$ 5,304,791</u></u>
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**VILLAGE OF ALSIP, ILLINOIS
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
REVENUES		
Taxes	\$ 840,966	\$ 1,056,779
Interest income	<u>7,825</u>	<u>27,087</u>
Total revenues	<u>848,791</u>	<u>1,083,866</u>
 EXPENDITURES		
Debt service:		
Principal retirement	1,815,663	1,792,479
Interest and fiscal charges	391,959	458,130
Contingencies	1,200	2,633
Miscellaneous	<u>14,445</u>	<u>-</u>
Total expenditures	<u>2,223,267</u>	<u>2,253,242</u>
Deficiency of revenues over expenditures	<u>(1,374,476)</u>	<u>(1,169,376)</u>
 OTHER FINANCING SOURCES (USES)		
Operating transfers in	535,314	1,410,838
Operating transfers out	<u>(710,572)</u>	<u>(2,729,861)</u>
Total other financing uses	<u>(175,258)</u>	<u>(1,319,023)</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	(1,549,734)	(2,488,399)
 FUND BALANCE, BEGINNING OF YEAR	<u>4,691,565</u>	<u>7,179,964</u>
 FUND BALANCE, END OF YEAR	<u>\$ 3,141,831</u>	<u>\$ 4,691,565</u>

**VILLAGE OF ALSIP, ILLINOIS
 CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 For the Years Ended April 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
EXPENDITURES		
Construction services	\$ 621,411	\$ 813,845
Engineering fees	88,133	88,618
Bank fees	<u>1,028</u>	<u>-</u>
Total expenditures	710,572	902,463
 OTHER FINANCING SOURCES		
Operating transfers in	<u>710,572</u>	<u>902,463</u>
Excess of other financing sources over expenditures	-	-
 FUND BALANCE, BEGINNING OF YEAR	 <u>-</u>	 <u>-</u>
 FUND BALANCE, END OF YEAR	 <u>\$ -</u>	 <u>\$ -</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
April 30, 2013
With Comparative Totals at April 30, 2012

ASSETS				
	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2013	2012
CURRENT ASSETS				
Cash	\$ 100	\$ -	\$ 100	\$ 100
Temporary cash investments	3,637,921	830,813	4,468,734	3,501,669
Receivables (net of allowance for uncollectibles):				
Account customers	255,716	-	255,716	247,606
Estimated unbilled water and sewer charges	925,794	-	925,794	822,875
Prepaid expense/insurance	2,300	3,639	5,939	3,561
Due from other funds	<u>466,966</u>	<u>46,714</u>	<u>513,680</u>	<u>698,865</u>
Total current assets	<u>5,288,797</u>	<u>881,166</u>	<u>6,169,963</u>	<u>5,274,676</u>
RESTRICTED ASSETS				
Temporary cash investments	<u>668,521</u>	<u>2,837,930</u>	<u>3,506,451</u>	<u>4,605,318</u>
FIXED ASSETS				
Property, building and equipment - net	<u>21,123,740</u>	<u>13,897,809</u>	<u>35,021,549</u>	<u>32,158,686</u>
OTHER ASSETS				
Bond issuance costs	63,162	115,351	178,513	187,760
Deposits	<u>-</u>	<u>166,394</u>	<u>166,394</u>	<u>173,770</u>
Total other assets	<u>63,162</u>	<u>281,745</u>	<u>344,907</u>	<u>361,530</u>
 TOTAL ASSETS	 <u>\$ 27,144,220</u>	 <u>\$ 17,898,650</u>	 <u>\$ 45,042,870</u>	 <u>\$ 42,400,210</u>

LIABILITIES AND NET POSITION

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2013	2012
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)				
Accounts payable	\$ 1,383,364	\$ 99,785	\$ 1,483,149	\$ 1,203,075
Other accrued expenses	1,554,382	-	1,554,382	1,547,353
Current portion of notes payable	59,623	-	59,623	-
Current portion of general obligation bonds	205,000	149,909	354,909	345,745
Due to other funds	-	302,169	302,169	486,459
Security deposits	-	335,135	335,135	332,060
Utility overpayments	6,875	-	6,875	12,904
Accrued interest payable	87,045	104,314	191,359	199,184
Total current liabilities (payable from current assets)	3,296,289	991,312	4,287,601	4,126,780
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)				
Deposits	29,126	-	29,126	26,819
LONG-TERM LIABILITIES				
Compensated absences payable	65,842	-	65,842	60,877
Post employment benefit obligation	81,509	-	81,509	70,117
Notes payable	2,630,958	-	2,630,958	-
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	5,711,446	5,846,422	11,557,868	11,914,980
Total long-term liabilities	8,489,755	5,846,422	14,336,177	12,045,974
Total liabilities	11,815,170	6,837,734	18,652,904	16,199,573
NET POSITION				
Net investment in capital assets	12,516,713	7,901,478	20,418,191	19,897,961
Unrestricted	2,812,337	3,159,438	5,971,775	6,302,676
Total net position	15,329,050	11,060,916	26,389,966	26,200,637
TOTAL LIABILITIES AND NET POSITION	\$ 27,144,220	\$ 17,898,650	\$ 45,042,870	\$ 42,400,210

