

**Village of Alsip, Illinois**  
Comprehensive Annual Financial Report  
Year Ended April 30, 2020

**Prepared by the Finance Department  
of the Village of Alsip**



**Village of Alsip, Illinois**  
**Comprehensive Annual Financial Report**  
**April 30, 2020**

**Contents**

**Introductory Section**

Transmittal Letter .....	i
Organizational Chart and Officers and Officials .....	xviii
Certificate of Achievement.....	xix

**Financial Section**

Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	4
Basic Financial Statement	
Government-Wide Financial Statements	
Statement of Net Position.....	20
Statement of Activities .....	22
Fund Financial Statements	
Balance Sheet – Governmental Funds.....	23
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	24
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	25
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	26
Budgetary Comparison Statement – Budget to Actual – General Fund.....	27
Budgetary Comparison Statement – Budget to Actual – Road and Bridge Fund .....	28
Statement of Net Position – Proprietary Funds .....	29
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds .....	31
Statement of Cash Flows – Proprietary Funds .....	32
Statement of Fiduciary Net Position – Fiduciary Funds.....	34
Statement of Changes in Fiduciary Net Position – Pension Trust Funds.....	35
Notes to Financial Statements .....	36

**Village of Alsip, Illinois**  
**Comprehensive Annual Financial Report**  
**April 30, 2020**

**Required Supplementary Information (Unaudited)**

Schedule of Contributions	
Illinois Municipal Retirement Fund .....	85
Police Pension Fund .....	86
Firefighter’s Pension Fund .....	87
Schedule of Changes in the Village’s Net Pension Liability/Total OPEB Liability and Related Ratios	
Illinois Municipal Retirement Fund .....	88
Police Pension Fund .....	89
Firefighter’s Pension Fund .....	90
Retiree Health Insurance Trust Fund.....	91
Schedule of Investment Returns	
Police Pension Fund .....	92
Firefighter’s Pension Fund .....	93
Notes to Required Supplementary Information.....	94

**Combining and Individual Fund Financial Statements  
and Schedules**

Governmental Fund Types	
General Fund (Major Fund)	
Comparative Balance Sheets .....	95
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance.....	96
Comparative Schedule of Expenditures .....	98
Road and Bridge Fund (Major Fund)	
Comparative Balance Sheets .....	104
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance.....	105
Nonmajor Governmental Funds - Combining Statements	
Combining Balance Sheet .....	107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	108

**Village of Alsip, Illinois**  
**Comprehensive Annual Financial Report**  
**April 30, 2020**

Special Tax Allocation Fund	
Combining Balance Sheet .....	109
Combining Statement of Revenues, Expenditures and Changes in Fund Balance .....	110
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Fund Balance .....	111
Motor Fuel Tax Fund	
Comparative Balance Sheets .....	112
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Fund Balance .....	113
Foreign Fire Insurance Tax Fund	
Comparative Balance Sheets .....	114
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance .....	115
Debt Service Fund	
Comparative Balance Sheets .....	116
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance .....	117
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Fund Balance .....	118
Proprietary Fund Types	
Enterprise Funds	
Waterworks and Sewerage Fund	
Comparative Statements of Net Position .....	119
Comparative Statements of Revenues, Expenses and Changes in Net Position .....	121
Comparative Statements of Cash Flows .....	122
Comparative Schedules of Operating Expenses .....	123
Senior Citizen Complex Fund	
Combining Statement of Net Position .....	125
Combining Statement of Revenues, Expenses and Changes in Net Position .....	126
Combining Statement of Cash Flows .....	127
Combining Schedule of Operating Expenses .....	128

**Village of Alsip, Illinois**  
**Comprehensive Annual Financial Report**  
**April 30, 2020**

Fiduciary Fund Type

Pension Trust Funds

Combining Statement of Fiduciary Net Position.....	129
Combining Statement of Changes in Fiduciary Net Position.....	130

**Statistical Section**

Financial Trends

Net Position by Component.....	131
Changes in Net Position .....	132
Fund Balances of Governmental Funds.....	137
Changes in Fund Balances and Percentage of Debt Service to Noncapital Expenditures of Governmental Funds.....	139

Revenue Capacity

Assessed and Estimated Actual Value of Taxable Property.....	141
Property Tax Rates – Direct and Overlapping Governments .....	142
Principal Property Taxpayers .....	143
Property Tax Levies and Collections.....	144

Debt Service

Outstanding Debt by Type.....	145
Ratio of General Bonded Debt Outstanding .....	146
Direct and Overlapping Government Activities Debt .....	147
Legal Debt Margin Information .....	148
Pledged Revenue Coverage .....	149

Demographic and Economic Information

Most Recent Educational Demographics and Five Years Prior .....	150
Principal Village Employers.....	152

Operating Information

Full-Time Equivalent Employees by Function.....	153
Operating Indicators .....	154
Capital Asset Statistics .....	156

## **Introductory Section**

John D. Ryan  
Mayor

Susan M. Petzel  
Clerk and  
Collector



*Trustees*

Richard S. Dalzell  
Michael Zielinski  
Monica M. Juarez  
Christine L. McLawhorn  
Christopher W. Murphy  
Catalina Nava-Esparza

November 25, 2020

To the Village Board and Citizens of the Village of Alsip:

**Formal Transmittal**

State law (50 ILCS 310/2 and 50 ILCS 310/4) requires that every general-purpose local government publish, within either one hundred eighty days or two hundred forty days of the close of each fiscal year, a complete set of audited financial statements. This Comprehensive Annual Financial Report, or CAFR, is published to fulfill that requirement for the fiscal year ended April 30, 2020, hereinafter referred to as FY20.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BKD, LLP has issued an unmodified (“clean”) opinion on the Village of Alsip’s financial statements for the year ended April 30, 2020. The independent auditor’s report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

**Profile of the Village**

- *Population*

The Village of Alsip is a home rule unit of local government under the Constitution of Illinois of 1970 and was incorporated in 1927. The municipality has a 2019 population of 18,709 as of a July 1, 2020 United States Census Bureau estimate, and an official population of 19,277 according to the 2010 census.

4500 West 123rd Street • Alsip, Illinois 60803-2599 • Phone 708-385-6902 • Fax 708-385-9561

The Great Recession had a large impact on the Village's economy, which saw an estimated rise in Alsip's unemployment rate from 5.3% (2007) to a decade high of 12.7% (2010). This estimated unemployment rate has receded to 4.0% (2019), a rate below the rate before the Great Recession started. This Village unemployment rate is comparable to the 2019 Cook County rate of 5.5%, the State of Illinois rate of 3.1%, and the nationwide rate of 2.9%.

Median household incomes within the Village of Alsip are in line with both Cook County (the county in which Alsip is located) and the State of Illinois. According to the United States Census Bureau's 2014-2018 American Community Survey 5-Year Estimates, Alsip's 2014-2018 median household income (in 2018 inflation-adjusted dollars) was \$58,566, Cook County's was \$62,088, and the State of Illinois' was \$69,187.

As a landlocked community, the Village of Alsip's population has remained relatively stable for the last thirty years. Despite the consistency of the population, the housing values have declined during the softening of the housing market nationwide and have not rebounded. The same Census data shows a 19.1 % decline in the median value of an owner-occupied unit from 2010 (\$213,300) to 2018 (\$172,300). The median price of an owner-occupied unit in 2018 in Illinois was \$187,000, which reflects that in Alsip 48.8% of housing units are 1-unit detached, while in the State of Illinois 58.9% of such units are 1-unit detached.

- ***Governmental Structure***

The Village of Alsip operates under the Trustee-Village form of government pursuant to the Illinois Municipal Code, 65 ILCS 5/3.1-25 et. seq. Policy-making and legislative authority are vested in the governing Village Board consisting of the Village President, often referred to as the Mayor, and six Trustees, and a Village Clerk. The Village Clerk is an ex officio member of the Board and does not vote. All Board members are elected at large. All Board members serve four-year terms, with the Village President, the Village Clerk, and three Trustees elected usually on the first Tuesday in April following Presidential election year, while the other three Trustees are usually elected on the first Tuesday in April two years later. Beginning with those elected in the April 4, 2017 election, no person may hold the office of Village President, Village Clerk, or Village Trustee for more than three consecutive four-year terms.



- *Types and Levels of Services Provided*

The Village of Alsip provides a full range of services, including police and fire protection; water distribution; sanitary and storm sewer collection services; snow removal; traffic control; building inspections; health inspections; licenses and permits; a website; a cable television station; and the construction and maintenance of Village owned highways, streets, streetlights, water lines, sanitary sewer lines, storm sewer lines, and other infrastructure. The Village bills for and contracts out refuse (garbage) collection.

The Village owns 512 senior housing units in 29 housing buildings spread over two distinct complexes within the Village. Each complex has a swimming pool, a clubhouse, storage facilities, laundry facilities, and parking spaces. The Village contracts out the management of those senior housing complexes.

The Village is responsible for the operation and maintenance of its water pumping facilities and transmission and distribution mains within the Village only. The Village provides water and sewer service to its property owners and contracts to provide water service to the City of Palos Heights and the Village of Crestwood (the Village does not have any responsibility for the distribution of water within Palos Heights or Crestwood); Lake Michigan water is directly obtained from the City of Chicago via contract. Sewage treatment is provided to the Village by the Metropolitan Water Reclamation District (MWRD) of Greater Chicago. The Village is responsible for the operation and maintenance of its storm and sanitary lift stations and transmission lines.

To pay for services and other costs not directly covered by service fees, the Village of Alsip is empowered to levy a property tax on real property located within its boundaries. As a home-rule community, the Village is also authorized to issue general obligation (G.O.) debt without a referendum.

Under State of Illinois Statutes, the Village of Alsip was required to establish a Police Pension Fund to provide disability and retirement benefits to its full-time sworn officers and a separate Firefighters Pension Fund to provide disability and retirement benefits to its full-time firefighters. These two public safety pension funds are each managed by a separate five (5) person Board of Trustees which is comprised of two (2) members elected from active membership, one (1) member elected from beneficiaries, and two (2) appointed directly by the Village President. While the Village is required to provide minimum annual contributions toward funding each defined benefit plan and levies property taxes in excess of that minimum contribution, the Village Board does not otherwise exercise financial control over either pension fund. The financial data for each public safety pension fund is separately presented in the

financial statements. No separate financial statements are issued for either public safety pension fund.

Recreation facilities are mainly provided by the Alsip Park District, a separate unit of local government, while parts of the Village are served by the Worth Township. The Village maintains a small non-recreational park honoring veterans and a separate boat launch facility into the Calumet Sag Channel. Approximately sixteen (16) different park facilities located throughout the Village offer a variety of recreational services.

The Village's public education needs are met by School Districts No. 125, 126, 128, or 130, as well as Community High School District No. 218. The Village is located within Moraine Valley Community College District No. 524. Library services are provided by the Alsip-Merrionette Park Library District, a completely separate unit of government from the Village.

The Village Board does not exercise financial control or accountability for any school district, park district, library district, or other governmental agency that is located with the Village limits or provides services to Village residents, and accordingly, they are not included in the Village's basic financial statements.

- ***Brief Summary of the Budget Process***

Under Illinois statutes, the Village can either elect to operate under a budget ordinance or an appropriation ordinance. The Village operates under an appropriation ordinance, which does not require a municipality to prepare a budget, but does require that the Board adopt an appropriation ordinance within the first quarter of each fiscal year. The fiscal year runs from May 1<sup>st</sup> to April 30<sup>th</sup> of every year, so the appropriation ordinance must be adopted by the Village Board before August 1<sup>st</sup>. In FY20 the appropriation ordinance was adopted before the start of the fiscal year. The appropriation ordinance is double the size of the de facto budget. This annual budget serves as the foundation for the Village of Alsip's financial planning and control. The budget is prepared by fund and department (e.g., police).

- ***Governmental Funds with an Annual Appropriated Budget***

The Village Board budgets for and has legal control over the General Fund, the Debt Service Fund and the following six special revenue funds: Road & Bridge, TIF 1, NW Corner of Cicero Avenue and I-294 TIF, 123rd Place and Cicero Avenue TIF, Pulaski Road Corridor TIF, and Motor Fuel Tax Fund.

- *Legal Level of Budgetary Control*

The legal level of budgetary control (that is, the level at which expenditures may not legally exceed the established appropriated amount) is set at the fund level.

### **Information Useful in Assessing the Village's Economic Condition**

- *Local Economy*

The Village is home to approximately 900 businesses, encompassing various segments of commerce, including retail, service, and manufacturing. These businesses are promoted and represented by the Chicago Southland Convention and Visitors Bureau (CSCVB), the Alsip Chamber of Commerce, and the Alsip Industrial Association. This diversity of business and industry provides a stable economic base, which in turn creates regional employment opportunities, outstanding municipal services, educational systems, health and human care agencies, and recreational facilities.

There are many reasons for the strong business environment in the Village, including that the Village borders the City of Chicago, the Village's workforce population has the experience for the types of businesses located in Alsip, the Village offers various economic incentives to industrial and retail businesses when needed, and there exists strong area transportation systems for both business and their employees. Both these economic incentives, as well as the transportation systems that make Alsip a transportation center, are examined in further detail below.

- *Impact of COVID19 on the Local Economy*

The impact of the novel Coronavirus pandemic on the local economy profoundly affected the Village's economic condition. Following the stay at home order from the Governor, businesses shut down for several months and then later reopened at limited capacities. This substantially affected Village revenue streams in the form of reduced sales tax from closed stores, reduced sales, and less fees from video gaming as those establishments were closed as well. Hotel/motel tax fees were also materially lower due to reduced travel as people canceled or did not make vacation plans. Closed stores, reduced travel, and generally fewer recreational options affect all gasoline related fees as people have less incentive to purchase fuel to drive places. As working from home is normalized, this trend of smaller quantities of fuel being purchased is likely to continue. Future revenue streams will also be reduced as unemployment rates increased, which will lower upcoming years' income tax. Without further relief efforts from the federal government, it is likely that property tax receipts will decrease in the upcoming years as people are unable to afford their homes.

### *A. Economic Development*

The Village attempts to maintain its existing business while expanding its overall commercial and industrial base through economic incentives, when deemed necessary and appropriate.

The Village has designated, and the Illinois Department of Commerce and Economic Opportunity (DCEO) has certified, the Cal-Sag Enterprise Zone, a portion of which is located in the Village along the Calumet-Saganashkee Channel. This enterprise zone was established in 1983, initially certified in July of 1985, was expanded in 2005, was renewed and expanded on January 1, 2016, was amended July 27, 2018 (based upon a Village Board change approved in July 2016), and will now remain active through December 31, 2030. The Village shares the renewed and expanded enterprise zone with many municipalities and unincorporated portions of southern Cook County. Within Alsip, the 2016 renewal expanded the enterprise zone to 3.38 square miles and extended it up both Pulaski Road and Cicero Avenue to the northern boundaries of the Village. Through the enterprise zone program, businesses choosing to locate in the enterprise zone are entitled to certain tax incentives and targeted assistance. Some of the incentives that are available, depending upon the nature of the business are: sales tax exemption for construction materials, investment tax credit, interest benefits, job training funds, local building permit discounts, and property tax abatement. Industrial properties in the Enterprise Zone are now included in the new Cook County Growth Zone Program to provide additional County assistance to develop these sites.

The Village uses tax increment financing ("TIF") as a tool in attracting business development. TIFs provide a means for municipalities, after the approval of a "Redevelopment Plan and Project," to redevelop blighted, conservation or industrial park conservation areas by pledging the anticipated increase in tax revenues resulting from using new tax revenues generated by private redevelopment to pay for the public costs incurred to stimulate such private investment in new development and rehabilitation. Tax Increment Financing is authorized in Illinois by the Tax Increment Allocation Redevelopment Act, as amended. The Village currently has three active TIF districts, the Pulaski Road Corridor TIF, which essentially covers most of Pulaski Road between 115<sup>th</sup> St. and 123<sup>rd</sup> St., and two smaller TIFs located on the west side of Cicero Avenue between 123<sup>rd</sup> Place and I-294. A fourth TIF, TIF 1, expired at the end of 2016.

The Village has at various times utilized other financial tools at its disposal such as property tax incentives or sales tax rebates to promote economic development when warranted.

The Village is dedicated to responsible economic development that broadens the tax base while expanding job or retail opportunities to the community. Below lists some of the recent and potential future actions taken to further those goals:

- As mentioned in the Local Economy section above, with participation from the Village, the Cal-Sag Enterprise Zone was extended by the State of Illinois in both geographic area and in the length until expiration. Businesses have already been taking advantage of the provisions of this enterprise zone.
- On December 31, 2016, TIF 1, which covers part of the area bounded by Kedzie Avenue, Pulaski Road, 123rd Street and 127th Street, finished its 23 years of operation as defined in TIF statutes and, thus, terminated. The Village Board on December 19, 2016 adopted a plan incorporating an anticipated \$1 million dollar surplus, to be distributed over time; the previously approved road resurfacing project within TIF 1; and a transfer of the remaining \$3.9 million to the contiguous Pulaski Road Corridor TIF for development efforts in that area. To date, the transfer to the Pulaski Road Corridor TIF has happened, the road resurfacing project finished and came in under budget, and the Village declared an initial \$603,054.29 TIF 1 surplus leaving a balance of \$600,000 for property tax refunds and surplus declarations. In subsequent years, approximately \$100,000 was declared as surplus per year. As of April 30, 2020, the surplus balance for TIF 1 was \$400,000.
- In 2017 and 2018 the Village purchased shuttered business, vacant land, and a business that will be shutting down within the Pulaski Road Corridor TIF with the intent of demolishing any existing buildings and combining parcels, performing any necessary environmental remediation, and preparing the sites for future development. One such demolition has already occurred.
- In 2016 the Village Board created a Pulaski Road Corridor TIF Façade and Small Business Grant Program to standardize the application process and to help promote not only new developments, but to help existing property owning businesses improve their businesses using TIF eligible expenses. Interest in the program was strong and businesses started working with the TIF district's consulting firm to help make redevelopment agreement (RDA) applications to the Village Board. There were a number of such RDAs approved. The following is the list of RDAs executed after the start of FY20 or were executed prior to the start of FY20 but were completed after that date:
  - On June 10, 2019, the Village authorized an extension of the RDA to construct a new parking lot at 11515-27 S Pulaski Ave. The project had a budget of \$80,000 and was completed in August of 2019.
  - In May of 2019, the Village approved a project to extend a water main from 119<sup>th</sup> to 121<sup>st</sup> on Pulaski Ave. The project's costs were covered by the Pulaski TIF up to 75% with the additional 25% being covered by the Water Department. This project provides the area

with improved fire protection as well as provide water access for several properties that were previously without access to water. Better access to utilities will promote future development in this location.

- In August of 2019, the Village had asbestos removed from the previously purchased property on 11706 Pulaski, commonly known as the EDCA Auto Sales property.
- In February of 2020, the Village approved an RFP from Barton Real Estate Holding LLC to construct a new 6,000 square foot retail center containing a BBQ restaurant, an Italian restaurant, and a jewelry store.
- Currently owners of numerous industrial properties are putting forth multi-million dollar expansions of existing buildings, refurbishing existing buildings, and/or investing in newer equipment. Some of these have stated that subsequent to the projects that additional people will be hired.