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012**

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2013	2012
OPERATING REVENUES				
Charges for services	\$ 10,158,167	\$ -	\$ 10,158,167	\$ 8,712,289
Rental income	-	3,821,943	3,821,943	3,836,864
Other income	102,708	75,776	178,484	174,725
Total operating revenues	10,260,875	3,897,719	14,158,594	12,723,878
OPERATING EXPENSES				
Water department	8,971,409	-	8,971,409	7,467,064
Sewer department	197,212	-	197,212	186,061
Senior citizen complex	-	2,375,588	2,375,588	2,346,290
Total operating expenses	9,168,621	2,375,588	11,544,209	9,999,415
Operating income before depreciation	1,092,254	1,522,131	2,614,385	2,724,463
DEPRECIATION				
Operating income	788,939	736,547	1,525,486	1,498,218
Operating income	303,315	785,584	1,088,899	1,226,245
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS				
Amortization of bond premium	2,923	1,590	4,513	4,513
Amortization of bond issue costs	(3,384)	(5,863)	(9,247)	(30,880)
Amortization of underwriter's discount	(2,310)	-	(2,310)	(6,670)
Note and bond interest and fiscal charges	(266,469)	(235,318)	(501,787)	(573,070)
Operating transfers in	-	-	-	-
Operating transfers out	(132,000)	(266,143)	(398,143)	(595,407)
Interest income	27	7,377	7,404	27,751
Total non-operating expenses and transfers	(401,213)	(498,357)	(899,570)	(1,173,763)
NET INCOME (LOSS)	(97,898)	287,227	189,329	52,482
NET POSITION, BEGINNING OF YEAR	15,426,948	10,773,689	26,200,637	26,148,155
NET POSITION, END OF YEAR	\$ 15,329,050	\$ 11,060,916	\$ 26,389,966	\$ 26,200,637

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 303,315	\$ 785,584	\$ 1,088,899	\$ 1,226,245
Adjustments to reconcile operating income to net cash provided by operating activities:				
Gain on sale of equipment	(5,464)	-	(5,464)	-
Depreciation	788,939	736,547	1,525,486	1,498,218
Effects of changes in operating assets and liabilities:				
Receivables - account customers	(8,110)	-	(8,110)	13,195
Receivables - unbilled charges	(102,919)	-	(102,919)	(151,563)
Due from other funds	2,620	(1,725)	895	(38,547)
Prepaid insurance/expense	(2,300)	(78)	(2,378)	188
Utility overpayment	(6,029)	-	(6,029)	2,898
Deposits	-	7,376	7,376	(1,686)
Accounts payable	252,644	27,430	280,074	235,743
Other accrued expenses	7,029	-	7,029	(9,098)
Security deposits	-	3,075	3,075	(1,215)
Post employment benefit obligation	11,392	-	11,392	14,650
Compensated absences payable	4,965	-	4,965	49,078
Restricted liabilities	2,307	-	2,307	930
	<u>1,248,389</u>	<u>1,558,209</u>	<u>2,806,598</u>	<u>2,839,036</u>
Net cash provided by operating activities				
	<u>1,248,389</u>	<u>1,558,209</u>	<u>2,806,598</u>	<u>2,839,036</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfers out	<u>(132,000)</u>	<u>(266,143)</u>	<u>(398,143)</u>	<u>(595,407)</u>
Net cash used in non-capital financing activities	<u>(132,000)</u>	<u>(266,143)</u>	<u>(398,143)</u>	<u>(595,407)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property, building and equipment	(3,796,077)	(596,272)	(4,392,349)	(1,251,413)
Proceeds from sale of equipment	9,464	-	9,464	-
Principal payments on bonds payable	(200,000)	(145,745)	(345,745)	(1,394,370)
Proceeds from issuance of notes payable	2,690,581	-	2,690,581	-
Interest paid on notes and bonds	<u>(269,136)</u>	<u>(240,476)</u>	<u>(509,612)</u>	<u>(584,399)</u>
Net cash used in capital and related financing activities	<u>(1,565,168)</u>	<u>(982,493)</u>	<u>(2,547,661)</u>	<u>(3,230,182)</u>

	Waterworks and Sewerage	Senior Citizen Complex	Totals	
			2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	27	7,377	7,404	27,751
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	(448,752)	316,950	(131,802)	(958,802)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	4,755,294	3,351,793	8,107,087	9,065,889
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	\$ 4,306,542	\$ 3,668,743	\$ 7,975,285	\$ 8,107,087

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF NET POSITION
April 30, 2013 and 2012**

ASSETS

	<u>2013</u>	<u>2012</u>
CURRENT ASSETS		
Cash	\$ 100	\$ 100
Temporary cash investments	3,637,921	3,170,165
Receivables (net of allowance for uncollectibles):		
Account customers	255,716	247,606
Estimated unbilled water and sewer charges	925,794	822,875
Prepaid expense	2,300	-
Due from other funds	<u>466,966</u>	<u>469,586</u>
Total current assets	5,288,797	4,710,332
 RESTRICTED ASSETS		
Temporary cash investments	668,521	1,585,029
 PROPERTY, BUILDING AND EQUIPMENT, NET	21,123,740	18,120,602
 OTHER ASSETS		
Bond issue costs	<u>63,162</u>	<u>66,546</u>
 TOTAL ASSETS	 <u><u>\$ 27,144,220</u></u>	 <u><u>\$ 24,482,509</u></u>

LIABILITIES AND NET POSITION

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	\$ 1,383,364	\$ 1,130,720
Accrued interest payable	87,045	89,712
Other accrued expenses	1,554,382	1,547,353
Utility overpayments	6,875	12,904
Current portion of notes payable	59,623	-
Current portion of general obligation bonds	<u>205,000</u>	<u>200,000</u>
Total current liabilities (payable from current assets)	<u>3,296,289</u>	<u>2,980,689</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Deposits	<u>29,126</u>	<u>26,819</u>
LONG-TERM LIABILITIES		
Compensated absences payable	65,842	60,877
Post employment benefit obligation	81,509	70,117
Notes payable	2,630,958	-
General obligation bonds (net of unamortized discount and premium)	<u>5,711,446</u>	<u>5,917,059</u>
Total long-term liabilities	<u>8,489,755</u>	<u>6,048,053</u>
Total liabilities	<u>11,815,170</u>	<u>9,055,561</u>
NET POSITION		
Net investment in capital assets	12,516,713	12,003,543
Unrestricted	<u>2,812,337</u>	<u>3,423,405</u>
Total net position	<u>15,329,050</u>	<u>15,426,948</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 27,144,220</u>	<u>\$ 24,482,509</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Years Ended April 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services:		
Water	\$ 9,183,153	\$ 7,800,359
Sewer	758,380	736,274
Tapping fees	116,991	98,344
Fines and penalties	99,643	77,312
Other income	<u>102,708</u>	<u>128,332</u>
Total operating revenues	<u>10,260,875</u>	<u>8,840,621</u>
OPERATING EXPENSES		
Water department	8,971,409	7,467,064
Sewer department	<u>197,212</u>	<u>186,061</u>
Total operating expenses	<u>9,168,621</u>	<u>7,653,125</u>
Operating income before depreciation	1,092,254	1,187,496
DEPRECIATION	<u>788,939</u>	<u>796,930</u>
Operating income	<u>303,315</u>	<u>390,566</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS		
Amortization of bond premium	2,923	2,923
Amortization of underwriter's discount	(2,310)	(2,310)
Amortization of bond issue costs	(3,384)	(3,384)
Note and bond interest and fiscal charges	(266,469)	(274,519)
Operating transfers out	(132,000)	(252,000)
Interest income	<u>27</u>	<u>2,228</u>
Total non-operating expenses and transfers	<u>(401,213)</u>	<u>(527,062)</u>
NET LOSS	(97,898)	(136,496)
NET POSITION, BEGINNING OF YEAR	<u>15,426,948</u>	<u>15,563,444</u>
NET POSITION, END OF YEAR	<u>\$ 15,329,050</u>	<u>\$ 15,426,948</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 303,315	\$ 390,566
Adjustments to reconcile operating income to net cash provided by operating activities:		
Gain on sale of equipment	(5,464)	-
Depreciation	788,939	796,930
Effects of changes in operating assets and liabilities:		
Receivables - account customers	(8,110)	13,195
Receivables - unbilled charges	(102,919)	(151,563)
Prepaid expense	(2,300)	-
Due from other funds	2,620	(9,192)
Accounts payable	252,644	226,147
Other accrued expenses	7,029	(9,098)
Utility overpayments	(6,029)	2,898
Post employment benefit obligation	11,392	14,650
Compensated absences payable	4,965	49,078
Restricted liabilities	<u>2,307</u>	<u>930</u>
Net cash provided by operating activities	<u>1,248,389</u>	<u>1,324,541</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Operating transfers out	<u>(132,000)</u>	<u>(252,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property, building and equipment	(3,796,077)	(1,165,365)
Proceeds from sale of equipment	9,464	-
Principal payments on bonds payable	(200,000)	(267,850)
Proceeds from issuance of notes payable	2,690,581	-
Interest paid on notes and bonds	<u>(269,136)</u>	<u>(279,076)</u>
Net cash used in capital and related financing activities	<u>(1,565,168)</u>	<u>(1,712,291)</u>