#### *B. Transportation Center*

The Village, which borders Chicago, has close accessibility to Chicago, the Chicagoland region, and Indiana via highway, air, rail, water, bicycle, and commuter bus.

##### Highway Accessibility:

Within the Village Interstate 294 (the “Tri-State Tollway”) diagonally intersects and connects to a full four-way arterial road interchange. Additionally, the borders of the Village are within ten (10) miles of I-57, I-80, and I-55 and within twenty (20) miles of I-355, I-88, and I-290.

##### Air:

The Village is centrally located to both O'Hare Airport, approximately eighteen (18) miles northwest of the Village, via I-294, and Midway Airport, approximately seven (7) miles north of the Village along Cicero Avenue which runs through the Village.

##### Rail:

Commuter rail service is provided by Metra, a division of the Regional Transportation Authority (RTA). Within two (2) miles of the Village borders there are seven (7) train stations in four (4) municipalities, covering three (3) different train lines, each terminating at a different downtown Chicago station. These train lines are the Metra Electric District line terminating at the Millennium Station, the Rock Island District line terminating at the LaSalle Street Station, and the Southwest Service line terminating at Union Station.



Rail freight service is supplied by the Indiana Harbor Belt, Baltimore & Ohio, Grand Trunk Western, Illinois Central, and the CSX lines and is accessible through numerous rail spurs throughout the Village.

#### Water, Bicycle, and Bus:

The Calumet Sag Channel, which runs through the Village, allows the barge and recreational boating access to the Port of Chicago which includes major docks on Lake Calumet. Alongside the Calumet Sag Channel a bike path starts in Alsip and continues west through Palos Heights, Palos Park, ending in Lemont. Sections of an eastern section of the trail, which will continue the trail from Alsip, through Blue Island, Riverdale, and Dolton to Burnham, has begun and, when completed, is expected to link more than 185,000 people in 14 communities. The Village is also serviced by the Pace commuter bus service. Additionally, across the street from the Village on 127<sup>th</sup> St. there is a private commuter shuttle bus service to both regional airports.

- ***Long-Term Financial Planning***

- A. *Planning Policies and Practices*

The Village of Alsip adopted a Comprehensive Plan on April 1, 2013. This concluded a multi-year process that first produced a July 17, 2012 Existing Conditions Report, which examined Village-wide issues and opportunities related to land use, economic development, housing, parks and open space, and community infrastructure. The second phase of planning involved the public in creating a shared vision for the future of Alsip with specific goals and strategies to help achieve the desired vision. The Alsip Comprehensive Plan contains several policies and action steps to help elected and appointed officials plan for the sustainable growth of the community. The plan addresses a range of topics including but not limited to land use and development, economic growth, open space programming, infrastructure improvements, and image and identity. Such planning is a continuous process and in September 2013 the Village's Pulaski Road Action Plan was finished and in June of 2014 a Zoning Recommendations Summary was completed.

The Village has traditionally made both a multi-year capital improvement plan (CIP) and a multi-year budget. Starting with the FY18 budget, both were expanded to cover five full fiscal years subsequent to the appropriated fiscal year on a line item basis.

On May 21, 2018, the Village Board passed the Sustainable Retiree Defined Benefit Funding Plan. This plan not only established the financial policies necessary to fully fund by the end of April 2040, all three Village pension plans and retiree healthcare promises, but dedicated the specific funding sources necessary to meet that self-imposed mandate. See the Major Initiatives > A. Debt Management section below for details.

### *B. Long-Term Financial Goals*

The Village has two long-term goals: the reduction of debt and the replacement of aging infrastructure. Both goals are detailed in the Major Initiatives section below.

- ***Relevant Financial Policies***

The Village has put into place several key written policies such as a purchasing policy and an investment policy. These policies have been passed by the Village Board and, in conjunction with financial procedures instituted by management, have formalized the long-standing practices and principles that have guided the Village for decades.

- ***Major Initiatives***

#### *A. Debt Management*

Since early 2015 the Village has worked to reduce and ultimately eliminate its long-term general obligation (G.O.) and retiree benefit related debts. Some of these efforts include:

- The paying down of the long-term G.O. Debt.
- Accepting no new installment contracts for any vehicles or equipment.
- The tightening of the eligibility requirements of who qualifies for the Illinois Municipal Retirement Fund (IMRF) and the Village's other postemployment benefit (OPEB) plan;
- The launch of a wellness program, a workplace injury reduction program, a transitional light-duty work program, and a high-deductible healthcare plan, all in an effort to keep employees and retirees healthy, thus reducing potential sick and FMLA leave, worker's compensation payments, duty disability payments, PSEBA payments, and future OPEB liabilities;
- The transition of 100% of OPEB eligible and Medicare eligible retirees and retiree spouses to a Medicare wrap program, thus lowering OPEB costs and liabilities; and
- The initiation of various efforts to temper the rise in healthcare costs.
- In December 2017 the Village Board approved an increase of 30.00% in the Village's 2017 tax year (TY17) aggregate property tax levy, with operations receiving none of the increase and almost all of the increase dedicated to meeting the public safety pensions' actuarially determined contributions (ADCs) and reducing the OPEB's deficit. The fire pension specific levy was increased by 26.21% (\$452,649), the police pension specific levy was increased by 36.31% (\$950,979), and the indirect OPEB levy was increased by



605.53% (\$1,705,738) from TY16's original OPEB indirect levy. This TY17 levy increase was in addition to increases in the public safety pension levies of 6.91% in TY16 and 5.00% in TY15. The TY17 levy was not only the second year in which no additional levy increase went to operations, but also marks the first time that the direct (public safety pension) and indirect (OPEB) retiree benefit levies exceeded the combined operations and general obligation bond levies. While TY18 and TY19 did see operational increases to the levy, again the retiree benefit levies exceeded the combined operations and general bond levies.

- As mentioned in the Long-Term Financial Planning > A. Planning Policies and Practices section above, on May 21, 2018 the Village Board passed the Sustainable Retiree Defined Benefit Funding Plan ("the Plan"), which created policy designed to meet the standards of The Center for State and Local Government Excellence's July 2013 Pension Task Force. The five sub-bullet points below detail the Pension Task Forces' five general policy directives and how the Plan met those directives.
  - Actuarially Determined Contributions: All sustainable retiree defined benefit policies should be based upon an appropriate actuarially determined contribution (ADC). The Plan requires the Village and the public safety boards to annually commission from an actuary one report that meets GAAP standards for municipal government reporting and a second one that creates an ADC which is based upon the best actuarial practices for funding. The Plan requires that a similar pair of actuarial reports is made for OPEB on either a biennial fiscal year basis (GAAP minimum period) or annually. The Plan then goes on to detail the specific actuarial assumptions, most notably that all three plans will now have the same amortization period (April 30, 2040) and a reduction in the long-term rate of return on assets to 6.50%.
  - Funding Discipline: All sustainable retiree defined benefit policies should contain both the commitment to fund the collective ADCs as well as build in sufficient fiscal commitments necessary to meet that ADC funding commitment. The Plan met this directive through: making a specific commitment to fund the collective ADCs of all four plans (including IMRF) in an efficient manner; a commitment to manage any potential growth in retiree liabilities; and to direct a level of duties, ethical, and investing standards from the independent boards managing the retiree assets. The Plan then went further than most by specifically identifying, in detail, specific funding sources, as well as possible alternative sources if necessary, to meet the collective ADCs.

- Intergenerational Equity: All sustainable retiree defined benefit policies should maintain intergeneration equity by having the cost of employee benefits be paid for by the generation of taxpayers who received the services of those employees. Liabilities had been allowed to accumulate over time, partially from unfunded state mandates of retroactive new benefits. While intergenerational equity is not possible with such large prior liabilities, the Plan moved strongly in the direction of intergenerational equity by standardizing the amortization periods of the retiree benefit plans, adding layers each year that had separate fifteen (15) year layers starting in FY18, and by providing the funding to meet the ADCs on an annual basis.
- Contributions as a Level Percentage of Payroll: All sustainable retiree defined benefit policies should make employer costs a consistent percentage of payroll over time. The Plan mandates that for both the GASB/GAAP compliant reports and the funding reports determining the ADCs, the Entry Age Normal with level percentage of payroll, actuarial cost method be used.
- Accountability and Transparency: All sustainable retiree defined benefit policies should require clear reporting to show how and when retiree defined benefit plans will be fully funded. The Plan commits the Village to: open meetings when discussing retirement benefit funding policy changes; posting relevant materials of the Village website; and reviewing the actuarial assumptions in the Plan at least every five years and allowing the Finance Director to make necessary changes between such reviews.

The Village maintains a Standard and Poor's Ratings Services, a part of McGraw-Hill Financial, Inc., ("S&P") rating of AA (Stable Outlook), a rating higher than the national average. As there are no outstanding general obligation (G.O.) bonds rated by any other rating agency, there are no current ratings from any other rating agency.

*B. Infrastructure Replacement and Improvement*

The Village of Alsip residents and businesses can best be provided water and sanitary sewer services by a self-sustaining water enterprise that is adequately financed with rates and charges based on sound accounting, engineering, financial, and economic principles. Revenues from water and sewer rates and user fees should be sufficient to enable the water and sewer departments to provide for the full cost of service including:

- Annual operation and maintenance expenses
- Capital costs (e.g., debt service and other capital outlays)
- Adequate working capital and required reserves

Full-cost pricing, *i.e.*, charging rates and fees that reflect the full cost of providing water and wastewater services, should include renewal and replacement costs for treatment, storage, distribution, and collection (sewer) systems. For some time now, the Village has kept water rates low by minimizing or ignoring these costs; however, as the useful lives of system assets draw to a close, we have recently addressed the current and future financial needs of the water system by increasing rates to cover replacement costs.

Similarly, other Village infrastructure assets, specifically roads, storm sewers, and ditches were not been properly maintained for many years and the Village Board has started to address that deficiency. The main sources for such funding come from user fees and taxes that go into two separate special revenue funds: the Motor Fuel Tax (MFT) Fund and the Road & Bridge Fund. The MFT Fund is entirely funded from a state-wide gasoline tax that is distributed to municipalities on a per capita basis. The Road & Bridge Fund composes of three departments (Streets, Drainage, and Forestry) and is primarily funded by an annual vehicle license sticker, a locally imposed and collected fuel tax, and a specific property tax levy.

Revenues:

Rather than rising with inflation or allowing for increasing revenue to offset these mandates, tax dollars to the Village from the State's traditional motor fuel tax (MFT), which can be used for street maintenance, declined per year over the dozen years through FY20. Due to population that is declining only slightly, but at a larger rate than the State of Illinois as a whole, and due to increasing fuel efficiency standards and technological innovations (electric and hybrid vehicles, for example), this decline in traditional MFT payments is likely to continue over the following decades.

Subsequent to the end of the fiscal year (FY20) audited in this report, the State of Illinois reversed the decreasing state shared revenue for road work when it passed Senate Bill 1938. From the section that impacts municipalities, this bill doubled the tax on gasoline from nineteen (19) cents to thirty-eight (38) cents per gallon, effective July 1, 2019. Of this new tax 15.71%, or almost three (3) cents per gallon is to be distributed through a new Transportation Renewal Fund to municipalities' MFT funds on a per capita basis. On September 10, 2019 the Village MFT fund received its first monthly payment in the amount of \$28,725 from this new Transportation Renewal Fund.

Starting in late 2015 the Village Board began implementing the following rate and fee structures which were designed to increase the pace of maintaining the Village's infrastructure assets:

- On October 19, 2015 the Village Board raised the locally collected fuel tax from \$0.04 to \$0.05 per gallon. In FY19 this tax collected over \$1.4 million for the Village's Road &

Bridge (R&B) fund In FY20 this tax collected over \$1.2 million for the Village's Road & Bridge (R&B) fund.

- On February 15, 2016, the Village Board raised the locally collected vehicle sticker fee for the first time in eight years. Additionally, the ordinance indexed the fees so that there would not be any future gap between cost increases and fee adjustments. The R&B fund collected just over \$425,000 in FY19 from these fees. On February 18, 2020, the Village Board raised the locally collected vehicle sticker fee again. In FY20, the R&B fund collected \$409,000 from these fees.
- In February 2016 the water department completed a water rate analysis that determined it was necessary to increase water rates to facilitate needed capital improvements to the water distribution system. The Village Board subsequently passed an 18.3% water rate increase, effective May 1, 2016. The same Village ordinance for the four (4) subsequent years built in the anticipated City of Chicago wholesale rate increases plus a modest \$0.25/1000 gallons per year increase for maintenance of the Village's system. Larger industrial businesses also saw an increase. The two wholesale customers, the Village of Crestwood and the City of Palos Heights, were not covered under this ordinance.
- The Village approved the new water supply contracts with the Village of Crestwood and City of Palos Heights the on January 9, 2017 and May 15, 2017, respectively. The Village of Alsip had not been making the required "costs of operation" adjustments as described in the proceeding contracts, effectively not recouping the total associated costs of providing the water supply to those municipalities. These new contracts simplified those calculations and, during a four-year phase-in, brought the rates up (respectively 8.4%, 4.7%, 4.5%, and the final year to be determined) to the rate necessary to cover those costs starting on June 1, 2020. In FY20 the Village sold \$5,234,410 in total water to these municipalities.
- In December 2017 the Village Board levied a tax year 2017 (TY17) Road & Bridge property tax increase of 30.9% or \$165,431, some for OPEB obligations and some for capital expenditures.
- There have been preliminary open meeting discussions with the Village Board about raising sewer rates to keep pace with sewer system maintenance. To date the Village Board has not changed those rates since April 1, 2007.
- There have been no discussions with the Village Board to date about establishing a storm sewer utility to fund drainage projects through fees rather than tax dollars.

Projects and Other Expenses:

Below are some of the capital improvement projects that have been planned and/or completed due to the increased rates, fees, and taxes listed above.

- Rte. 83 (Tinley Creek) water main relocation – January 2018. The Illinois Department of Transportation has directed the Village to relocate this water main to facilitate the widening of the intersection at 127th St. and Rte. 83. Initially planned for spring of 2018, IDOT has postponed this project multiple times. This project is scheduled to go out to bid for 2021. The Village has entered into an Intergovernmental Agreement (IGA) with the City of Palos Heights to share the costs of relocating this water main. (40% will be paid by Alsip, 60% will be paid by Palos Heights).
  - Construction cost - \$1,168,978
  - Engineering cost - \$184,795
  - Total - \$1,353,773
  
- Pulaski TIF water main (117th St. – 120th St.) - June 2018, completed May 2019. Replaced 2240 feet of 8-inch water main. Note that 75% of the expense was from the Pulaski Road Corridor TIF and 25% was from the Water & Sewer Fund.
  - Construction cost - \$524,741
  - Engineering cost - \$90,300
  - Total - \$615,041
  
- Pulaski TIF water main (119th St. – 120th St.) – Approved Sep 2019. 840-foot extension of 8-inch water main to facilitate fire protection needs and water quality improvements. Note that 75% of the expense was from the Pulaski Road Corridor TIF and 25% was from the Water & Sewer Fund.
  - Construction cost - \$402,541
  - Engineering cost - \$48,305
  - Total - \$450,846
  
- Water Tower Rehabilitation – Approved Oct 2019. The repainting of two 1-million gallon water storage tanks has been approved. This maintenance work will ensure the continued long service life of this asset.
  - Construction cost - \$1,639,800
  - Engineering cost - \$82,850
  - Total - \$1,722,650

Water main replacement will continue to be an ongoing capital need as fully 25% of the distribution system has reached the end of its design lifecycle. Future projects may include

those designed to extend the useful life of water main through water main rehabilitation and lining and/or the installation of cathodic protection systems where appropriate.

Both resurfacing & MWRD IICP are annual costs that need to be appropriated, for which based on current figures would be estimated at minimum \$600,000 each year for each program.

- Resurfacing:

FY18:

- Construction - \$491,977.62
- Engineering - \$59,133.26
- Total - \$551,110.88

FY19:

- Construction - \$234,207.77
- Engineering - \$31,340.47
- Total - \$265,548.24

FY20:

- Construction - \$556,248
- Engineering - \$62,317
- Total - \$618,565

- MWRD High Priority CIPP (Inversion lining) (Completed FY20)

- Construction - \$373,000.00
- Engineering - \$52,220.00
- Total - \$425,220.00

Storm sewer drainage project costs for future years have not yet been determined but will be looking to appropriate for future budget appropriations approximately \$350,000 each year for improvements.

Infrastructure Replacement and Improvement Summary:

The Village possesses ninety (90) miles of water mains, over thirteen hundred (1,300+) fire hydrants, two (2) pumping stations, two (2) water towers that can contain six million two hundred thousand (6,200,000) gallons of water, fifty-nine (59) miles of sanitary sewers, three (3) lift stations, fifty-one (51 miles) of storm sewers, fifty-five (55) miles of streets, and twelve hundred fifty-five (1,255) street lights. The Village will continue to look for ways to replace and, in some instances, improve these aging infrastructure assets.

## Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Alsip for its comprehensive annual financial report (CAFR) for the fiscal year ended April 30, 2019. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

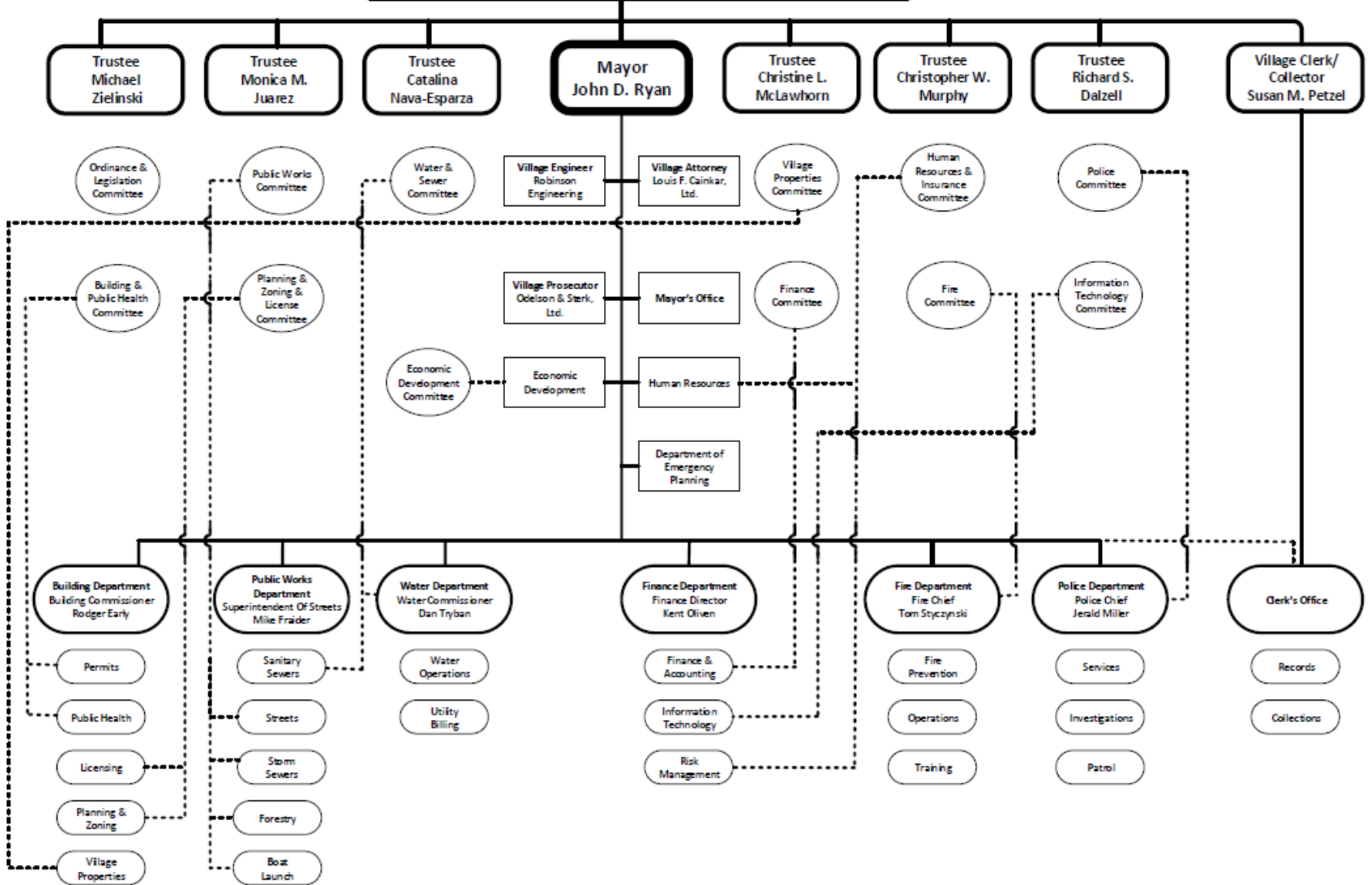
The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department, including those in the Information Technologies area. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Alsip's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John D. Ryan', with a long horizontal stroke extending to the right.