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	<u>27</u>	<u>2,228</u>
NET DECREASE IN CASH AND TEMPORARY CASH INVESTMENTS	(448,752)	(637,522)
CASH AND TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR	<u>4,755,294</u>	<u>5,392,816</u>
CASH AND TEMPORARY CASH INVESTMENTS, END OF YEAR	<u>\$ 4,306,542</u>	<u>\$ 4,755,294</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
WATERWORKS AND SEWERAGE FUND
COMPARATIVE STATEMENT OF OPERATING EXPENSES
For the Years Ended April 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
WATER DEPARTMENT		
Salary - commissioner	\$ 93,020	\$ 90,798
Salary - clerical	46,712	56,307
Wages - meter readers	16,406	17,640
Wages - general labor	268,782	242,613
Uniforms	849	618
Engineering fees	21,665	25,657
Audit fee	10,000	10,000
Tools and equipment	6,713	3,635
Purchase - office equipment	3,066	121
Purchase - new equipment	32,355	13,139
Purchase - meters	44,921	12,762
Purchase - radio equipment	4,030	-
Purchase - computer	2,047	2,424
Repairs - equipment	17,576	13,080
Restoration (main breaks)	81,464	82,576
Maintenance water system	402,277	418,584
Utilities	188,494	158,988
Water tap-ons	93,399	53,817
Purchase - water	6,316,995	4,967,634
Social Security and IMRF	116,237	98,500
Insurance and administrative expense	922,721	921,878
Contingent expense	19,396	20,495
Water system expense	16,945	21,318
Building and grounds maintenance	185,958	186,316
Pager service	5,543	3,485
Office supplies	4,042	3,144
Water sampling fees	6,464	4,330
Purchase chlorine	2,051	1,446
Gasoline and oil	13,491	6,050
Water billing charges	17,137	17,136
Dues and memberships	2,094	1,224
Post employment benefit obligation	<u>8,559</u>	<u>11,349</u>
Total water department	<u>8,971,409</u>	<u>7,467,064</u>
SEWER DEPARTMENT		
Salary - clerical	73,495	57,540
Wages - general labor	67,144	60,916
Purchase - new equipment	6,116	2,689
Material and supplies	15,999	6,867
Repair - equipment	2,248	606
Maintenance - sanitary sewers	643	26,573
Uniforms	1,734	569
Garage rentals	27,000	27,000
Post employment benefit obligation	<u>2,833</u>	<u>3,301</u>
Total sewer department	<u>197,212</u>	<u>186,061</u>
TOTAL OPERATING EXPENSES	<u>\$ 9,168,621</u>	<u>\$ 7,653,125</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF NET POSITION
April 30, 2013 and 2012**