John D. Ryan  
Village President

# Citizens Of Alsip







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Alsip  
Illinois**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

April 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

## **Financial Section**

## **Independent Auditor's Report**

## Independent Auditor's Report

The Honorable Mayor and Trustees  
Village of Alsip, Illinois  
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, as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Road and Bridge Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 12 to the financial statements, the 2019 financial statements have been restated to correct a misstatement. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information as listed in the table of contents 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 for the year ended April 30, 2020, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Alsip, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and the statistical section as 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 2020 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 for the year ended April 30, 2020, 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 as of and for the year ended April 30, 2020, are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended April 30, 2020.

The Village of Alsip's basic financial statements for the year ended April 30, 2019 (not presented herein), were audited by other auditors whose report thereon dated October 25, 2019, before the restatement discussed in Note 12 to the financial statements, expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The report of the other auditors dated October 25, 2019, stated that the combining and individual fund financial statements for the year ended April 30, 2019, were subjected to auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended April 30, 2019.

The introductory and statistical sections 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 25, 2020, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*BKD, LLP*

Oakbrook Terrace, Illinois  
November 25, 2020

## **Management's Discussion and Analysis**

## Village of Alsip, Illinois

### Management's Discussion and Analysis

April 30, 2020

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As the management of the Village of Alsip, Illinois (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the Village's financial activities for the fiscal year ended April 30, 2020 (FY20). 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 20.

#### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Alsip did not exceed its liabilities and deferred inflows of resources at the close of the most recent fiscal year. Specifically, there was a (negative) net position of \$(26,304,767). Of this amount, \$(62,801,788) represents a deficit unrestricted net position.
- The Village's total net position (deficit) was \$(26,304,767), an increase of \$3,285,976, or 12.5%, over the end of FY19 (negative) net position of \$(29,590,743). In addition, the Village also restated beginning net position in the amount of \$394,137 to correct the claims payable at April 30, 2019. The (negative) governmental activities net position was \$(61,154,150), a decrease of \$78,041 from the restated net position of \$(61,076,109) at the end of FY19. The positive business-type activities net position was \$34,849,383, an increase of \$3,364,017 from the net position of \$31,485,366 at the end of FY19. This increase is mainly a result of timing differences between collection of business-type fees for services (*i.e.* water billing and Heritage senior housing rents).
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of positive \$36,125,196, an increase of \$6,471,613, or 21.8%, in comparison with the prior year as restated. Approximately 44.8% of this amount, or \$16,176,028, is available for spending at the government's discretion (unassigned fund balance) and, as such, may be used to meet the government's ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of fund balance) for the General Fund was \$29,098,277, or approximately 131.4% of total General Fund expenditures.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

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.



## **Village of Alsip, Illinois**

### **Management's Discussion and Analysis**

**April 30, 2020**

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#### **Government-Wide Financial Statements**

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

The Statement of Net Position reports information on all of the Village's assets and deferred outflows of resources and its liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net positions have changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related 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 by 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 that 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, civil defense, road and bridge, health and environmental control department, 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 nonmajor funds is provided in the form of combining statements in a later section of this report.

#### **Governmental Funds**

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

## **Village of Alsip, Illinois**

### **Management's Discussion and Analysis**

**April 30, 2020**

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two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances reconcile the differences between these two perspectives.

The Village adopts an annual appropriated budget for and has control over the following governmental funds: the General Fund, the Debt Service Fund and the following three special revenue funds: Road and Bridge Fund, Motor Fuel Tax Fund (MFT), and the Special Tax Allocation Fund (which contains the following four TIFs: TIF 1 (no longer active, but with fund balance), NW Corner of Cicero Avenue and I-294 TIF, 123<sup>rd</sup> Place and Cicero Avenue TIF, and the Pulaski Road Corridor TIF). Budgetary comparison statements and schedules have been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 23 and 24 of this report.

#### **Proprietary Funds**

The Village maintains no internal service funds. As for the other type of proprietary funds, the Village maintains 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 29 through 32 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 fund financial statements can be found on pages 34 and 35 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 36 through 84 of this report.

# Village of Alsip, Illinois

## Management's Discussion and Analysis April 30, 2020

### 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 85 through 94 of this report. Combining and individual fund statements and schedules can be found on pages 95 through 130 of this report.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

#### Village of Alsip's Net Position

Table 1 presents a condensed Statement of Net Position as of April 30, 2020 (FY20), compared to the prior year ended April 30, 2019 (FY19).

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY20	FY19	FY20	FY19	FY20	FY19
<b>Assets</b>						
Current and other assets	\$ 43,846,419	\$ 38,066,147	\$ 20,853,751	\$ 17,707,758	\$ 64,700,170	\$ 55,773,905
Capital assets	14,611,992	15,001,997	30,018,426	29,947,038	44,630,418	44,949,035
Total assets	58,458,411	53,068,144	50,872,177	47,654,796	109,330,588	100,722,940
<b>Deferred Outflows of Resources</b>	25,766,628	12,097,857	679,379	503,871	26,446,007	12,601,728
<b>Liabilities</b>						
Other liabilities	1,269,278	2,165,458	2,301,176	1,388,532	3,570,454	3,553,990
Long-term liabilities	140,190,707	122,931,397	14,003,317	15,102,649	154,194,024	138,034,046
Total liabilities	141,459,985	125,096,855	16,304,493	16,491,181	157,764,478	141,588,036
<b>Deferred Inflows of Resources</b>	3,919,204	1,539,392	397,680	182,120	4,316,884	1,721,512
<b>Net Position</b>						
Net investment in capital assets	\$ 11,061,194	\$ 10,907,838	\$ 18,633,002	\$ 17,716,403	\$ 29,694,196	\$ 28,624,241
Restricted	6,802,825	6,546,235	-	-	6,802,825	6,546,235
Unrestricted	(79,018,169)	(78,924,319)	16,216,381	13,768,963	(62,801,788)	(65,155,356)
Total net position	\$ (61,154,150)	\$ (61,470,246)	\$ 34,849,383	\$ 31,485,366	\$ (26,304,767)	\$ (29,984,880)

## Village of Alsip, Illinois

### Management's Discussion and Analysis

April 30, 2020

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Net position may serve over time as one useful indicator of a government's financial condition. The Village's net position for both the governmental activities and the total primary government overall became negative with the previous implementations of GASB Statements No. 68 (net pension liability) and No. 75 (total OPEB liability).

The liabilities and deferred inflows of resources of the Village exceeded assets and deferred outflows of resources, or net position, at the close of the fiscal year by a negative \$26,304,767, an increase of \$3,285,976 from the negative \$29,590,743 net position in the prior fiscal year as restated.

A large portion of total assets reflects the Village's investment in capital assets (land, streets, water mains, sewers, building, machinery, and equipment), less any related debt that was used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of debt, it should be noted that the resources needed to repay that debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

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

Unrestricted net position for governmental activities, the part of net position that can be used to finance the day-to-day operations had a deficit balance of \$(79,018,169), compared with a deficit balance of \$(78,924,319) in the previous year. This amount is a slight increase in the deficit of \$93,850 from the prior year, caused by increases in the restricted and net investment in capital assets categories.

#### **Changes in Net Position (from the Statement of Activities)**

For the fiscal year ended April 30, 2020, revenues from all sources totaled \$50,059,086. Governmental revenues accounted for \$32,115,462 of that total, while business-type activities account for \$17,943,624. Expenses for all functions totaled \$46,773,110 with \$32,151,497 for governmental activities and \$14,621,613 for business-type activities.

The Village of Alsip's overall net position increase is \$3,285,976 from prior fiscal year. Reasons for the changes in the overall financial position are discussed in the following sections for governmental activities and business-type activities.

# Village of Alsip, Illinois

## Management's Discussion and Analysis April 30, 2020

Table 2 summarizes the revenues and expenses of the Village for FY20 compared to FY19.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY20	FY19	FY20	FY19	FY20	FY19
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services	\$ 5,340,560	\$ 5,866,914	\$ 17,447,780	\$ 17,518,661	\$ 22,788,340	\$ 23,385,575
Operating grants and contributions	1,958,475	1,894,061	-	-	1,958,475	1,894,061
<b>General Revenues</b>						
Property taxes	13,351,583	12,655,355	-	-	13,351,583	12,655,355
Other taxes	11,085,092	10,883,351	-	-	11,085,092	10,883,351
Other	379,752	533,390	495,844	1,747,895	875,596	2,281,285
<b>Total revenues</b>	<b>32,115,462</b>	<b>31,833,071</b>	<b>17,943,624</b>	<b>19,266,556</b>	<b>50,059,086</b>	<b>51,099,627</b>
<b>Expenses</b>						
<b>Governmental activities</b>						
General government	3,023,523	3,032,325	-	-	3,023,523	3,032,325
Public safety	23,802,774	23,345,417	-	-	23,802,774	23,345,417
Highway and Streets	3,011,792	2,500,713	-	-	3,011,792	2,500,713
Building	530,744	503,373	-	-	530,744	503,373
Health and environmental control	1,344,743	1,106,690	-	-	1,344,743	1,106,690
Other	363,886	93,283	-	-	363,886	93,283
Interest on long-term debt	74,035	97,877	-	-	74,035	97,877
<b>Business-type activities</b>						
Water	-	-	10,255,708	10,531,098	10,255,708	10,531,098
Sewer	-	-	602,333	519,977	602,333	519,977
Senior Citizen Complex	-	-	3,763,572	3,627,567	3,763,572	3,627,567
<b>Total expenses</b>	<b>32,151,497</b>	<b>30,679,678</b>	<b>14,621,613</b>	<b>14,678,642</b>	<b>46,773,110</b>	<b>45,358,320</b>
Excess (deficiency) before transfers	(36,035)	1,153,393	3,322,011	4,587,914	3,285,976	5,741,307
Transfers	(42,006)	(434,150)	42,006	434,150	-	-
<b>Change in Net Position</b>	<b>(78,041)</b>	<b>719,243</b>	<b>3,364,017</b>	<b>5,022,064</b>	<b>3,285,976</b>	<b>5,741,307</b>
<b>Net Position, Beginning, As Previously Reported</b>	<b>(61,470,246)</b>	<b>(62,189,489)</b>	<b>31,485,366</b>	<b>26,463,302</b>	<b>(29,984,880)</b>	<b>(35,726,187)</b>
<b>Restatement (See Note 12*)</b>	<b>394,137</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>394,137</b>	<b>-</b>
<b>Net Position, Beginning as Restated</b>	<b>(61,076,109)</b>	<b>(62,189,489)</b>	<b>31,485,366</b>	<b>26,463,302</b>	<b>(29,590,743)</b>	<b>(35,726,187)</b>
<b>Net Position, Ending</b>	<b>\$ (61,154,150)</b>	<b>\$ (61,470,246)</b>	<b>\$ 34,849,383</b>	<b>\$ 31,485,366</b>	<b>\$ (26,304,767)</b>	<b>\$ (29,984,880)</b>

\*Prior year MD&A not restated for this item

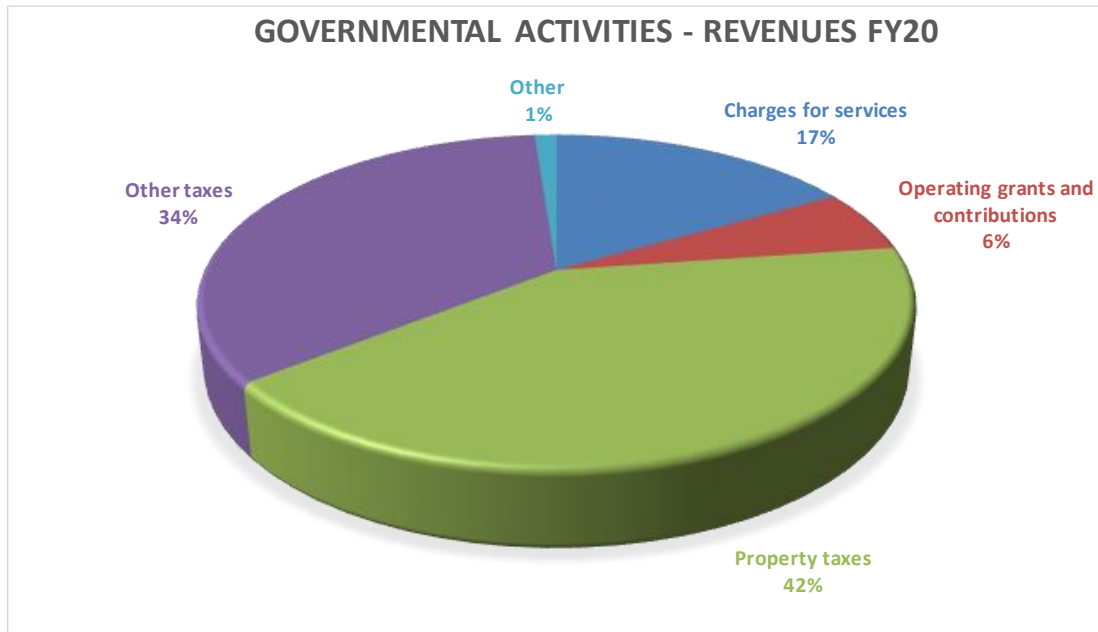
### Governmental Activities

**Revenues:** For the fiscal year ended April 30, 2020, governmental revenues totaled \$32,115,462, signifying an increase in revenue of \$282,391, primarily as a result of an increase in property taxes. Property taxes totaled \$13,351,583 or 42% of governmental revenues; an increase of 6% from the prior year's property tax revenue of \$12,655,355. Other taxes, at \$11,085,092 realized an increase of \$201,741 or 2%, over FY19, and are primarily attributed to the Village's sales taxes, state income tax, locally collected fuel tax, and the locally collected real estate transfer taxes. Operating grants and contributions increased slightly by \$64,414 or 3.4% from the prior year, mainly related to increases in motor fuel tax revenues. Charges for services, at \$5,340,560 represent 17% of total governmental revenues. Changes for services which include fees, licenses, and refuse removal were down from FY19 by \$526,354 or 9%.

## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

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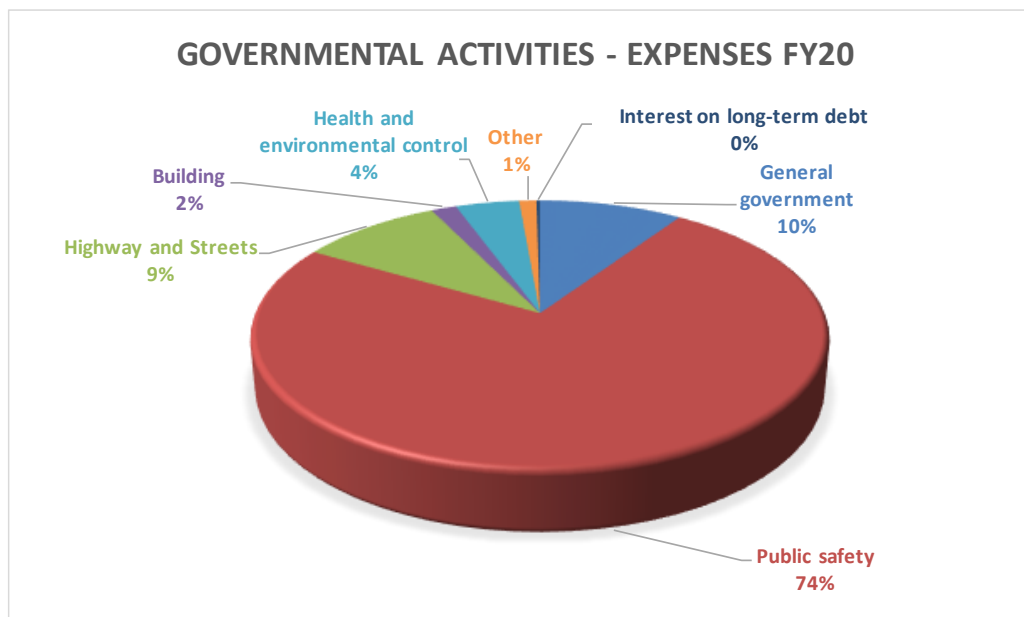
Expenses: For the fiscal year ended April 30, 2020, governmental expenses totaled \$32,151,497, signifying an increase of \$1,471,819, or 5%, which includes general government, public safety, road and bridge, building, health and environmental control department, other, and interest.

Public safety expenses are mainly accounted for in the General Fund in the departments of Police and Fire and Ambulance Services (a department that was merged with the Fire department in FY20) and totaled \$23,802,774, a \$457,357 or 2% increase over FY19. The increase is due to increases in the police and firefighters net pension liabilities. General government expenses were the second highest expense category for functional expenses, making up of 9.4% of all governmental expenses for FY20 with \$3,023,523. General government expenses include Administration, Finance, Village Clerk, and Boat Launch departments, as well as, the Planning Commission, the Police & Fire Commission, insurance coverages, Social Security, and the Illinois Municipal Retirement Fund (IMRF) pension plan. Highway and streets expenses were the third highest expense category for functional expenses, making up of 9.4% of all governmental expenses for FY20 with \$3,011,792. Health and Environment Control Department amounted to \$1,344,743, or 4.2% of governmental activities, and includes the refuse contract expense of \$1,071,227. Interest expense of \$74,035 was accounted for mainly in the Debt Service Fund and is the interest paid on outstanding debt along with the cost of issuing and maintaining debt during the current year.

## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

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### Business-type Activities

For the Village of Alsip's business-type activities (water, sewer, and senior housing), the results for FY20 were an increase in net position of \$3,364,017, or 10.7% to an overall ending net position of \$34,849,383. In FY19 the Village Board authorized a transfer of \$297,419 from the Pulaski Road Corridor TIF to the Water & Sewer Fund to pay a portion of a water line replacement. Water charges for services for FY20 were \$11,709,484 compared to \$11,877,132 in FY19, relatively flat based on prior year water rate increase. Increases in rental income for Heritage I and Heritage II in the amount of \$129,043 or 2.7%.

### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental funds.** The focus of the Village of Alsip's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Alsip's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Village of Alsip itself, or a group or individual that had been delegated authority to assign resources for use for particular purposes by the Village of Alsip's Board of Trustees.

As of April 30, 2020, the Village of Alsip's governmental funds reported combined fund balances of \$36,125,196, an increase of \$6,471,613 in comparison with the prior year as restated. Approximately 44.8% of this amount \$16,176,028 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted,

## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

committed, or assigned to indicate that it is (1) not in spendable form \$224,094, (2) legally required to be maintained intact or restricted for particular purposes through creditor imposed requirements, constitutional provisions, or enabling legislation \$6,802,825, (3) committed for particular purposes \$0, or (4) assigned for particular purposes \$12,922,249.

**General Fund** – 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 years ended April 30, 2020 and 2019.

**Table 3**  
**General Fund Revenues and Other Financing Sources**

	<b>FY20</b>	<b>FY19</b>	<b>Difference</b>	<b>% Increase (Decrease)</b>
<b>Revenues</b>				
Property taxes	\$ 12,217,550	\$ 12,572,975	\$ (355,425)	-2.8%
Other taxes	7,764,243	7,881,452	(117,209)	-1.5%
Licenses and permits	561,914	557,699	4,215	0.8%
Franchise fees	302,941	311,123	(8,182)	-2.6%
Other fees	1,600,010	1,596,577	3,433	0.2%
Intergovernmental	3,385,126	3,457,400	(72,274)	-2.1%
Charges for services	907,426	833,052	74,374	8.9%
Police and court fines	645,216	1,102,493	(457,277)	-41.5%
Investment income	243,374	247,213	(3,839)	-1.6%
Miscellaneous	476,030	530,444	(54,414)	-10.3%
<b>Total revenues</b>	<b>\$ 28,103,830</b>	<b>\$ 29,090,428</b>	<b>\$ (986,598)</b>	<b>-3.4%</b>
<b>Other Financing Sources</b>				
Operating transfers in	\$ 255,413	\$ 534,648	\$ (279,235)	-52.2%

The Village of Alsip's 2019 Tax Year (TY19) Equalized Assessed Valuation (EAV) for property taxes payable in 2020 was \$569,436,644, an increase of 1% from the TY18 EAV of \$563,629,340. Despite the second year in a row of an EAV increase, due to a nationwide decrease in property values and an EAV lag in report those values, the Village's EAV is still below the 2008 Tax Year EAV high of \$801,937,100, cumulatively declining 28.9% since that point.

Property tax revenue had a slight decrease of 2.8% from the prior year. Real estate taxes contribute approximately 43.4% of the General Fund revenue.

Sales tax revenue of \$6,618,912, which accounts for 85.2% of "Other taxes", continues to be the second largest source of revenue for the General Fund. Other taxes accounted for \$7,764,243, or 27.6%, of General Fund revenue, which was an increase of 0.5% from prior year. The Village continues to try to diversify its tax base and encourage reinvestment by utilizing economic development tools available to it, such as Tax Increment Financing (TIF) districts, and enterprise zone, and tax rebates when financially appropriate and applicable.



## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

Intergovernmental, the General Fund's third largest source of revenue at 12%, came in at \$3,385,126, showing a decrease of \$72,274, or 2.1%, from the prior year. The largest component of intergovernmental revenue is state income tax, which totaled \$2,589,625 in FY20 compared to \$2,590,248 in FY19.

Police and court fines decreased \$457,277, or 41.5%, as a result of the elimination of red-light fines during FY20. Red light fine revenue decreased \$396,155 from the prior year.

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 traditionally has subsidized this service (*i.e.*, charges for services was lower than the cost of the independent waste hauler). In FY17, the Village passed as ordinance that gradually increased the charges for service from September 5, 2016 until January 1, 2023, at which point revenues would cover cost. Charges for services was \$907,426, an increase of \$74,374 or 8.9%, over the prior year.

Table 4 presents a summary of General Fund expenditures for FY20.

**Table 4**  
**General Fund Expenditures**

	<u>FY20</u>	<u>FY19</u>	<u>Difference</u>	<u>% Increase (Decrease)</u>
Expenditures				
General government	\$ 1,917,243	\$ 2,018,950	\$ (101,707)	-5.0%
Public safety	15,621,561	16,768,330	(1,146,769)	-6.8%
Building department	262,378	259,252	3,126	1.2%
Health and environmental	1,138,484	1,195,205	(56,721)	-4.7%
Insurance department	3,159,224	3,554,597	(395,373)	-11.1%
Boat launch	22,285	14,879	7,406	49.8%
Debt service	24,305	72,915	(48,610)	-66.7%
Total expenditures	<u>\$ 22,145,480</u>	<u>\$ 23,884,128</u>	<u>\$ (1,738,648)</u>	<u>-7.3%</u>

Overall General Fund general government expenditures in FY20 decreased \$101,707, or 5.0% from FY19.

Public safety accounted for 70.5% of General Fund expenditures. The primary decrease in public safety expenditure was for salaries and personnel benefits, most notably pension contributions. Healthcare costs are currently reflected in the insurance category.

The Village provides health insurance to its employees and their families. In addition, the Village provides explicit health insurance promises of coverage to many of its retirees, doing so entirely on a pay-as-you go basis, although the Village is looking to set up an OPEB Trust. Insurance costs, the second largest category of General Fund cost at 14.3%, decreased \$395,373, or 11.1%, due to decrease claim activity.

**Village of Alsip, Illinois**

**Management’s Discussion and Analysis  
April 30, 2020**

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General Fund Debt Service decreased \$48,610, or 66.7%, from the prior fiscal year.

**Table 5  
General Fund Budgetary Highlights**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 23,140,170	\$ 23,140,170	\$ 28,103,830
Expenditures	<u>22,412,827</u>	<u>22,412,827</u>	<u>22,145,480</u>
Net changes in fund balance	<u>\$ 727,343</u>	<u>\$ 727,343</u>	<u>\$ 5,958,350</u>

The Village General Fund in the Comprehensive Annual Financial Report is shown in comparison to the original and final budget. The revenues were conservatively budgeted and actual was \$4,963,660 above budget or 21.5% higher. The expenditures were \$267,347 below budget, or 1.2%, lower.

**Other Major Governmental Fund: Road & Bridge Fund**

Once again, the Road and Bridge Fund does not meet the two quantitative criteria in one of four categories for inclusion as a major fund. GASB Statement #34, paragraph 76 provides a qualitative criterion for inclusion, specifically a fund can be included as a major fund if “...the government’s official believe [the fund] is particularly important to financial statement users (for example, because of public interest or consistency).” Management has elected to include this fund as a major fund under this criterion for consistency, as it meets both 5% criteria for revenues and expenditures and in future years could meet either category’s 10% criteria.

**Village of Alsip, Illinois**

**Management's Discussion and Analysis  
April 30, 2020**

**Table 6  
Road & Bridge Fund Revenues and Other Financing Sources**

	<b>FY20</b>	<b>FY19</b>	<b>Difference</b>	<b>% Increase (Decrease)</b>
<b>Revenues</b>				
Property taxes	\$ 887,154	\$ 823,805	\$ 63,349	7.7%
Replacement tax	16,942	19,266	(2,324)	-12.1%
Fuel use tax	1,286,764	1,404,722	(117,958)	-8.4%
Vehicle license	409,514	425,193	(15,679)	-3.7%
Miscellaneous	209,388	192,333	17,055	8.9%
<b>Total revenues</b>	<b>\$ 2,809,762</b>	<b>\$ 2,865,319</b>	<b>\$ (55,557)</b>	<b>-1.9%</b>
<b>Other Financing Sources</b>				
Sale of property	\$ 18,073	\$ 26,037	\$ (7,964)	-30.6%

Road and Bridge revenues for replacement tax, locally collected fuel use tax and vehicle licenses (stickers) were fairly consistent between FY20 and FY19 as those rates had only a slight change during that period. The Road and Bridge property tax levy receipts went up \$63,349 as the 2018 Tax Year (TY18) was increased by \$17,500 and the TY19 levy was increased \$107,750. Miscellaneous revenue contained grant cash receipts in the amount of \$15,000, primarily accounting for the increase from prior year revenue of \$192,333.

**Table 7  
Road and Bridge Fund Expenditures**

	<b>FY20</b>	<b>FY19</b>	<b>Difference</b>	<b>% Increase (Decrease)</b>
<b>Expenditures</b>				
Highway and Streets	\$ 1,952,421	\$ 1,901,344	\$ 51,077	2.7%
Drainage and Storm sewers	11,744	12,504	(760.00)	-6.1%
Forestry maintenance	88,266	125,779	(37,513.00)	-29.8%
Debt service	399,610	176,376	223,234.00	126.6%
<b>Total expenditures</b>	<b>\$ 2,452,041</b>	<b>\$ 2,216,003</b>	<b>\$ 236,038</b>	<b>10.7%</b>

As for expenditures in the Road & Bridge Fund, there are three separate departments: Streets, Drainage, and Forestry. Within the Streets Department, expenditures were fairly consistent with prior year. One of the main contributors to the 2.7% increase in expenditures were increases in vehicle and streetlight purchases. Within the Forestry Department, FY19 saw the purchase of a new Flair mover tractor

## **Village of Alsip, Illinois**

### **Management's Discussion and Analysis**

**April 30, 2020**

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attachment (\$45,000), no such expenditure was paid in FY20. In addition, there was a continuation of the pruning program, and the continuation of removal of stumps and replacement of trees due to the elimination of Village Ash trees due to the Ash Borer infestation from prior years.

Additional information about the Road & Bridge Fund infrastructure projects can be found in the Letter of Transmittal under the Major Initiatives > B. Infrastructure Replacement and Improvement section.

The Village Road & Bridge Fund in the Comprehensive Annual Financial Report is shown in comparison to the original and final budget. The revenues were \$34,857 below budget or 1.2% lower. The expenditures were \$618,121 above budget or 20.1% higher.

#### **Business-type Activities**

The Enterprise Funds include the Water/Sewer Fund and Senior Citizen Complex Fund. Business-type activities posted total operating revenues of \$17,905,377, while the expenses and net transfers in of all business-type activities totaled \$14,536,908.

For the fiscal year ended April 30, 2020, operating revenues for the business-type activities totaled \$17,905,377, a decrease of \$1,269,313, or 6.6%, mainly due to a write-off of a \$1,530,434 liability in FY19 that had been on the books for many years without documented proof of the liability (see Village Resolution No. 2019-02-R-1).

The financial statements of the business-type funds include depreciation, as well as, transfers to/from other funds, and non-operating costs such as amortization of bond premium, note and bond interest and fiscal charges, and investment earnings. Without these transfers and expenses, the water and sewer and senior citizen complex funds had operating income of \$4,823,676. However, with depreciation of \$1,455,207 and nonoperating expenses and transfers out of \$4,452, the increase in net position totaled \$3,364,017.

In FY20 the senior housing complexes saw an increase in repairs and maintenance in the amount of \$266k, mainly due to the usual upgrades to the kitchen and bathrooms of the apartments after residents move out, annual capital maintenance such as new wiring, replacement of Sewer lines and grease basins, repair elevators.

Water rate increases and Water & Sewer Fund projects can be found in the Letter of Transmittal under the Major Initiatives > B. Infrastructure Replacement and Improvement section.

# Village of Alsip, Illinois

## Management's Discussion and Analysis April 30, 2020

**Table 8**  
**Enterprise Funds**  
**For fiscal year ended April 30, 2020**

	Waterworks and Sewerage	Senior Citizen Complex	Totals		Difference	% Increase (Decrease)
			FY20	FY19		
<b>Operating Revenues</b>						
Charges for sales and services	\$ 12,661,100	\$ -	\$ 12,661,100	\$ 12,699,905	\$ (38,805)	-0.3%
Rental income		4,853,260	4,853,260	4,724,217	129,043	2.7%
Other income	333,388	57,629	391,017	1,750,568	(1,359,551)	-77.7%
Total operating revenues	12,994,488	4,910,889	17,905,377	19,174,690	(1,269,313)	-6.6%
<b>Operating Expenses</b>						
Water department	9,708,482	-	9,708,482	9,778,077	(69,595)	-0.7%
Sewer department	349,910	-	349,910	267,557	82,353	30.8%
Senior citizen complex	-	3,023,309	3,023,309	2,751,351	271,958	9.9%
Depreciation and amortization	799,649	655,558	1,455,207	1,568,169	(112,962)	-7.2%
Total operating expenses	10,858,041	3,678,867	14,536,908	14,365,154	171,754	1.2%
<b>Nonoperating Revenues (Expenses) and Transfers in and (out)</b>						
Amortization of bond premium	183,312	52,726	236,038	44,083	191,955	435.4%
Note and bond interest and fiscal charges	(228,532)	(137,431)	(365,963)	(265,706)	(100,257)	37.7%
Investment earnings	80,736	2,731	83,467	-	83,467	100.0%
Transfers in	297,419	-	297,419	434,150	(136,731)	-31.5%
Transfers out	(255,413)	-	(255,413)	-	(255,413)	100.0%
Total nonoperating revenues (expenses) and transfers in (out)	77,522	(81,974)	(4,452)	212,527	(216,979)	-102.1%
<b>Change in Net Position</b>	<b>\$ 2,213,969</b>	<b>\$ 1,150,048</b>	<b>\$ 3,364,017</b>	<b>\$ 5,022,063</b>	<b>\$ (1,658,046)</b>	<b>-33.0%</b>

## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The Village's Capital Assets are summarized in Table 9.

**Table 9**  
**Village of Alsip's Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	FY20	FY19	FY20	FY19	FY20	FY19
<b>Non-depreciable assets</b>						
Land	\$ 1,321,280	\$ 1,160,500	\$ 1,886,953	\$ 1,886,953	\$ 3,208,233	\$ 3,047,453
Construction-in-progress	-	-	753,558	-	753,558	-
<b>Capital assets being depreciated</b>						
Building and improvements	10,466,704	10,570,112	34,821,982	34,539,414	45,288,686	45,109,526
Vehicles, machinery, and equipment	9,212,665	8,884,715	4,052,368	3,707,751	13,265,033	12,592,466
Infrastructure	42,338,759	42,338,759	25,203,581	24,801,267	67,542,340	67,140,026
<b>Less accumulated depreciation</b>	<u>(48,727,416)</u>	<u>(47,952,090)</u>	<u>(36,700,016)</u>	<u>(34,988,347)</u>	<u>(85,427,432)</u>	<u>(82,940,437)</u>
<b>Capital assets</b>	<u>\$ 14,611,992</u>	<u>\$ 15,001,996</u>	<u>\$ 30,018,426</u>	<u>\$ 29,947,038</u>	<u>\$ 44,630,418</u>	<u>\$ 44,949,034</u>

The Village's governmental capital assets and business-type capital assets increased \$385,322 and \$1,783,057, respectively, for a net increase of \$2,168,379 before depreciation during FY20. Additional detail regarding capital assets may be seen in the notes to the financial statements-Note 4C. Capital assets.

##### Long-term Debt

At the end of the fiscal year, the Village had total bonded debt outstanding of \$11.1 million. \$144,450 of the 2019 tax year (TY19) property tax levy was for debt payments. The other funding for outstanding debt is from revenues for the following funds: the senior citizen housing complexes (housing rents), Water and Sewer (water rates and sewer rates), and Road & Bridge (fuel taxes and vehicle fees) and to the extent that these payments are from G.O. bonds, the bonds are abated to reflect these other funding sources. 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. Additional information involving long-term debt can be found in the notes to the financial statements-Note 4E. Long-term debt.

## Village of Alsip, Illinois

### Management's Discussion and Analysis April 30, 2020

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Table 10 summarized the Village's debt structure.

**Table 10**  
**Outstanding General Obligation Debt**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY20	FY19	FY20	FY19	FY20	FY19
General obligation bonds	\$ 3,216,386	\$ 3,606,826	\$ 7,918,614	\$ 8,683,174	\$ 11,135,000	\$ 12,290,000

### **Discussion of Currently Known Facts, Decisions, or Conditions of Future Significance**

As referenced in Note 13, the COVID-19 pandemic has resulted in unprecedented actions by Federal and State authorities. However, the pandemic did not significantly impact the Village's financial resources as of April 30, 2020. While some of the Village's revenue sources, such as the state shared motor fuel tax have since declined in response to the pandemic, others have remained stable or increased, including sales and use taxes. The Village Board and management continue to closely monitor the budget and will make adjustments as needed. The Village also maintains sufficient cash reserves to withstand potential short-term interruptions in revenue.

Additional facts, decisions, or conditions that are both currently known as of the date of the independent auditors' report, including efforts in recent years to fund operations, encourage economic development, replace infrastructure, reduce general obligation or retiree benefit debt, or contain healthcare cost can be found within the Letter of Transmittal in the Introductory Section of this Comprehensive Annual Financial Report.

### **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, access the Village website at [www.villageofalsip.org](http://www.villageofalsip.org) or contact:

Village of Alsip  
4500 West 123<sup>rd</sup> Street  
Alsip, Illinois 60803

## **Basic Financial Statements**



**Village of Alsip, Illinois**  
**Statement of Net Position**  
**April 30, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash	\$ 12,567	\$ -	\$ 12,567
Temporary cash investments	20,800,966	18,110,333	38,911,299
Cash held for insurance and related expenditures	12,922,249	-	12,922,249
Receivables (net of allowance for uncollectibles)	9,752,652	1,908,090	11,660,742
Deposits	-	203,548	203,548
Prepaid expenses	224,094	89,125	313,219
Restricted assets			
Temporary cash investments	133,891	542,655	676,546
Capital assets, net of accumulated depreciation			
Buildings	3,188,761	9,763,972	12,952,733
Improvements	520,392	4,053,455	4,573,847
System infrastructure	7,190,781	12,637,774	19,828,555
Machinery and equipment	914,722	504,573	1,419,295
Vehicles	1,476,056	418,141	1,894,197
Capital assets, not being depreciated			
Land	1,321,280	1,886,953	3,208,233
Construction in progress	-	753,558	753,558
	<u>58,458,411</u>	<u>50,872,177</u>	<u>109,330,588</u>
Total assets			
<b>Deferred Outflows of Resources</b>			
Related to pensions	12,573,301	96,405	12,669,706
Related to OPEB	13,193,327	582,974	13,776,301
	<u>25,766,628</u>	<u>679,379</u>	<u>26,446,007</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	1,245,707	1,789,540	3,035,247
Accrued interest payable	23,571	61,495	85,066
Deposits	-	414,945	414,945
Payable from restricted accounts			
Customer deposits	-	35,196	35,196
Noncurrent liabilities			
Due within one year	1,994,211	962,231	2,956,442
Due in more than one year	138,196,496	13,041,086	151,237,582
	<u>141,459,985</u>	<u>16,304,493</u>	<u>157,764,478</u>
Total liabilities			

(Cont.)