	ASSETS			Totals	
	Heritage I	Heritage II	Eliminations	2013	2012
CURRENT ASSETS					
Temporary cash investments	\$ -	\$ 830,813	\$ -	\$ 830,813	\$ 331,504
Due from other funds	46,714	184,290	(184,290)	46,714	229,279
Prepaid insurance	1,164	2,475	-	3,639	3,561
Total current assets	<u>47,878</u>	<u>1,017,578</u>	<u>(184,290)</u>	<u>881,166</u>	<u>564,344</u>
RESTRICTED ASSETS					
Temporary cash investments	<u>-</u>	<u>2,837,930</u>	<u>-</u>	<u>2,837,930</u>	<u>3,020,289</u>
PROPERTY, BUILDING AND EQUIPMENT - NET	<u>5,612,952</u>	<u>8,284,857</u>	<u>-</u>	<u>13,897,809</u>	<u>14,038,084</u>
OTHER ASSETS					
Bond issuance costs	-	115,351	-	115,351	121,214
Deposits	165,394	1,000	-	166,394	173,770
Total other assets	<u>165,394</u>	<u>116,351</u>	<u>-</u>	<u>281,745</u>	<u>294,984</u>
TOTAL ASSETS	<u>\$ 5,826,224</u>	<u>\$ 12,256,716</u>	<u>\$ (184,290)</u>	<u>\$ 17,898,650</u>	<u>\$ 17,917,701</u>
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Accrued interest payable	\$ 24,106	\$ 80,208	\$ -	\$ 104,314	\$ 109,472
Accounts payable	23,557	76,228	-	99,785	72,355
Current portion of general obligation bonds	119,520	30,389	-	149,909	145,745
Due to other funds	486,459	-	(184,290)	302,169	486,459
Security deposits	107,320	227,815	-	335,135	332,060
Total current liabilities	<u>760,962</u>	<u>414,640</u>	<u>(184,290)</u>	<u>991,312</u>	<u>1,146,091</u>
LONG-TERM LIABILITIES					
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>1,520,560</u>	<u>4,325,862</u>	<u>-</u>	<u>5,846,422</u>	<u>5,997,921</u>
Total liabilities	<u>2,281,522</u>	<u>4,740,502</u>	<u>(184,290)</u>	<u>6,837,734</u>	<u>7,144,012</u>
NET POSITION					
Net investment in capital assets	3,972,872	3,928,606	-	7,901,478	7,894,418
Unrestricted	(428,170)	3,587,608	-	3,159,438	2,879,271
Total net position	<u>3,544,702</u>	<u>7,516,214</u>	<u>-</u>	<u>11,060,916</u>	<u>10,773,689</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 5,826,224</u>	<u>\$ 12,256,716</u>	<u>\$ (184,290)</u>	<u>\$ 17,898,650</u>	<u>\$ 17,917,701</u>

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012

	Heritage I	Heritage II	Eliminations	Totals	
				2013	2012
OPERATING REVENUES					
Rental income	\$ 1,260,692	\$ 2,561,251	\$ -	\$ 3,821,943	\$ 3,836,864
Other income	8,792	66,984	-	75,776	46,393
Total operating revenues	1,269,484	2,628,235	-	3,897,719	3,883,257
OPERATING EXPENSES	832,692	1,542,896	-	2,375,588	2,346,290
Operating income before depreciation	436,792	1,085,339	-	1,522,131	1,536,967
DEPRECIATION	246,762	489,785	-	736,547	701,288
Operating income	190,030	595,554	-	785,584	835,679
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS					
Amortization of bond issuance costs	-	(5,863)	-	(5,863)	(27,496)
Amortization of bond premium	-	1,590	-	1,590	1,590
Amortization of underwriter's discount	-	-	-	-	(4,360)
Operating transfers in	596,272	-	(596,272)	-	-
Operating transfers out	(266,143)	(596,272)	596,272	(266,143)	(343,407)
Bond interest	(75,135)	(160,183)	-	(235,318)	(298,551)
Interest income	-	7,377	-	7,377	25,523
Total non-operating revenues (expenses) and transfers	254,994	(753,351)	-	(498,357)	(646,701)
NET INCOME (LOSS)	445,024	(157,797)	-	287,227	188,978
NET POSITION, BEGINNING OF YEAR	3,099,678	7,674,011	-	10,773,689	10,584,711
NET POSITION, END OF YEAR	\$ 3,544,702	\$ 7,516,214	\$ -	\$ 11,060,916	\$ 10,773,689

VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012

	Heritage I	Heritage II	Eliminations	Totals	
				2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income	\$ 190,030	\$ 595,554	\$ -	\$ 785,584	\$ 835,679
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	246,762	489,785	-	736,547	701,288
Effects of changes in operating assets and liabilities:					
Due from other funds	(1,725)	-	-	(1,725)	(29,355)
Prepaid insurance	(30)	(48)	-	(78)	188
Deposits	7,376	-	-	7,376	(1,686)
Accounts payable	23,557	3,873	-	27,430	9,596
Security deposits	(7,070)	10,145	-	3,075	(1,215)
Net cash provided by operating activities	<u>458,900</u>	<u>1,099,309</u>	<u>-</u>	<u>1,558,209</u>	<u>1,514,495</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Operating transfer in	596,272	-	(596,272)	-	-
Operating transfer out	<u>(266,143)</u>	<u>(596,272)</u>	<u>596,272</u>	<u>(266,143)</u>	<u>(343,407)</u>
Net cash provided by (used in) non-capital financing activities	<u>330,129</u>	<u>(596,272)</u>	<u>-</u>	<u>(266,143)</u>	<u>(343,407)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of property, building and equipment	(596,272)	-	-	(596,272)	(86,048)
Principal payments on bonds payable	(116,200)	(29,545)	-	(145,745)	(1,126,520)
Interest paid on bonds	<u>(76,557)</u>	<u>(163,919)</u>	<u>-</u>	<u>(240,476)</u>	<u>(305,323)</u>
Net cash used in capital and related financing activities	<u>(789,029)</u>	<u>(193,464)</u>	<u>-</u>	<u>(982,493)</u>	<u>(1,517,891)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Earnings on investments	<u>-</u>	<u>7,377</u>	<u>-</u>	<u>7,377</u>	<u>25,523</u>
NET INCREASE (DECREASE) IN TEMPORARY CASH INVESTMENTS					
	-	316,950	-	316,950	(321,280)
TEMPORARY CASH INVESTMENTS, BEGINNING OF YEAR					
	<u>-</u>	<u>3,351,793</u>	<u>-</u>	<u>3,351,793</u>	<u>3,673,073</u>
TEMPORARY CASH INVESTMENTS, END OF YEAR					
	<u>\$ -</u>	<u>\$ 3,668,743</u>	<u>\$ -</u>	<u>\$ 3,668,743</u>	<u>\$ 3,351,793</u>

**VILLAGE OF ALSIP, ILLINOIS
ENTERPRISE FUNDS
SENIOR CITIZEN COMPLEX FUND
COMBINING STATEMENT OF OPERATING EXPENSES
For the Year Ended April 30, 2013
with Comparative Totals for the Year Ended April 30, 2012**

	Heritage I	Heritage II	Totals	
			2013	2012
Salaries	\$ 160,226	\$ 402,786	\$ 563,012	\$ 509,608
Audit fee	-	3,500	3,500	3,500
Repairs and maintenance	253,612	405,632	659,244	505,481
Management fee	75,642	153,723	229,365	230,127
Administrative fee	40,041	100,000	140,041	303,200
Decorating	19,451	75,119	94,570	65,194
Office supplies	4,293	110	4,403	6,608
Telephone	13,223	-	13,223	11,328
Utilities	138,670	212,095	350,765	358,774
Insurance	39,624	69,852	109,476	109,434
Scavenger	15,352	13,593	28,945	74,710
Pest control	4,402	7,480	11,882	12,363
Contingent expense	8,149	3,725	11,874	11,874
Payroll taxes	12,803	26,342	39,145	35,331
Uniforms	3,191	3,991	7,182	6,507
Union health/pension	44,013	64,948	108,961	102,251
TOTAL OPERATING EXPENSES	\$ 832,692	\$ 1,542,896	\$ 2,375,588	\$ 2,346,290

**VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET POSITION
April 30, 2013
with Comparative Totals at April 30, 2012**

	<u>Pension Trust</u>		<u>Totals</u>	
	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>2013</u>	<u>2012</u>
ASSETS				
Cash and cash equivalents	\$ 3,742,861	\$ 366,520	\$ 4,109,381	\$ 4,948,078
Receivables:				
Contributions	1,143,121	734,246	1,877,367	1,622,233
Accrued interest	59,296	59,664	118,960	127,302
Due from other funds	109,596	-	109,596	109,596
Investments, at fair value:				
U.S. Government securities	4,452,674	7,026,694	11,479,368	13,125,446
Corporate bonds	-	1,794,001	1,794,001	1,901,964
Mutual funds	5,135,222	10,710,848	15,846,070	11,289,930
Stocks	2,508,963	-	2,508,963	2,181,566
Insurance contracts	-	-	-	200,523
Total assets	<u>17,151,733</u>	<u>20,691,973</u>	<u>37,843,706</u>	<u>35,506,638</u>
LIABILITIES				
Accrued liabilities	16,402	-	16,402	14,115
Deferred contributions	1,132,081	734,246	1,866,327	1,622,233
Due to other funds	-	81,402	81,402	81,402
Total liabilities	<u>1,148,483</u>	<u>815,648</u>	<u>1,964,131</u>	<u>1,717,750</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS				
	<u>\$ 16,003,250</u>	<u>\$ 19,876,325</u>	<u>\$ 35,879,575</u>	<u>\$ 33,788,888</u>