**Village of Alsip, Illinois**  
**Statement of Net Position**  
**April 30, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Deferred Inflows of Resources</b>			
Related to pensions	1,625,876	296,345	1,922,221
Related to OPEB	2,293,328	101,335	2,394,663
	<u>3,919,204</u>	<u>397,680</u>	<u>4,316,884</u>
<b>Net Position (Deficit)</b>			
Net investment in capital assets	11,061,194	18,633,002	29,694,196
Restricted for			
Debt service	347,836	-	347,836
Police department programs	133,891	-	133,891
Tax Increment Financing allocation for project areas	1,957,621	-	1,957,621
Street maintenance and improvement programs	4,316,836	-	4,316,836
Fire department programs	46,641	-	46,641
Unrestricted (deficit)	<u>(79,018,169)</u>	<u>16,216,381</u>	<u>(62,801,788)</u>
	<u>\$ (61,154,150)</u>	<u>\$ 34,849,383</u>	<u>\$ (26,304,767)</u>

**Village of Alsip, Illinois**  
**Statement of Activities**  
**Year Ended April 30, 2020**

Functions/Programs	Expenses	Program Revenues		Net Revenues (Expenses) and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities</b>						
General government	\$ 3,023,523	\$ 1,547,215	\$ -	\$ (1,476,308)	\$ -	\$ (1,476,308)
Public safety	23,802,774	1,831,608	-	(21,971,166)	-	(21,971,166)
Highway and Streets	3,011,792	646,205	1,958,475	(407,112)	-	(407,112)
Building	530,744	366,440	-	(164,304)	-	(164,304)
Health and environmental control	1,344,743	949,092	-	(395,651)	-	(395,651)
Drainage and storm sewers	26,487	-	-	(26,487)	-	(26,487)
Forestry maintenance	103,033	-	-	(103,033)	-	(103,033)
Economic development	234,366	-	-	(234,366)	-	(234,366)
Interest on long-term debt	74,035	-	-	(74,035)	-	(74,035)
Total governmental activities	<u>32,151,497</u>	<u>5,340,560</u>	<u>1,958,475</u>	<u>(24,852,462)</u>	<u>-</u>	<u>(24,852,462)</u>
<b>Business-Type Activities</b>						
Water	10,255,708	11,763,737	-	-	1,508,029	1,508,029
Sewer	602,333	773,154	-	-	170,821	170,821
Senior Citizen Complex	3,763,572	4,910,889	-	-	1,147,317	1,147,317
Total business-type activities	<u>14,621,613</u>	<u>17,447,780</u>	<u>-</u>	<u>-</u>	<u>2,826,167</u>	<u>2,826,167</u>
Total	<u>\$ 46,773,110</u>	<u>\$ 22,788,340</u>	<u>\$ 1,958,475</u>	<u>(24,852,462)</u>	<u>2,826,167</u>	<u>(22,026,295)</u>
<b>General Revenues</b>						
Taxes						
Property taxes				13,351,583	-	13,351,583
Home rule sales taxes				2,652,095	-	2,652,095
Real estate transfer taxes				311,947	-	311,947
Other taxes				1,176,072	-	1,176,072
Intergovernmental						
Sales taxes				3,966,817	-	3,966,817
State income taxes				1,896,567	-	1,896,567
Use taxes				688,995	-	688,995
Replacement taxes				392,599	-	392,599
Insurance proceeds				8,353	-	8,353
Unrestricted interest/ investment earnings				266,783	38,247	305,030
Miscellaneous				104,616	457,597	562,213
Transfers				(42,006)	42,006	-
Total general revenues and transfers				<u>24,774,421</u>	<u>537,850</u>	<u>25,312,271</u>
<b>Change in Net Position</b>				<u>(78,041)</u>	<u>3,364,017</u>	<u>3,285,976</u>
<b>Net Position (Deficit), Beginning, as Previously Reported</b>				<u>(61,470,246)</u>	<u>31,485,366</u>	<u>(29,984,880)</u>
<b>Restatement (see Note 12)</b>				<u>394,137</u>	<u>-</u>	<u>394,137</u>
<b>Net Position (Deficit), Beginning, as Restated</b>				<u>(61,076,109)</u>	<u>31,485,366</u>	<u>(29,590,743)</u>
<b>Net Position, Ending</b>				<u>\$ (61,154,150)</u>	<u>\$ 34,849,383</u>	<u>\$ (26,304,767)</u>

**Village of Alsip, Illinois**  
**Balance Sheet – Governmental Funds**  
**April 30, 2020**

	<u>General</u>	<u>Road and Bridge</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Assets</b>				
Cash	\$ 12,567	\$ -	\$ -	\$ 12,567
Temporary cash investments	14,280,611	3,512,593	3,007,762	20,800,966
Cash held for insurance and related expenditures	12,922,249	-	-	12,922,249
Receivables (net of allowance for uncollectibles)	8,850,734	432,554	469,364	9,752,652
Prepays	211,682	12,412	-	224,094
Restricted assets	133,891	-	-	133,891
	<u>\$ 36,411,734</u>	<u>\$ 3,957,559</u>	<u>\$ 3,477,126</u>	<u>\$ 43,846,419</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable and other current liabilities	\$ 1,146,608	\$ 55,779	\$ 43,320	\$ 1,245,707
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	5,821,276	416,459	237,781	6,475,516
<b>Fund Balances</b>				
Nonspendable	211,682	12,412	-	224,094
Restricted for				
Police department programs	133,891	-	-	133,891
Tax Increment Financing allocation for project areas	-	-	1,957,621	1,957,621
Street maintenance and improvement programs	-	3,472,909	843,927	4,316,836
Fire department programs	-	-	46,641	46,641
Debt service	-	-	347,836	347,836
Assigned for insurance premiums, claims and related expenditures	12,922,249	-	-	12,922,249
Unassigned	16,176,028	-	-	16,176,028
	<u>29,443,850</u>	<u>3,485,321</u>	<u>3,196,025</u>	<u>36,125,196</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 36,411,734</u>	<u>\$ 3,957,559</u>	<u>\$ 3,477,126</u>	<u>\$ 43,846,419</u>

**Village of Alsip, Illinois**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**April 30, 2020**

<b>Total Fund Balances - Governmental Funds</b>	\$ 36,125,196
Accounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	14,611,992
Property tax receivables are not available to pay for current period expenditures and, therefore, are deferred in the funds.	6,475,516
Accrued interest payable is not due and payable in the current period and, therefore, is not recorded in the funds.	(23,571)
Unamortized bond premiums are not financial resources and, therefore, are not reported in the funds.	(92,508)
Deferred outflows and inflows related to pension and OPEB are not financial resources and, therefore, are not reported in the funds.	21,847,424
Long-term liabilities, including bonds payable, and OPEB are not due and payable in the current period and, therefore, are not reported in the funds.	(140,098,199)
<b>Net Position (Deficit) of Governmental Activities</b>	<u><u>\$ (61,154,150)</u></u>

**Village of Alsip, Illinois**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Governmental Funds**  
**Year Ended April 30, 2020**

	General	Road and Bridge	Nonmajor Funds	Total
<b>Revenues</b>				
Taxes	\$ 16,002,097	\$ 2,173,918	\$ 1,194,058	\$ 19,370,073
Intergovernmental	6,944,978	16,942	-	6,961,920
Fines and forfeitures	645,216	-	-	645,216
Licenses and permits	561,914	553,375	-	1,115,289
Grants and donations	419,844	-	176,442	596,286
Charges for services	907,426	-	-	907,426
Investment income	243,374	-	22,329	265,703
Miscellaneous	2,378,981	65,527	-	2,444,508
Total revenues	<u>28,103,830</u>	<u>2,809,762</u>	<u>1,392,829</u>	<u>32,306,421</u>
<b>Expenditures</b>				
Current				
General government	1,917,243	-	-	1,917,243
Public safety	15,621,561	-	21,950	15,643,511
Highways and streets	-	1,952,421	709,535	2,661,956
Building	262,378	-	-	262,378
Health and environmental control	1,138,484	-	-	1,138,484
Insurance	3,159,224	-	-	3,159,224
Drainage and storm sewers	-	11,744	-	11,744
Forestry maintenance	-	88,266	-	88,266
Economic development	-	-	234,366	234,366
Miscellaneous	22,285	-	6,793	29,078
Debt service				
Principal retirement	24,257	276,790	220,440	521,487
Interest and fiscal charges	48	122,820	20,270	143,138
Total expenditures	<u>22,145,480</u>	<u>2,452,041</u>	<u>1,213,354</u>	<u>25,810,875</u>
<b>Excess of Revenues Over Expenditures</b>	<u>5,958,350</u>	<u>357,721</u>	<u>179,475</u>	<u>6,495,546</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	255,413	-	-	255,413
Transfers out	-	-	(297,419)	(297,419)
Sale of Village property	-	18,073	-	18,073
Total other financing sources (uses)	<u>255,413</u>	<u>18,073</u>	<u>(297,419)</u>	<u>(23,933)</u>
<b>Net Change in Fund Balances</b>	<u>6,213,763</u>	<u>375,794</u>	<u>(117,944)</u>	<u>6,471,613</u>
<b>Fund Balances, Beginning of Year, as Previously Reported</b>	22,835,950	3,109,527	3,313,969	29,259,446
<b>Restatement (See Note 12)</b>	<u>394,137</u>	<u>-</u>	<u>-</u>	<u>394,137</u>
<b>Fund Balances, Beginning of Year, as Restated</b>	<u>23,230,087</u>	<u>3,109,527</u>	<u>3,313,969</u>	<u>29,653,583</u>
<b>Fund Balances, End of Year</b>	<u>\$ 29,443,850</u>	<u>\$ 3,485,321</u>	<u>\$ 3,196,025</u>	<u>\$ 36,125,196</u>

**Village of Alsip, Illinois**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Year Ended April 30, 2020**

**Net Change in Fund Balances - Total Governmental Funds** \$ 6,471,613

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

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 the capital outlays of \$763,033 were exceeded by depreciation of \$1,131,015 in the current period.	(367,982)
The effect of miscellaneous transactions involving capital assets ( <i>i.e.</i> , sales and trade-ins) is to decrease net position by the undepreciated balance of the capital assets.	(22,023)
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.	(190,959)
The repayment of the principal on long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding on the statement of activities.	521,487
Amortization of bond premiums reported as a reduction in interest expense in the statement of activities not reported in the funds.	67,441
Change in interest payable reported in the statement of activities does not require the use of current financial resources, and therefore is not reported in the fund statements until coming due for payments.	1,662
Change in accumulated employee sick and vacation pay reported in the statement of activities does not require the use of current financial resources, and therefore is not reported in the fund statements until coming due for payments.	(66,348)
Change in net pension liability and related deferrals reported in the statement of activities does not require the use of current financial resources, and therefore is not reported in the funds.	(3,416,477)
Change in total OPEB liability and related deferrals reported in the statement of activities does not require the use of current financial resources, and therefore is not reported in the funds.	(3,076,455)

**Changes in Net Position of Governmental Activities** \$ (78,041)

**Village of Alsip, Illinois**  
**Budgetary Comparison Statement**  
**Budget to Actual**  
**General Fund**  
**Year Ended April 30, 2020**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>			
Taxes	\$ 11,491,854	\$ 16,002,097	\$ 4,510,243
Intergovernmental	6,682,950	6,944,978	262,028
Fines	1,003,000	645,216	(357,784)
Licenses and permits	468,988	561,914	92,926
Grants	348,000	419,844	71,844
Charges for services	900,000	907,426	7,426
Investment income	120,000	243,374	123,374
Miscellaneous	2,125,378	2,378,981	253,603
Total revenues	<u>23,140,170</u>	<u>28,103,830</u>	<u>4,963,660</u>
<b>Expenditures</b>			
Current			
General government	2,123,964	1,917,243	(206,721)
Public safety	10,637,286	15,621,561	4,984,275
Building	266,990	262,378	(4,612)
Health and environmental control	1,217,967	1,138,484	(79,483)
Insurance	8,126,300	3,159,224	(4,967,076)
Miscellaneous	22,090	22,285	195
Debt service			
Principal retirement	18,157	24,257	6,100
Interest and fiscal charges	73	48	(25)
Total expenditures	<u>22,412,827</u>	<u>22,145,480</u>	<u>(267,347)</u>
<b>Excess of Revenues Over Expenditures</b>	727,343	5,958,350	5,231,007
<b>Other Financing Sources</b>			
Transfers in	-	255,413	255,413
<b>Net Change in Fund Balance</b>	<u>\$ 727,343</u>	<u>6,213,763</u>	<u>\$ 5,486,420</u>
<b>Fund Balance, Beginning of Year, as Previously Reported</b>		22,835,950	
<b>Restatement (See Note 12)</b>		<u>394,137</u>	
<b>Fund Balance, Beginning of Year, as Restated</b>		<u>23,230,087</u>	
<b>Fund Balance, End of Year</b>		<u>\$ 29,443,850</u>	



**Village of Alsip, Illinois**  
**Budgetary Comparison Statement**  
**Budget to Actual**  
**Road and Bridge Fund**  
**Year Ended April 30, 2020**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>			
Taxes	\$ 2,192,334	\$ 2,173,918	\$ (18,416)
Intergovernmental	16,000	16,942	942
Licenses and permits	566,285	553,375	(12,910)
Miscellaneous	70,000	65,527	(4,473)
Total revenues	<u>2,844,619</u>	<u>2,809,762</u>	<u>(34,857)</u>
<b>Expenditures</b>			
Current			
Highway and streets	2,310,213	1,952,421	(357,792)
Drainage and storm sewers	202,200	11,744	(190,456)
Forestry maintenance	144,075	88,266	(55,809)
Debt service			
Principal retirement	282,891	276,790	(6,101)
Interest and fiscal charges	130,783	122,820	(7,963)
Total expenditures	<u>3,070,162</u>	<u>2,452,041</u>	<u>(618,121)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(225,543)	357,721	583,264
<b>Other Financing Sources</b>			
Proceeds from sale of assets	10,000	18,073	(8,073)
<b>Net Change in Fund Balance</b>	<u>\$ (215,543)</u>	375,794	<u>\$ 575,191</u>
<b>Fund Balance, Beginning of Year</b>		<u>3,109,527</u>	
<b>Fund Balance, End of Year</b>		<u>\$ 3,485,321</u>	

**Village of Alsip, Illinois**  
**Statement of Net Position – Proprietary Funds**  
**April 30, 2020**

<b>Assets</b>	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Total</b>
<b>Current Assets</b>			
Temporary cash investments	\$ 8,844,126	\$ 9,266,207	\$ 18,110,333
Receivables (net of allowance for uncollectibles)	1,787,084	121,006	1,908,090
Prepaid insurance	83,911	5,214	89,125
Total current assets	10,715,121	9,392,427	20,107,548
<b>Noncurrent Assets</b>			
Restricted temporary cash investments	35,473	507,182	542,655
Deposits	-	203,548	203,548
Capital assets			
Land	-	1,886,953	1,886,953
Buildings	9,778,685	14,980,766	24,759,451
Building improvements	-	8,524,638	8,524,638
Improvements other than building	10,066	1,527,828	1,537,894
System infrastructure	25,203,581	-	25,203,581
Machinery and equipment	2,477,467	936,503	3,413,970
Vehicles	638,397	-	638,397
Construction in progress	753,558	-	753,558
Less accumulated depreciation	(19,477,618)	(17,222,398)	(36,700,016)
Capital assets, net of accumulated depreciation	19,384,136	10,634,290	30,018,426
Total noncurrent assets	19,419,609	11,345,020	30,764,629
<b>Deferred Outflows of Resources</b>			
Related to pension	96,405	-	96,405
Related to OPEB	582,974	-	582,974
Total deferred outflows of resources	679,379	-	679,379
Total assets and deferred outflows of resources	\$ 30,814,109	\$ 20,737,447	\$ 51,551,556

(Cont.)

**Village of Alsip, Illinois**  
**Statement of Net Position – Proprietary Funds**  
**April 30, 2020**

<b>Liabilities</b>	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Total</b>
<b>Current Liabilities</b>			
Accounts payable and other current liabilities	\$ 1,608,705	\$ 137,209	\$ 1,745,914
Accrued interest payable	34,104	27,391	61,495
Other accrued expenses	22,298	-	22,298
Utility overpayments	21,328	-	21,328
Security deposits	-	414,945	414,945
Customer deposits payable - restricted assets	35,196	-	35,196
Current portion of total OPEB liability	69,014	-	69,014
Current portion of notes payable	184,243	-	184,243
Current portion of general obligation bonds	363,250	345,724	708,974
Total current liabilities	2,338,138	925,269	3,263,407
<b>Long-Term Liabilities</b>			
Total OPEB liability	2,694,421	-	2,694,421
IMRF net pension liability	172,612	-	172,612
Notes payable	2,652,358	-	2,652,358
Long-term portion of general obligation bonds (net of unamortized discount, premium)	4,101,294	3,420,401	7,521,695
Total long-term liabilities	9,620,685	3,420,401	13,041,086
Total liabilities	11,958,823	4,345,670	16,304,493
<b>Deferred Inflows of Resources</b>			
Related to pension	296,345	-	296,345
Related to OPEB	101,335	-	101,335
Total deferred inflows of resources	397,680	-	397,680
<b>Net Position</b>			
Net investment in capital assets	11,532,669	7,100,333	18,633,002
Unrestricted	6,924,937	9,291,444	16,216,381
Total net position	18,457,606	16,391,777	34,849,383
Total liabilities, deferred inflows of resources and net position	\$ 30,814,109	\$ 20,737,447	\$ 51,551,556

**Village of Alsip, Illinois**  
**Statement of Revenues, Expenses and**  
**Changes in Net Position – Proprietary Funds**  
**Year Ended April 30, 2020**

	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for sales and services			
Water and sewer sales	\$ 12,482,638	\$ -	\$ 12,482,638
Rental income	-	4,910,889	4,910,889
Other sales and services	511,850	-	511,850
Total operating revenues	<u>12,994,488</u>	<u>4,910,889</u>	<u>17,905,377</u>
<b>Operating Expenses</b>			
Cost of sales and services	10,058,392	3,023,309	13,081,701
Depreciation	799,649	655,558	1,455,207
Total operating expenses	<u>10,858,041</u>	<u>3,678,867</u>	<u>14,536,908</u>
<b>Operating Income</b>	<u>2,136,447</u>	<u>1,232,022</u>	<u>3,368,469</u>
<b>Nonoperating Revenues (Expenses)</b>			
Amortization of bond premium	183,312	52,726	236,038
Note and bond interest and fiscal charges	(228,532)	(137,431)	(365,963)
Investment earnings	80,736	2,731	83,467
Net nonoperating revenues (expenses)	<u>35,516</u>	<u>(81,974)</u>	<u>(46,458)</u>
<b>Income Before Transfers</b>	<u>2,171,963</u>	<u>1,150,048</u>	<u>3,322,011</u>
<b>Transfers</b>			
Transfers in	297,419	-	297,419
Transfers out	(255,413)	-	(255,413)
Total transfers	<u>42,006</u>	<u>-</u>	<u>42,006</u>
<b>Change in Net Position</b>	2,213,969	1,150,048	3,364,017
<b>Net Position, Beginning of Year</b>	<u>16,243,637</u>	<u>15,241,729</u>	<u>31,485,366</u>
<b>Net Position, End of Year</b>	<u>\$ 18,457,606</u>	<u>\$ 16,391,777</u>	<u>\$ 34,849,383</u>

**Village of Alsip, Illinois**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended April 30, 2020**

	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 12,775,321	\$ 4,793,819	\$ 17,569,140
Payments to suppliers	(8,595,793)	(860,193)	(9,455,986)
Payments to employees	(712,022)	(2,115,968)	(2,827,990)
Net cash provided by operating activities	<u>3,467,506</u>	<u>1,817,658</u>	<u>5,285,164</u>
<b>Cash Flows From Investing Activities</b>			
Earnings on investments	<u>80,736</u>	<u>2,731</u>	<u>83,467</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers in	297,419	-	297,419
Transfers out	(255,413)	-	(255,413)
Net cash provided by noncapital financing activities	<u>42,006</u>	<u>-</u>	<u>42,006</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Purchase of property, building and equipment	(975,995)	-	(975,995)
Principal payments on bonds payable	(428,000)	(336,561)	(764,561)
Principal payments on notes payable	(162,662)	-	(162,662)
Interest paid on notes and bonds	(230,671)	(139,009)	(369,680)
Net cash used in capital and related financing activities	<u>(1,797,328)</u>	<u>(475,570)</u>	<u>(2,272,898)</u>
<b>Net Change in Cash and Temporary Cash Investments</b>	1,792,920	1,344,819	3,137,739
<b>Cash and Temporary Cash Investments, Beginning of Year</b>	<u>7,086,679</u>	<u>8,428,570</u>	<u>15,515,249</u>
<b>Cash and Temporary Cash Investments, End of Year</b>	<u>\$ 8,879,599</u>	<u>\$ 9,773,389</u>	<u>\$ 18,652,988</u>
<b>Unrestricted Temporary Cash Investments</b>	\$ 8,844,126	\$ 9,266,207	\$ 18,110,333
<b>Restricted Temporary Cash Investments</b>	<u>35,473</u>	<u>507,182</u>	<u>542,655</u>
<b>Total</b>	<u>\$ 8,879,599</u>	<u>\$ 9,773,389</u>	<u>\$ 18,652,988</u>

(Cont.)

**Village of Alsip, Illinois**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended April 30, 2020**

	<b>Business-Type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Waterworks and Sewerage</b>	<b>Senior Citizen Complex</b>	<b>Total</b>
<b>Reconciliation of Operating Income to Net</b>			
<b>Cash Provided by Operating Activities</b>			
Operating income	\$ 2,136,447	\$ 1,232,022	\$ 3,368,469
Items not requiring cash			
Depreciation	799,649	655,558	1,455,207
Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources			
Receivables - account customers	(52,184)	-	(52,184)
Receivables - unbilled charges	31,813	-	31,813
Receivables - other	-	(121,006)	(121,006)
Grants receivable	(200,000)	-	(200,000)
Due from other funds	426,612	-	426,612
Prepaid insurance/expense	(83,911)	(5,214)	(89,125)
Utility overpayment	(661)	-	(661)
Deposits	-	(4,364)	(4,364)
Accounts payable	310,368	56,726	367,094
Other accrued expenses	(6,577)	-	(6,577)
Deferred outflow - OPEB	(582,974)	-	(582,974)
Deferred inflow - OPEB	101,335	-	101,335
Security deposits	-	3,936	3,936
Total OPEB liability	536,361	-	536,361
Deferred outflow - pensions	407,466	-	407,466
Deferred inflow - pensions	114,225	-	114,225
IMRF net pension liability	(472,328)	-	(472,328)
Other liabilities	1,865	-	1,865
	<b>\$ 3,467,506</b>	<b>\$ 1,817,658</b>	<b>\$ 5,285,164</b>
Net cash provided by operating activities	<b>\$ 3,467,506</b>	<b>\$ 1,817,658</b>	<b>\$ 5,285,164</b>
<b>Schedule of Noncash Capital and Related</b>			
<b>Financing Activities</b>			
Purchase of property, building and equipment on account	\$ 550,599		

**Village of Alsip, Illinois**  
**Statement of Fiduciary Net Position – Fiduciary Funds**  
**April 30, 2020**

	<b>Pension Trust Fund</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 4,700,605
Receivables	
Contributions	16,508
Accrued interest	80,021
Investments, at fair value	
U.S. Government securities	8,016,658
Corporate bonds	6,352,579
Municipal bonds	554,854
Mutual funds - equities	30,692,286
Mutual funds - fixed income	541,697
Certificate of deposit	2,066,932
	\$ 53,022,140
Total assets	
<b>Net Position</b>	
Net position restricted for pensions	\$ 53,022,140

**Village of Alsip, Illinois**  
**Statement of Changes in Fiduciary Net Position –**  
**Pension Trust Funds**  
**Year Ended April 30, 2020**

	<b>Pension Trust Fund</b>
<b>Additions</b>	
Contributions	
Employer	\$ 5,519,709
Employee	818,239
Total contributions	<u>6,337,948</u>
Investment income	
Net (depreciation) in fair value of investments	(319,445)
Dividends	486,047
Interest	528,686
Miscellaneous income	290
	<u>695,578</u>
Less investment expense	254,271
Net investment income	<u>441,307</u>
Total additions	<u>6,779,255</u>
<b>Deductions</b>	
Retirement benefits	4,550,610
Duty disability benefits	789,865
Surviving spouse benefits	548,182
Miscellaneous	33,761
	<u>5,922,418</u>
Total deductions	<u>5,922,418</u>
<b>Change in Net Position</b>	856,837
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>52,165,303</u>
<b>Net Position, Restricted for Pensions, End of Year</b>	<u><u>\$ 53,022,140</u></u>



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Note 1: Summary of Significant Accounting Policies**

The Village of Alsip (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 fiscal year-end.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental entities.

The following is a summary of the more significant accounting policies:

***Financial Reporting Entity***

The Village has adopted the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Under this pronouncement, 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 primary government. There are no related organizations for which the Village is financially accountable or other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

***Government-Wide and Fund Financial Statements***

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

*Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

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.

***Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are budgeted. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Property taxes are recognized as a receivable and deferred inflows of resources at the time they are levied and the current taxes receivable represent the 2019 levy.

The Village reports the following major governmental funds:

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

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

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

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 fiduciary fund type:

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

The financial statements of the Village are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the United States of America for state and local governments. Accounting principles generally accepted in the United States of America include all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles 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.

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

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

***Deposits and Investments***

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

The Village's 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.

***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 noncurrent 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.

***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. Prepaid items are recorded as expenditures when consumed rather than when purchased.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**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. Such assets use is subject to constraints that are either (1) externally imposed by creditors, grantors, contributors or laws or regulations of other governments, (2) imposed by law through constitutional provisions or enabling legislation.

**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 \$10,000 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 acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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:

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

**Compensated Absences**

It is the Village's policy to permit employees to accumulate earned but unused sick pay benefits. There is no liability at fiscal year-end for vacation time since Village policy does not allow the carryover of accumulated vacation time from one fiscal year to the next or additional compensation be paid out without the formal approval of the Village Board. Sick pay is accrued based on the Village employee's area of employment, an employee's years of service, the number of days

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

accumulated, and a set maximum percentage of the total time accumulated. A liability is recognized in the government-wide and proprietary funds financial statements for that portion of accumulated sick pay benefits that it is estimated will be taken as “terminal leave” prior to retirement.

***Long-Term Obligations***

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

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

***Pensions***

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Village’s IMRF, Police and Firefighter’s Pension Plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds to employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Other Postemployment Benefits (OPEB)***

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments (including refunds of employee payments) are recognized when due and payable in accordance with the benefit terms.

***Deferred Outflows of Resources***

The Village reports the consumption of net position or fund equity that is applicable to a future reporting period as deferred outflows of resources in a separate section of its government-wide and

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

proprietary funds statement of net position or governmental fund balance sheet. The Village has two types of deferred outflows of resources which occur related to its pension plans and other postemployment benefit plan.

***Deferred Inflows of Resources***

The Village reports the acquisition of net position or fund equity that is applicable to a future reporting period as deferred inflows of resources in a separate section of its government-wide and proprietary funds statement of net position or governmental fund balance sheet. The Village will not recognize the related revenue until a future event occurs. The Village has three types of items which occur. One type occurs within the governmental funds related to revenue recognition, which occurs because property tax receivables are recorded in the current year, but the revenue is considered unavailable in the current year due to the timing of the receipt of the property tax revenue. The second type occurs within the government-wide and propriety funds statements which relate to its pension plans. The third type occurs within the government-wide and propriety funds statements which relate to its other postemployment benefit plan.

***Fund Balances***

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

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

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

- Nonspendable - includes amounts that cannot be spent because they are either: a) not in spendable form, or b) legally or contractually required to be maintained intact.
- Restricted - includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of the Village. Once adopted, the limitation remains in place until a similar action is taken (adoption of another resolution) to remove or revise the limitation.
- 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

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

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, deferred outflows, liabilities, and deferred inflows. 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 position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

***Use of Estimates***

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2: 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 within the Finance Committee of the Village Board.
3. Expenditure budgets for the General Fund, special revenue funds (Road and Bridge, Motor Fuel Tax, and TIFs), and the Debt Service Fund are legally adopted on the cash basis through passage of an appropriation ordinance.



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

4. The level of budgetary control is at the fund level. The Village Mayor is authorized to transfer budgeted amounts within a fund (*i.e.*, intrafund transfers) during the fiscal year. The Village Board, through passage of a supplemental appropriation ordinance, amends the appropriation ordinance to increase expenditures or expenses within a fund or to make transfers across funds (interfund transfers). Appropriations lapse at year-end.

**Note 3: 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. At April 30, 2020, the carrying value of the Village's cash account amounted to \$19,358,569 excluding \$2,900 balance of its petty cash funds. As of April 30, 2020, none of the Village's bank balance of \$23,328,021 was exposed to custodial credit risk because all amounts were either covered by FDIC coverage or the Village has additional collateral pledged for amounts exceeding FDIC coverage.

*Deposits in the Illinois Funds.* The State Treasurer maintains the Illinois Funds Money Market Fund (Pool). Its primary purpose is to provide custodians of public funds with an alternative investment vehicle which enables them to earn a competitive rate on return or fully collateralized investments, while maintaining immediate access to those funds.

The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements. The Pool maintains a Standard and Poor's AAAM rating.

The time deposits are collateralized 110% over the FDIC \$250,000 insurance limit with U.S. Treasury obligations and marked to market on a weekly basis to maintain sufficiency. The repurchase agreements are collateralized at 102% with U.S. Treasury obligations and the collateral is checked daily to determine sufficiency. Deposits in the Illinois Funds, valued at amortized cost, had a carrying value and bank balance of \$32,993,604 at April 30, 2020.

All funds deposited in the Pool are classified as investments even though some could be withdrawn on a day's notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provisions of the *Illinois Public Funds Investment Act*, 30 ILCS 235.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Investments**

As of April 30, 2020, the Police and Firefighter’s Pension trust funds held investments, which are comprised of the following:

<b>Investment Type</b>	<b>Fair Value</b>
Cash and cash equivalents	\$ 4,700,605
U.S. Government securities	8,016,658
Corporate bonds	6,352,579
Municipal bonds	554,854
Mutual funds - equities	30,692,286
Mutual funds - fixed income	541,697
Negotiable certificate of deposits	2,066,932
	<u>\$ 52,925,611</u>

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

The Village’s Firefighter’s Pension and Police Pension Funds had the following investments as of April 30, 2020:

	<b>Fair Value</b>	<b>Investment Maturity (Years)</b>			
		<b>Less Than 1</b>	<b>1 - 5</b>	<b>6 - 10</b>	<b>Greater Than 10</b>
U.S. Government securities	\$ 8,016,658	\$ 400,793	\$ 3,825,430	\$ 3,613,637	\$ 176,798
Corporate bonds	6,352,579	1,252,724	4,032,387	1,015,663	51,805
Municipal bonds	554,854	20,192	329,827	103,707	101,129
Negotiable certificate of deposits	2,066,932	-	840,665	1,076,104	150,164
Total investments	<u>\$ 16,991,023</u>	<u>\$ 1,673,709</u>	<u>\$ 9,028,309</u>	<u>\$ 5,809,109</u>	<u>\$ 479,896</u>

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

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

As of April 30, 2020, the Village’s Firefighter’s Pension and Police Pension Funds were rated as follows:

<b>Standards &amp; Poor's Rating</b>	<b>Fair Value</b>
AAA	\$ 3,634,509
AA+	\$ 4,866,787
AA	\$ 1,397,787
AA-	\$ 489,804
A+	\$ 930,444
A	\$ 724,513
A-	\$ 2,110,836
BBB+	\$ 699,651
Not Rated	\$ 69,760

*Custodial Credit Risk and Concentration of 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. The pension funds do limit the amount of funds that may be invested in any one issuer, except as noted previously above. The Firefighter’s and Police Pension Funds have no investments greater than 5% of the funds’ total investments to individual equity and debt securities except for investments in U.S. Government Securities that are backed by the full faith and credit of the United States of America.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Fair Value.* The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant and observable inputs; Level 3 inputs are significant unobservable inputs. The fair value of pension fund assets measured on a recurring basis at April 30, 2020, are as follows:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. government treasuries	\$ 1,206,232	\$ -	\$ 1,206,232	\$ -
U.S. government agencies	6,810,426	-	6,810,426	-
Municipal bonds	554,854	-	554,854	-
Corporate bonds	6,352,579	-	6,352,579	-
	<u>14,924,091</u>	<u>-</u>	<u>14,924,091</u>	<u>-</u>
Negotiable certificate of deposits	2,066,932	-	2,066,932	-
Mutual funds	<u>31,233,983</u>	<u>31,233,983</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 48,225,006</u>	<u>\$ 31,233,983</u>	<u>\$ 16,991,023</u>	<u>\$ -</u>

**Receivables**

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

	General	Road and Bridge	Waterworks and Sewerage	Senior Citizen Complex	Nonmajor and Fiduciary Funds
Receivables					
Interest	\$ -	\$ -	\$ -	\$ -	\$ 80,021
Taxes and intergovernmental	7,867,541	429,162	-	-	235,749
Accounts	1,425,405	3,392	1,587,084	121,006	73,681
Grants	-	-	200,000	-	176,442
	<u>9,292,946</u>	<u>432,554</u>	<u>1,787,084</u>	<u>121,006</u>	<u>565,893</u>
Gross receivables					
Less allowance for uncollectibles	<u>(442,212)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net total receivables	<u>\$ 8,850,734</u>	<u>\$ 432,554</u>	<u>\$ 1,787,084</u>	<u>\$ 121,006</u>	<u>\$ 565,893</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

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

Property taxes receivable (General Fund)	\$ 5,821,276
Property taxes receivable (Road and Bridge Fund)	416,459
Property taxes receivable (Special Tax Allocation Fund)	169,649
Property taxes receivable (Debt Service Fund)	<u>68,132</u>
 Total deferred inflows of resources for governmental funds	 <u><u>\$ 6,475,516</u></u>

**Note 4: Capital Assets**

**Governmental Activities**

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Beginning Balance	Adjustment * Reclassification	Increases	Decreases	Ending Balance
Capital assets not being depreciated					
Land	\$ 1,160,500	\$ 160,780	\$ -	\$ -	\$ 1,321,280
Capital assets being depreciated					
Buildings	9,375,371	-	-	-	9,375,371
Improvements	1,194,742	(160,780)	57,371	-	1,091,333
System infrastructure	42,338,759	-	-	-	42,338,759
Machinery and equipment	3,287,659	-	-	(34,970)	3,252,689
Vehicles	5,597,056	-	705,662	(342,742)	5,959,976
	<u>61,793,587</u>	<u>(160,780)</u>	<u>763,033</u>	<u>(377,712)</u>	<u>62,018,128</u>
Less accumulated depreciation for					
Buildings	(5,980,441)	-	(206,169)	-	(6,186,610)
Improvements	(563,531)	-	(7,410)	-	(570,941)
System infrastructure	(34,716,414)	-	(431,564)	-	(35,147,978)
Machinery and equipment	(2,183,698)	-	(189,239)	34,970	(2,337,967)
Vehicles	(4,508,006)	-	(296,633)	320,719	(4,483,920)
	<u>(47,952,090)</u>	<u>-</u>	<u>(1,131,015)</u>	<u>355,689</u>	<u>(48,727,416)</u>
Total capital assets being depreciated, net	<u>13,841,497</u>	<u>(160,780)</u>	<u>(367,982)</u>	<u>(22,023)</u>	<u>13,290,712</u>
Government activities capital assets, net	<u>\$ 15,001,997</u>	<u>\$ -</u>	<u>\$ (367,982)</u>	<u>\$ (22,023)</u>	<u>\$ 14,611,992</u>

\* Adjustment/reclassification had no effect on the net book value of capital assets.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

***Business-Type Activities***

A summary of changes in capital assets for business-type activities of the Village is as follows:

	<b>Beginning Balance</b>	<b>Adjustment * Reclassification</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets not being depreciated					
Land	\$ 1,886,953	\$ -	\$ -	\$ -	\$ 1,886,953
Construction in progress	-	-	753,558	-	753,558
	<u>1,886,953</u>	<u>-</u>	<u>753,558</u>	<u>-</u>	<u>2,640,511</u>
Capital assets being depreciated					
Buildings	24,476,883	282,568	-	-	24,759,451
Improvements	10,062,531	-	-	-	10,062,531
System infrastructure	24,801,267	-	402,314	-	25,203,581
Machinery and equipment	3,440,076	-	-	(26,105)	3,413,971
Vehicles	267,675	-	370,722	-	638,397
	<u>63,048,432</u>	<u>282,568</u>	<u>773,036</u>	<u>(26,105)</u>	<u>64,077,931</u>
Less accumulated depreciation for					
Buildings	(14,266,494)	(282,568)	(446,416)	-	(14,995,478)
Improvements	(5,643,993)	-	(365,083)	-	(6,009,076)
System infrastructure	(12,041,173)	-	(524,634)	-	(12,565,807)
Machinery and equipment	(2,847,493)	-	(88,011)	26,105	(2,909,399)
Vehicles	(189,193)	-	(31,063)	-	(220,256)
	<u>(34,988,346)</u>	<u>(282,568)</u>	<u>(1,455,207)</u>	<u>26,105</u>	<u>(36,700,016)</u>
Total capital assets being depreciated, net	<u>28,060,086</u>	<u>-</u>	<u>(682,171)</u>	<u>(52,210)</u>	<u>27,377,915</u>
Business-type activities capital assets, net	<u>\$ 29,947,039</u>	<u>\$ -</u>	<u>\$ 71,387</u>	<u>\$ (52,210)</u>	<u>\$ 30,018,426</u>

\* Adjustment/reclassification no effect on the net book value of capital assets.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Depreciation Expense**

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

Government activities		
General government	\$	438,976
Public safety		296,633
Highways and streets		189,239
Building		<u>206,167</u>
Total depreciation expense - governmental activities	\$	<u><u>1,131,015</u></u>
Business-type activities		
Waterworks and sewerage	\$	799,649
Senior Citizens Complex		<u>655,558</u>
Total depreciation expense - business-type activities	\$	<u><u>1,455,207</u></u>

**Note 5: Interfund Receivables, Payable 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. There were no interfund balances at April 30, 2020.