VILLAGE OF ALSIP, ILLINOIS
TRUST FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
For the Year Ended April, 30, 2013
with Comparative Totals for the Year Ended April, 30, 2012

	Police Pension Fund	Firemen's Pension Fund	Total	
			2013	2012
ADDITIONS				
Contributions:				
Employer	\$ 1,716,750	\$ 1,222,157	\$ 2,938,907	\$ 3,047,669
Employee	285,568	255,960	541,528	534,117
Total contributions	<u>2,002,318</u>	<u>1,478,117</u>	<u>3,480,435</u>	<u>3,581,786</u>
Investment income:				
Net appreciation in fair value of investments	807,251	1,084,521	1,891,772	88,919
Dividends	165,189	93,076	258,265	201,415
Interest	254,892	244,182	499,074	535,860
Miscellaneous income	-	25	25	90
Total investment income	<u>1,227,332</u>	<u>1,421,804</u>	<u>2,649,136</u>	<u>826,284</u>
Less investment expense	<u>74,329</u>	<u>85,361</u>	<u>159,690</u>	<u>153,726</u>
Net investment income	<u>1,153,003</u>	<u>1,336,443</u>	<u>2,489,446</u>	<u>672,558</u>
Total additions	<u>3,155,321</u>	<u>2,814,560</u>	<u>5,969,881</u>	<u>4,254,344</u>
DEDUCTIONS				
Retirement benefits	2,243,541	806,472	3,050,013	2,792,726
Duty disability benefits	27,444	517,127	544,571	530,559
Surviving spouse benefits	47,228	191,907	239,135	236,281
Miscellaneous	32,033	13,442	45,475	21,334
Total deductions	<u>2,350,246</u>	<u>1,528,948</u>	<u>3,879,194</u>	<u>3,580,900</u>
NET INCREASE	805,075	1,285,612	2,090,687	673,444
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR				
	<u>15,198,175</u>	<u>18,590,713</u>	<u>33,788,888</u>	<u>33,115,444</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR				
	<u>\$ 16,003,250</u>	<u>\$ 19,876,325</u>	<u>\$ 35,879,575</u>	<u>\$ 33,788,888</u>

VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2013
(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	WA10002642	05/01/12-13	Automobile liability	Liability, uninsured motorist physical damage - comprehensive and collision	\$1,000,000
Scottsdale	PKS0000612	05/01/12-13	Professional liability insurance	Law enforcement officers and public officials	Multiple Coverages
Scottsdale	PES0005303	05/01/12-13	Property and general liability	Comprehensive premises, products contractual insurance, property damage, personal injury, ambulance attendants	Multiple Coverages
Scottsdale	UMS0026731	05/01/12-13	Excess liability	Bodily injury and property damage, includes civil rights	\$5,000,000
Arch Insurance	MEUM07163105	05/01/12-13	Excess liability	Bodily injury and property damage, includes civil rights	\$5,000,000
Arch Insurance	MEPK07351005	05/01/12-13	Package Policy		Multiple Coverages
Arch Insurance	MEIM07137805	05/01/12-13	Portable Equipment		Multiple Coverages
IPRF	AGC4045962	01/01/13-14	Workmen's Compensation		\$2,500,000
Travelers	103199571	08/03/11-14	Firefighters' Pension Fund Bond	Errors and omissions	\$1,000,000
Travelers	103062011	02/20/13-14	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	05/01/12-13	Specific/ Aggregate Health		Various

VILLAGE OF ALSIP, ILLINOIS
SCHEDULE OF INSURANCE COVERAGE
April 30, 2013
(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	05/09/12-13	Public Official Bond - Mayor Patrick Kitching	Errors and omissions	\$150,000
AutoOwners	6760466307776	05/09/12-13	Public Official Bond - Deborah Venhuizen	Errors and omissions	\$150,000
Liberty Mutual	285025029	01/30/13-14	Public Official Bond - Elizabeth Gonzalez	Errors and omissions	\$150,000
Safeco	6400805	12/20/12-13	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	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	03/20/12-15	IL Notary Public Bond - Elizabeth Gonzalez	Errors and omissions	\$5,000
Liberty Mutual	32S332585	02/18/13-16	IL Notary Public Bond - Alisa Bahr	Errors and omissions	\$5,000
Fort Dearborn	F017942-0001	05/01/12-13	Life insurance & Accidental Death and Dismemberment		Various
North Pointe	NPCM005152	4/21/13-13	Canine Police		Multiple Coverages

VILLAGE OF ALSIP, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS EXTENDED BY FUNDS
AND ASSESSED VALUATION
April 30, 2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed valuation	\$ 802,041,333	\$ 749,936,394	\$ 722,163,750	\$ 598,824,867	\$ 548,725,983
Tax rates:					
General	.3592	.4308	.4812	.6470	.6606
Police pension	.1995	.2301	.2430	.3248	.3563
Fire pension	.1216	.1548	.1703	.2296	.2405
Road and bridge	.0066	.0069	.0143	.0939	.0939
Debt service	.1454	.1555	.1532	.1510	.1644
Total - All Funds	<u>.8323</u>	<u>.9781</u>	<u>1.0620</u>	<u>1.4463</u>	<u>1.5157</u>
Tax levies:					
General	\$ 2,880,986	\$ 3,230,986	\$ 3,475,000	\$ 3,550,000	\$ 3,625,000
Police pension	1,600,000	1,725,345	1,755,000	1,782,529	1,955,290
Fire pension	975,587	1,160,980	1,229,708	1,259,952	1,319,515
Road and bridge	51,500	51,500	103,000	515,000	515,000
Debt service	1,166,351	1,166,163	1,106,149	828,560	901,978
Total - All Funds	<u>\$ 6,674,424</u>	<u>\$ 7,334,974</u>	<u>\$ 7,668,857</u>	<u>\$ 7,936,041</u>	<u>\$ 8,316,783</u>
Collections:					
General	\$ 2,726,247	\$ 3,187,124	\$ 3,488,048	\$ 3,415,153	\$ 1,752,145
Police pension	1,568,246	1,726,842	1,687,375	1,721,779	881,868
Fire pension	938,520	1,145,530	1,186,604	1,221,813	624,854
Road and bridge	51,436	51,347	105,062	495,450	248,925
Debt service	1,089,219	1,116,802	1,127,024	786,370	423,275
Total - All Funds	<u>\$ 6,373,668</u>	<u>\$ 7,227,645</u>	<u>\$ 7,594,113</u>	<u>\$ 7,640,565</u>	<u>\$ 3,931,067</u>
Percentage of levies collected	<u>95.5%</u>	<u>98.5%</u>	<u>99.0%</u>	<u>96.3%</u>	<u>47.3%</u>
Township levies	<u>\$ 95,952</u>	<u>\$ 116,296</u>	<u>\$ 108,741</u>	<u>\$ 86,660</u>	<u>\$ 65,847</u>
Collections	<u>\$ 91,792</u>	<u>\$ 87,859</u>	<u>\$ 82,780</u>	<u>\$ 85,580</u>	<u>\$ 44,257</u>
Percentage of collections	<u>95.7%</u>	<u>75.5%</u>	<u>76.1%</u>	<u>98.8%</u>	<u>67.2%</u>
Special service areas levies	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 24,760</u>
Collections	<u>\$ 168,862</u>	<u>\$ 104,816</u>	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 14,293</u>
Percentage of collections	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>57.7%</u>
Tax increment levies	<u>\$ 895,000</u>	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 1,005,000</u>	<u>\$ 954,000</u>
Collections	<u>\$ 885,228</u>	<u>\$ 895,000</u>	<u>\$ 920,000</u>	<u>\$ 929,195</u>	<u>\$ 491,789</u>
Percentage of collections	<u>98.9%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>92.5%</u>	<u>51.6%</u>

**VILLAGE OF ALSIP, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2013**

	Tax Year <u>2012</u>
ASSESSED VALUATION	<u>\$ 548,725,983</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 47,327,616</u>
Total debt:	
General obligation debt:	
Notes payable	3,355,051
Bonds payable	<u>21,206,020</u>
	24,561,071
Deductions:	
Amount available for repayment of general obligation bonds	<u>3,141,831</u>
	<u>21,419,240</u>
LEGAL DEBT MARGIN	<u>\$ 25,908,376</u>