The composition of interfund transfers for the year ended April 30, 2020, is as follows:

		<b>Transfer In</b>		
	<b>General Fund</b>	<b>Waterworks and Sewerage Fund</b>	<b>Total</b>	
Transfer out				
Waterworks and Sewerage Fund	\$ 255,413	\$ -	\$ 255,413	
Special Tax Allocation Fund	<u>-</u>	<u>297,419</u>	<u>297,419</u>	
Total	<u><u>\$ 255,413</u></u>	<u><u>\$ 297,419</u></u>	<u><u>\$ 552,832</u></u>	

The purpose of the interfund transfers during the year was to provide assistance to funds for operating purposes in accordance with budgetary authorizations.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Note 6: Long-Term Debt**

**General Obligation Bonds**

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

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Details of general obligation bonds currently outstanding are as follows:

<p>General Obligation Refunding Bonds dated March 16, 2015, with the original amount of \$6,685,000 issued to refund the G.O. Bonds Series 2003 with a principal balance of \$2,100,000, originally issued for public work improvements and public safety equipment and to refund the G.O. Bonds Series 2007 with principal balance of \$4,780,000 originally used in constructing water and sewer improvements. Principal of \$485,000 in 2021, \$500,000 in 2022, \$525,000 in 2023, \$545,000 in 2024, \$320,000 in 2025, \$335,000 in 2026, \$350,000 in 2027, \$360,000 in 2028, \$375,000 in 2029, \$390,000 in 2030, \$405,000 in 2031 and \$425,000 in 2032, with interest from 2.00% to 4.00%.</p>	\$ 5,015,000
Plus unamortized bond premium	227,958
<p>General Obligation Refunding Bonds dated April 18, 2017, with an original amount of \$7,475,000 issued to refund the G.O. Refunding Bonds Series 2005B with a principal balance of \$840,000 and the G.O. Refunding Bonds Series 2009A, with principal balance of \$7,005,000. G.O. Refunding Bonds Series 2005B was issued to refund the G.O. Bonds Series 1999 was originally used in Village Hall and Police Station expansion. G.O. Refunding Bonds Series 2009A, was issued to refund the G.O. Bonds Series 2000 was originally used in the construction of the Village's Senior Citizen Home. General Obligation Refunding Bonds Series 2017 principal of \$535,000 due in 2021, \$370,000 in 2022, \$390,000 in 2023, \$400,000 in 2024, \$410,000 in 2025, \$425,000 in 2026, \$450,000 in 2027, \$465,000 in 2028, \$485,000 in 2029, \$510,000 in 2030, \$540,000 in 2031, \$560,000 in 2032 and \$580,000 in 2033, with interest from 2.00% to 4.00%.</p>	6,120,000
Plus unamortized bond premium	176,605
Total general obligation Bonds	<u>\$ 11,539,563</u>

Outstanding general obligation bonds are further summarized and recorded as follows:

<b>Purpose</b>	<b>Amount</b>
Governmental activities	\$ 3,216,386
Business-type activities	<u>7,918,614</u>
Total general obligation bonds	<u>\$ 11,135,000</u>



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

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

<b>Year Ending April 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 1,020,000	\$ 408,325	\$ 1,428,325
2022	870,000	380,150	1,250,150
2023	915,000	349,050	1,264,050
2024	945,000	316,350	1,261,350
2025	730,000	282,550	1,012,550
2026-2030	3,245,000	803,350	4,048,350
2030-2035	3,410,000	322,600	3,732,600
	<u>\$ 11,135,000</u>	<u>\$ 2,862,375</u>	<u>\$ 13,997,375</u>

***Advance Refunding - General Obligation Bonds***

In prior years, the Village defeased \$2,100,00 of the General Obligation Bonds Series 2003 and \$4,780,000 of the General Obligation Sewer and Water Bonds Series 2007 by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village’s financial statements. The outstanding balance as of April 30, 2020, for the Series 2003 bonds was \$1,040,000 and for the 2007 Series bonds was \$4,260,000.

In prior years, the Village defeased \$840,000 of the General Obligation Refunding Bonds Series 2005B and \$6,710,000 of the General Obligation Refunding Bonds Series 2009A by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village’s financial statements. The outstanding balance as of April 30, 2020, for the Series 2005B bonds was \$605,000 and for the 2009A Series bonds was \$6,065,000.

In prior years, the Village defeased \$1,000,000 of the General Obligation Bonds Series 2000 by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings for the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt has been considered defeased; therefore, the above listed debt was removed from the Village’s financial statements. General Obligation Bonds Series 2000 has a balance of \$115,000 as of April 30, 2020.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Notes Payable**

The Village has entered into loan arrangements for the financing of street lighting projects and water infrastructure projects. Notes payable that are currently outstanding are as follows:

**Governmental Activities**

An installment purchase agreement dated May 2, 2015, with a principal balance of \$940,000 related to the acquisition and installation of LED street lighting. Loan provides retirement of principal of \$76,671 in 2021, \$79,155 in 2022, \$81,719 in 2023, \$84,367 in 2024, \$87,101 in 2025, \$89,923 in 2026 and \$92,836 in 2027, with interest at 3.24% \$ 591,772

**Business-Type Activities**

An Illinois Environmental Protection Agency Drinking Water revolving loan agreement dated August 30, 2013, issued for Pump Station Replacement, provides for a 20-year repayment which began December 26, 2016. The agreement has a principal balance of \$2,864,120 at an interest rate of 1.25%. Repayment of existing balance will be \$143,170 in 2021. \$ 2,007,887

An Illinois Environmental Protection Agency Drinking Water revolving loan agreement dated December 15, 2017, issued for New Watermains, Hydrants and Valves, provides for a 20-year repayment which began March 6, 2019. The agreement has a principal balance of \$889,318 at an interest rate of 1.32%. Repayment of existing balance will be \$41,073 in 2021. 828,714

\$ 2,836,601

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

<b>Year Ending April 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 260,914	\$ 54,630	\$ 315,544
2022	265,737	49,807	315,544
2023	270,671	44,873	315,544
2024	275,717	39,826	315,543
2025	280,880	34,663	315,543
2026-2030	1,189,192	100,994	1,290,186
2031-2035	733,164	29,688	762,852
2036-2037	152,098	3,533	155,631
	<u>\$ 3,428,373</u>	<u>\$ 358,014</u>	<u>\$ 3,786,387</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Changes in Long-Term Liabilities**

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Bonds payable					
General obligation bonds	\$ 3,606,826	\$ -	\$ 390,440	\$ 3,216,386	\$ 311,026
Net deferred amounts for discounts and premiums	159,949	-	67,441	92,508	-
Total bonds payable	3,766,775	-	457,881	3,308,894	311,026
Notes payable*	722,819	-	131,047	591,772	76,671
Compensated absences*	380,199	446,547	380,199	446,547	44,655
Net pension liability*	67,660,521	11,296,772	5,707,304	73,249,989	-
Total OPEB liability*	50,401,083	13,700,281	1,561,859	62,539,505	1,561,859
Governmental activities long-term liabilities	<u>\$ 122,931,397</u>	<u>\$ 25,443,600</u>	<u>\$ 8,238,290</u>	<u>\$ 140,136,707</u>	<u>\$ 1,994,211</u>

\*These liabilities are primarily retired by the General Fund.

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Business-Type Activities</b>					
Bonds payable					
General obligation bonds	\$ 8,683,175	\$ -	\$ 764,561	\$ 7,918,614	\$ 708,974
Net deferred amounts for discounts and premiums	548,196	-	236,141	312,055	-
Total bonds payable	9,231,371	-	1,000,702	8,230,669	708,974
Notes payable	2,999,263	-	162,662	2,836,601	184,243
Net pension liability	644,940	-	472,328	172,612	-
Total OPEB liability*	2,227,075	604,374	68,014	2,763,435	69,014
Business-type activities long-term liabilities	<u>\$ 15,102,649</u>	<u>\$ 604,374</u>	<u>\$ 1,703,706</u>	<u>\$ 14,003,317</u>	<u>\$ 962,231</u>

**Note 7: 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.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

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, 2020, the Village owes \$274,330 for medical claims; this liability is accrued in the General Fund.

Changes in the fund’s medical claims liability account for the years ended April 30, 2020 and 2019, were:

	<b>2020</b>	<b>2019</b>
Beginning liability	\$ 68,417	\$ 265,486
Current year claims and changes in estimates	2,691,620	2,160,089
Claims payments	(2,609,868)	(2,357,158)
Ending liability	\$ 150,169	\$ 68,417

**Note 8: 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.

Subsequent to April 30, 2020, the Village had committed to or approved approximately \$3,260,000 of contracts related to water and sewer projects and infrastructure improvements and maintenance.

**Note 9: Tax Abatements**

***Pulaski Road Corridor TIF***

In 2016, the Village Board created a Pulaski Road Corridor TIF Facade and Small Business Grant Program to standardize the application process and to help promote not only new developments, but to help existing property-owning businesses improve their businesses using TIF eligible expenses. Interest in the program was strong and businesses started working with the TIF district’s consulting firm to help make redevelopment agreement applications to the Village Board. The Village does not have any active tax abatement agreements for the year ended April 30, 2020.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Note 10: Intergovernmental Agreements**

In 2007, Village of Alsip (VOA) entered into two separate intergovernmental agreements between Village of Crestwood and City of Palos Heights for the Village of Alsip to build water infrastructure and supply water to Crestwood and Palos Heights. To cover the costs associated with the project, Village of Alsip financed the cost of the projects through general obligation debt. The Village of Crestwood and City of Palos Heights have agreed to pay an additional fee to cover their portion of the debt and the operational costs. As part of the agreements, all infrastructure remains with the Village and the Village is solely responsible for the repayment of the debt. For the year ended April 30, 2020, the Village received \$2,872,783 and \$2,361,627 from the City of Palos Heights and Village of Crestwood, respectively, for consumption, debt and operational payments.

**Note 11: Defined Benefit Pension Plans**

The Village provides retirement benefits to its employees under three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer defined benefit pension plan, the Police Pension Plan, a single-employer defined benefit pension plan and the Firefighter’s Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighter’s Pension Plans do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

The aggregate totals for all pension items for the three plans are as follows. Allocations to the governmental and business-type activities are based on covered payroll.

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Village</b>
Net pension liability			
IMRF	\$ 546,007	\$ 172,612	\$ 718,619
Police	45,728,157	-	45,728,157
Firefighters	26,975,825	-	26,975,825
	<u>\$ 73,249,989</u>	<u>\$ 172,612</u>	<u>\$ 73,422,601</u>
Deferred outflows of resources			
IMRF	\$ 304,947	\$ 96,405	\$ 401,352
Police	7,592,480	-	7,592,480
Firefighters	4,675,874	-	4,675,874
	<u>\$ 12,573,301</u>	<u>\$ 96,405</u>	<u>\$ 12,669,706</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Village</b>
Deferred inflows of resources			
IMRF	\$ 937,398	\$ 296,345	\$ 1,233,743
Police	303,943	-	303,943
Firefighters	384,535	-	384,535
	<u>\$ 1,625,876</u>	<u>\$ 296,345</u>	<u>\$ 1,922,221</u>
Pension expense			
IMRF	\$ 69,127	\$ 22,981	\$ 92,108
Police	5,402,235	-	5,402,235
Firefighters	3,624,639	-	3,624,639
	<u>\$ 9,096,001</u>	<u>\$ 22,981</u>	<u>\$ 9,118,982</u>

***Illinois Municipal Retirement Fund (IMRF)***

*Plan Description*

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

# Village of Alsip, Illinois

## Notes to Financial Statements

### April 30, 2020

#### *Funding Policy*

As set by statute, the Village's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2019 was 7.87 %. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

#### *Benefits Provided*

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriffs Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Employees Covered by Benefit Terms*

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. Members receive an annual increase based upon the original amount of the annuity of 3% or one-half of the increase in the consumer price index, whichever is less. These benefit provisions and all other requirements are established by state statute.

*Employees Covered by Benefit Terms*

At December 31, 2019, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	72
Inactive employees entitled but not yet receiving benefit	45
Active plan members	49
	166
	166

*Contributions*

As set by statute, the Village’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village’s annual contribution rate was 7.87% and 11.19% for fiscal 2019 and 2020, respectively. For the fiscal year 2020, the Village contributed \$272,659 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Net Pension Liability*

The Village’s net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The following are the methods and assumptions used to determine the net pension liability as of April 30, 2020:

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Price Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Asset valuation method	Market value of assets

Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.

For nondisabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equity	37.0%	5.75%
International equity	18.0%	6.50%
Fixed income	28.0%	3.25%
Real estate	9.0%	5.20%
Alternative investments	7.0%	3.60% - 7.60%
Cash equivalents	1.0%	1.85%
Total	<u>100.0%</u>	

*Discount Rate*

A Single Discount Rate of 7.25% (7.50% in 2019) was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

*Changes in Assumptions*

- Single discount rate decreased from 7.50% in 2019 to 7.25% in 2020.
- Salary increases changed from 3.39% to 14.25% in 2019 to 3.35% to 14.25% in 2020.
- Municipal bond rate changed from 3.71% in 2019 to 2.75% in 2020.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Change in the Net Pension Liability*

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
Balance at May 1, 2019	\$ 19,487,274	\$ 16,801,783	\$ 2,685,491
Changes for the year			
Service cost	286,921	-	286,921
Interest	1,374,987	-	1,374,987
Actuarial experience	5,295	-	5,295
Contributions - employer	-	246,900	(246,900)
Contributions - employees	-	125,852	(125,852)
Net investment income	-	3,215,592	(3,215,592)
Benefit payments, including refunds	(1,330,794)	(1,330,794)	-
Administration expenses	-	45,731	(45,731)
Net changes	<u>336,409</u>	<u>2,303,281</u>	<u>(1,966,872)</u>
Balance at April 30, 2020	<u>\$ 19,823,683</u>	<u>\$ 19,105,064</u>	<u>\$ 718,619</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Village's net pension liability (asset), calculated using a Single Discount Rate of 7.25%, as well as what the Village's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<b>1% Decrease (6.25%)</b>	<b>Current Single Discount Rate Assumption (7.25%)</b>	<b>1% Increase (8.25%)</b>
Village's net pension liability/(asset)	\$ 3,183,913	\$ 718,619	\$ (1,302,942)

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

For the year ended April 30, 2020, the Village recognized pension expense of \$92,108. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 35,479	\$ 222,389
Changes of assumptions	257,848	184,487
Net difference between projected and actual earnings on pension plan investments	-	826,867
Total deferred amounts to be recognized in pension expense in future periods	293,327	1,233,743
Pension contributions made subsequent to the measurement date	108,025	-
	\$ 401,352	\$ 1,233,743

\$108,025 reported as deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the future periods as follows:

<b>Year Ending April 30</b>	<b>Amount</b>
2021	\$ (363,334)
2022	(253,247)
2023	82,271
2024	(406,106)
Total	\$ (940,416)

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

**Police Pension**

*Plan Description and Provisions*

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

The Board for the Police Pension Plan consists of five voting Trustees, two of whom are appointed by the Village President, two of whom are members of the system who are elected by a majority of the police officers who are active members of the system and one whom is elected by the retirees of the Police Pension Fund. Each Trustee serves a two-year term. Each person employed by the Village Police Department as a full-time police officer becomes a member of the Plan as a condition of his or her employment.

As of April 30, 2020, employees covered by benefit terms of the Police Pension Plan were:

Inactive employees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not receiving them	43
Active employees, vested and nonvested	43
	86

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

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

Village’s annual contribution to the plan is provided by a property tax levy. These tax levies are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary. The Village contributed \$3,296,996 for the fiscal year ended April 30, 2020.

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

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

Under Public Act 96-1495, the annual requirements of the pension fund are to be determined as a level percent of payroll sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities by the year 2040.

*Net Pension Liability*

The Village’s net pension liability was measured at April 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actual valuation as of May 1, 2019, rolled forward to the measurement date.

*Actuarial Assumptions*

The total pension liability was determined by an actuarial valuation as of May 1, 2019, using the following actuarial assumptions applied to all measurement periods:

Actuarial valuation date	May 1, 2019
Assumptions	
Price Inflation	2.25%
Salary increases	3.75% - 32.23%
Investment rate of return	6.50%
Mortality rate	Pub-2010 Adjusted for Plan Status, Demographics and Illinois Public Pension Data, as Described
Retirement rates	100% of L&A 2020 Illinois Police Retirement Rates Capped at Age 65
Termination Rates	100% of L&A 2020 Illinois Police Termination Rates
Disability Rates	100% of L&A 2020 Illinois Police Disability Rates
Marital Assumptions	Active members: 80% Retiree and disabled members: 80%

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

The Police Pension Board (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' assets. The investment strategy of each plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price. The Village Board passed a funding plan, which changed the investment rate of return on assets from 7.0% to 6.5% resulting from moving from gross to net of administration fees.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rate of return for each major asset class included in the pension plans' target asset allocations as of April 30, 2020 are summarized in the following table:

<b>Asset Class</b>	<b>Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
US Corporate Bonds	5.00%	1.70%
US Government Fixed Income	30.00%	0.70%
US Large Cap Equity	28.00%	5.80%
US Mid Cap Equity	14.00%	6.80%
US Small Cap Equity	10.00%	6.80%
Non-US Developed Large Cap Equity Unhedged	7.00%	5.90%
Emerging Markets Equity Unhedged	4.00%	8.00%
Global Real Estate - REITS	2.00%	5.80%
Total	<u>100.00%</u>	

***Discount Rate***

The discount rate used to measure the total pension liability was 6.50% (same as prior year) for the Police Pension Plan. The projection of cash flow used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Assumptions*

Comprehensive study of Police Officers and Police Pension Funds in Illinois was performed and impacted assumptions in the following areas: Projected Individual, Pay Increases, Inflation Rate (CPI-U), Mortality Rates, Mortality Improvement Rates, Retirement Rates, Termination Rates, Disability Rates.

*Sensitivity of Net Pension Liability to Changes in the Discount Rate*

The following presents the Village’s net pension liability calculated using the discount rates listed above, as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Village's net pension liability	\$ 56,161,213	\$ 45,728,157	\$ 37,331,616

*Money-Weighted Rate of Return on Investments*

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of plan investments expenses was -0.27%. The money-weighted rate of return expresses investment performance, net of expenses, adjusted for the changing amounts actually invested.



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Change in the Net Pension Liability*

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
Balance at May 1, 2019	\$ 65,044,938	\$ 23,496,695	\$ 41,548,243
Changes for the year			
Service cost	897,793	-	897,793
Interest	4,117,708	-	4,117,708
Actuarial experience	732,150	-	732,150
Assumptions changes	1,655,469	-	1,655,469
Change of benefit terms	429,888	-	429,888
Contributions - employer	-	3,296,996	(3,296,996)
Contributions - employees	-	424,369	(424,369)
Net investment income	-	(62,240)	62,240
Benefit payments, including refunds	(3,391,154)	(3,391,154)	-
Administration expenses	-	(6,031)	6,031
Net changes	<u>4,441,854</u>	<u>261,940</u>	<u>4,179,914</u>
Balance at April 30, 2020	<u>\$ 69,486,792</u>	<u>\$ 23,758,635</u>	<u>\$ 45,728,157</u>

*Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions*

For the year ended April 30, 2020, the Village recognized pension expense of \$5,402,235. As of April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,681,111	\$ 171,165
Changes of assumptions	4,659,916	132,778
Net difference between projected and actual earnings on pension plan investments	<u>1,251,453</u>	<u>-</u>
Total	<u>\$ 7,592,480</u>	<u>\$ 303,943</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

The net amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<b>Year Ending</b>	<b>Amount</b>
<b>April 30</b>	
2021	\$ 1,642,765
2022	1,719,768
2023	1,678,201
2024	1,232,408
2025	340,064
Thereafter	<u>675,331</u>
Total	<u><u>\$ 7,288,537</u></u>

***Firefighter's Pension***

*Plan Description and Provisions*

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

The Board for the Firefighter's Pension Plan consists of five voting Trustees, two of whom are appointed by the Village President, two of whom are members of the system who are elected by a majority of the Firefighters who are active members of the system and one whom is elected by the retirees of the Firefighter's Pension Fund. Each Trustee serves a three-year term. Each person employed by the Village Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his or her employment.

As of April 30, 2020, employees covered by benefit terms of the Firefighter's Pension Plan were:

Inactive employees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not receiving them	42
Active employees, vested and nonvested	<u>36</u>
	<u><u>78</u></u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

Under Public Act 96-1495, the annual requirements of the pension fund are to be determined as a level percent of payroll sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities by the year 2040.

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

Covered employees are required to contribute 9.455% of their base salary to the Firefighter's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village's annual contribution to the Plan is provided by a property tax levy. These tax levies are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary. The Village contributed \$2,222,713 for the fiscal year ended April 30, 2020.

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

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

*Net Pension Liability*

The Village's net pension liability was measured at April 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actual valuation as of May 1, 2019, rolled forward to the measurement date.

The Fireman Police Pension Board (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' assets. The investment strategy of each Plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

plan requires that all plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price. The Village Board passed a funding plan, which changed the investment rate of return on assets from 7.0% to 6.5% resulting from moving from gross to net of administration fees.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rate of return for each major asset class included in the pension plans' target asset allocations as of April 30, 2020, are summarized in the following table:

<b>Asset Class</b>	<b>Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
US Large Cap Equity	32.50%	5.80%
US Mid Cap Equity	13.00%	6.80%
US Small Cap Equity	10.00%	6.80%
Non-US Developed Large Cap Equity Unhedged	6.25%	5.90%
Emerging Markets Equity Unhedged	3.25%	8.00%
US Corporate Bonds	12.00%	1.70%
US Government Fixed Income	22.00%	0.70%
Cash	1.00%	0.50%
Total	<u>100.00%</u>	

***Discount Rate***

The discount rate used to measure the total pension liability was 6.50% (same as prior year) for the Firefighter's Pension Plan. The projection of cash flow used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Changes in Assumptions*

Comprehensive study of Firefighters and Firefighter’s Pension Funds in Illinois was performed and impacted assumptions in the following areas: Projected Individual, Pay Increases, Inflation Rate (CPI-U), Mortality Rates, Mortality Improvement Rates, Retirement Rates, Termination Rates, Disability Rates.

*Sensitivity of Net Pension Liability to Changes in the Discount Rate*

The following presents the Village’s net pension liability of the pension plans calculated using the discount rates listed above, as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Village's net pension liability	\$ 35,256,709	\$ 26,975,825	\$ 20,257,865

*Money-Weighted Rate of Return on Investments*

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of plan investments expenses was 1.76%. The money-weighted rate of return expresses investment performance, net of expenses, adjusted for the changing amounts actually invested.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Changes in the Net Pension Liability*

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
Balance at May 1, 2019	\$ 52,740,335	\$ 28,668,608	\$ 24,071,727
Changes for the year			
Service cost	849,778	-	849,778
Interest	3,346,953	-	3,346,953
Actuarial experience	475,298	-	475,298
Assumptions changes	972,046	-	972,046
Change of benefit terms	352,423	-	352,423
Contributions - employer	-	2,222,713	(2,222,713)
Contributions - employees	-	302,931	(302,931)
Contributions - other	-	90,939	(90,939)
Net investment income	-	503,547	(503,547)
Benefit payments, including refunds	(2,497,503)	(2,497,503)	-
Administration expenses	-	(27,730)	27,730
Net changes	<u>3,498,995</u>	<u>594,897</u>	<u>2,904,098</u>
Balance at April 30, 2020	<u>\$ 56,239,330</u>	<u>\$ 29,263,505</u>	<u>\$ 26,975,825</u>

*Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions*

For the year ended April 30, 2020, the Village recognized pension expense of \$3,624,639. As of April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 463,524	\$ 243,713
Changes of assumptions	2,964,635	140,822
Net difference between projected and actual earnings on pension plan investments	<u>1,247,715</u>	<u>-</u>
Total	<u>\$ 4,675,874</u>	<u>\$ 384,535</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

The net amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<b>Year Ending April 30</b>	<b>Amount</b>
2021	\$ 962,590
2022	1,048,225
2023	938,330
2024	918,873
2025	202,545
Thereafter	<u>220,776</u>
Total	<u>\$ 4,291,339</u>

**Police Pension and Firefighters' Pension**

*Schedule of Fiduciary Net Position as of April 30, 2020*

	<b>Pension Trust</b>	
	<b>Police Pension</b>	<b>Firefighter's Pension</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,264,683	435,922
Receivables		
Contributions	-	16,508
Accrued interest	33,414	46,607
Investments, at fair value		
U.S. Government securities	3,322,270	4,694,388
Corporate bonds	1,717,305	4,635,274
Municipal bonds	554,854	-
Mutual funds - equities	11,799,177	18,893,109
Mutual funds - fixed income	-	541,697
Certificate of deposit	<u>2,066,932</u>	<u>-</u>
Total assets	23,758,635	29,263,505
<b>Liabilities</b>		
Accrued liabilities	<u>-</u>	<u>-</u>
<b>Net Position</b>		
Net position restricted for pensions	<u>\$ 23,758,635</u>	<u>\$ 29,263,505</u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Schedule of Changes in Fiduciary Net Position for the Year Ended of April 30, 2020:*

	<b>Pension Trust</b>	
	<b>Police Pension</b>	<b>Firefighter's Pension</b>
<b>Additions</b>		
Contributions		
Employer	\$ 3,296,996	\$ 2,222,713
Employee	424,369	393,870
Total contributions	<u>3,721,365</u>	<u>2,616,583</u>
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	(406,604)	87,159
Interest and dividends	479,012	536,011
Total investment income	72,408	623,170
Less investment expense	134,648	119,623
Net investment income (loss)	<u>(62,240)</u>	<u>503,547</u>
Total additions	<u>3,659,125</u>	<u>3,120,130</u>
<b>Deductions</b>		
Retirement benefits	2,962,409	1,588,201
Duty disability benefits	165,799	624,066
Surviving spouse benefits	262,946	285,236
Administrative Expense	6,031	27,730
Total deductions	<u>3,397,185</u>	<u>2,525,233</u>
<b>Change in Net Position</b>	261,940	594,897
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>23,496,695</u>	<u>28,668,608</u>
<b>Net Position Restricted for Pensions, End of Year</b>	<u>\$ 23,758,635</u>	<u>\$ 29,263,505</u>



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

***Other Postemployment Benefits (OPEB)***

*Plan Description*

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

As of May 1, 2020, the date of the latest actuarial valuation, employees covered by the benefit terms consisted of:

Inactive employees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not receiving them	97
Active employees, vested and nonvested	119
	216
	216

In order to receive the OPEB benefit from the Village, full time employees must meet the applicable pension requirements of IMRF, Police, and Fire as well as have at least 20 years of service.

*Benefits Provided*

The Village provides postemployment health care benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village’s retirement plans or meet COBRA requirements.

All health care benefits are provided through the Village’s insured health plan. Benefits include general inpatient and outpatient medical services, mental, nervous and substance abuse care, vision care, dental care, and prescriptions. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the Village’s active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime. All retirees and qualified deferred retirees will pay a percentage of the cost for the covered plan elected. Village will pay the remaining applicable percentage depending on the number of years of service and the date of hire.

*Funding Policy*

The Village Board passed a funding policy on May 21, 2018, which has dedicated future revenues to the OPEB liability. However, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Total OPEB Liability*

The Village's total OPEB liability of \$65,302,940 was measured as of April 30, 2020, as determined by an actuarial valuation as of May 1, 2020.

*Actuarial Assumptions*

Actuarial valuation date	May 1, 2020
Measurement date	April 30, 2020
Actuarial cost method	Entry-age normal (level %)
Assumptions	
Price Inflation	2.25%
Discount rate	2.56%
Healthcare cost trend rates	4.10% in fiscal 2020, trending to 7.50% in fiscal 2023, and an ultimate trend rate of 5.00%

\*The rate is based on the 20-Bond Index consists of 20 general obligation bonds that mature in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

*Mortality Rates*

IMRF Mortality follows the RP-2014 with Blue Collar Adjustment and MP-2016 Improvement, weighted per IMRF Experience Study dated November 8, 2017.

Active Firefighter & Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Retiree Firefighter Mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Disabled Firefighter Mortality follows the L&A Assumption Study for Disabled Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Retiree Police Mortality follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Disabled Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010 Study for disabled Participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates noted provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvements uses MP-2019 Improvement Rates applied on a fully generational basis.

*Discount Rate*

The discount rate used to measure the total OPEB liability was 2.56% (3.79% in 2019).

*Sensitivity of Total OPEB Liability to Changes in the Discount Rate*

The following presents the Village’s total OPEB liability calculated using the discount rates listed above, as well as what the Village’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	<b>1% Decrease (1.56%)</b>	<b>Current Discount Rate (2.56%)</b>	<b>1% Increase (3.56%)</b>
Village's total OPEB liability	\$ 79,696,948	\$ 65,302,940	\$ 54,409,514

The table below presents the Village’s total OPEB liability of the Village calculated using the healthcare rate of 4.10% to 7.50% as well as what the Village’s total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.10% to 6.50%) or 1 percentage point higher (5.10% to 8.50%) than the current rate:

	<b>1% Decrease (Varies)</b>	<b>Healthcare Cost Trend Rates (Varies)</b>	<b>1% Increase (Varies)</b>
Village's total OPEB liability	\$ 52,916,991	\$ 65,302,940	\$ 82,195,679

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

*Changes in the Total OPEB Liability*

	<b>Total OPEB Liability</b>
Balance at May 1, 2019	\$ 52,628,157
Changes for the year	
Service cost	1,381,192
Interest	1,963,702
Actuarial experience	(2,699,158)
Assumptions changes	13,659,267
Plan changes	653
Contributions - employer	-
Contributions - employees	-
Contributions - other	-
Net investment income	-
Benefit payments, including refunds	(1,630,873)
Administration expenses	-
Net changes	12,674,783
Balance at April 30, 2020	\$ 65,302,940

*OPEB Expense and Deferred Inflows/Outflows of Resources Related to OPEB*

For the year ended April 30, 2020, the Village recognized OPEB expense of \$4,847,238. As of April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 480,525	\$ 2,394,663
Changes of assumptions	13,295,776	-
Total	\$ 13,776,301	\$ 2,394,663

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

The net amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<b>Year Ending</b>	<b>Amount</b>
<b>April 30</b>	
2021	\$ 1,501,691
2022	1,501,691
2023	1,501,691
2024	1,501,691
2025	1,501,691
Thereafter	<u>3,873,183</u>
Total	<u><u>\$ 11,381,638</u></u>

**Note 12: Restatement**

The Governmental Activities net position and General Fund's fund balance as of May 1, 2019, were restated due to an overstatement in the balance of the claims payable account as of April 30, 2019. The effects of the restatement on the beginning net position as of May 1, 2019, and on the claims payable as of May 1, 2019, were as follows:

	<b>Governmental Activities</b>	<b>General Fund</b>
Net position (deficit)/ fund balance, May 1, 2019, as previously reported	\$ (61,470,246)	\$ 22,835,950
Adjustment to correct an overstatement of claims payable	<u>394,137</u>	<u>394,137</u>
Net Position, May 1, 2019, as restated	<u><u>\$ (61,076,109)</u></u>	<u><u>\$ 23,230,087</u></u>

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

Following are the restatement impact in the 2019 general fund financial statement line items.

<b>Financial Statement Items</b>	<b>General Fund</b>		
	<b>2019 Balance</b>	<b>Restatement</b>	<b>2019 Balance as Restated</b>
<b>Liabilities</b>			
Accrued medical claims	\$ 462,555	\$ (394,137)	\$ 68,418
<b>Expenditures</b>			
Insurance department	3,554,597	(394,137)	3,160,460
<b>Total Expenditures</b>	23,884,128	(394,137)	23,489,991
<b>Excess of Revenues Over Expenditures</b>	5,206,300	394,137	5,600,437
<b>Net Change in Fund Balance</b>	5,740,948	394,137	6,135,085
<b>Fund Balance, End of Year</b>	22,835,950	394,137	23,230,087

The prior period adjustment had no effect on change in net position in the Governmental Activities and net change in fund balance for the General Fund for the year ended April 30, 2020.

**Note 13: Other Contingencies**

In March 2020, Illinois Governor J.B. Pritzker enacted a Stay At Home order due to the COVID-19 Pandemic. The Pandemic and Stay-at-Home order will significantly, negatively impact the national, regional and local economy. Many revenue sources will be negatively impacted. Additionally, as a result of the COVID-19 Pandemic, there has been significant volatility in the investment markets both nationally and globally since April 30, 2020, resulting in overall market declines which have resulted in declines in the value of the Police and Fire Pension Plans' investments for which the Village acts as a fiduciary. The full extent of the impact of the COVID-19 pandemic on the Village is not yet known.

**Note 14: Future Adoption of Issued Standards**

The Governmental Accounting Standards Board (GASB) recently issued the following standards:

**GASB Statement No. 84, *Fiduciary Activities* (GASB 84)**

GASB 84 establishes criteria for identifying fiduciary activities. It presents separate criteria for evaluating component units, pension and other postemployment benefit arrangements and other fiduciary activities. The focus is on a government controlling the assets of the fiduciary activity and identification of the beneficiaries of those assets. Fiduciary activities are reported in one of

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

four types of funds: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds or custodial funds. Custodial funds are used to report fiduciary activities that are not held in a trust. The agency fund designation will no longer be used. GASB 84 also provides guidance on fiduciary fund statements and timing of recognition of a liability to beneficiaries. GASB 84 is effective for financial statements for fiscal years beginning after December 15, 2019. Earlier application is encouraged.

**GASB Statement No. 87, Leases (GASB 87)**

In June 2017, GASB published Statement No. 87, *Leases*. The standard was the result of a multi-year project to reexamine the accounting and financial reporting for leases. The new standard establishes a single model for lease accounting based on the principle that leases represent the financing of the right to use an underlying asset. Specifically, GASB 87 includes the following accounting guidance for lessees and lessors:

Lessee Accounting - A lessee will recognize a liability measured at the present value of payments expected to be made for the lease term, and an intangible asset measured at the amount of the initial lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. A lessee will reduce the liability as payments are made and recognize an outflow of resources for interest on the liability. The asset will be amortized by the lessee over the shorter of the lease term or the useful life of the asset.

Lessor Accounting - A lessor will recognize a receivable measured at the present value of the lease payments expected for the lease term and a deferred inflow of resources measured at the value of the lease receivable plus any payments received at or prior to the beginning of the lease that relate to future periods. The lessor will reduce the receivable as payments are received and recognize an inflow of resources from the deferred inflow of resources in a systematic and rational manner over the term of the lease. A lessor will not derecognize the asset underlying the lease. There is an exception for regulated leases for which certain criteria are met, such as airport-aeronautical agreements.

The lease term used to measure the asset or liability is based on the period in which the lessee has the noncancelable right to use the underlying asset. The lease term also contemplates any lease extension or termination option that is reasonably certain of being exercised.

GASB 87 does not apply to leases for intangible assets, biological assets (*i.e.*, timber and living plants and animals), service concession agreements or leases in which the underlying asset is financed with conduit debt that is reported by the lessor. Additionally, leases with a maximum possible term of 12 months or less are excluded. The effective date is for periods beginning after June 15, 2021.

**GASB Statement No. 92, Omnibus 2020 (GASB 92)**

GASB 92 addresses practice issues that have been identified during implementation and application of certain GASB statements. The statement addresses a variety of topics including issues related to leases, intra-entity transfers, fiduciary activities and fair value disclosures. GASB 92 is effective for reporting periods based on individual topics discussed therein. Earlier

**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

**GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* (GASB 95)**

In response to the challenges arising from COVID-19, on May 7, 2020, GASB-approved Statement 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB approved an 18-month postponement for GASB 87. All statements and implementation guides with a current effective date of reporting periods beginning after June 15, 2018, and later have a one-year postponement. This change is effective immediately. Early application is still encouraged. The effective dates on GASBs discussed above have already been adjusted to account for the postponements issued in GASB 95.

**GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96)**

GASB 96 provides guidance on governments are utilizing more cloud-based solutions for their information technology (IT) needs and paying for the use of third-parties' IT software on a subscription basis. The accounting and financial reporting for what the GASB refers to as subscription-based information technology arrangements (SBITAs) has been inconsistent because of a lack of authoritative guidance. The standard is effective for reporting periods after June 15, 2022, and all reporting periods thereafter, with early implementation encouraged. The statement would be applied retroactively, using the facts and circumstances that exist at the beginning of the fiscal year of implementation. Due to the COVID-19 pandemic, the effective date was delayed one year from that originally proposed.



**Village of Alsip, Illinois**  
**Notes to Financial Statements**  
**April 30, 2020**

***GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (GASB 97)***

GASB 97 amends guidance for determining financial accountability between the primary government and a potential component unit (PCU). The new guidance pertains to instances where the PCU does not have its own governing board and the primary government's board is effectively acting as the board of the PCU. In these instances, the primary government is considered to have the equivalent of the ability to appoint a voting majority of the PCU. However, this treatment would **not** apply to defined contribution pension/OPEB plans or defined contribution other employee benefit plans (such as IRC 457 plans). The requirements, as they relate to defined contribution pension/OPEB plans or other employee benefit plans, were effective upon issuance of Statement No. 97. For all other arrangements, the effective date is for fiscal periods beginning after June 15, 2021.

GASB 97 also amends the criterion that a financial benefit or burden relationship exists if the primary government is legally obligated or has otherwise assumed the responsibility to make contributions to a pension or OPEB plan. This criterion now only applies to contribution obligations to defined benefit pension or OPEB plans. This amended criterion was effective upon issuance of GASB 97.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these standards on its financial statements.

While most of these standards are not effective in the short term, the Village has begun assessing the potential impact on the financial statements of these statement and has begun the process of communicating the impact with those charged with governance and other stakeholders.

**Required Supplementary Information  
(Unaudited)**

**Village of Alsip, Illinois**  
**Illinois Municipal Retirement Fund**  
**Required Supplementary Information**  
**Schedule of Contributions**  
**April 30, 2020**

Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
4/30/2020	\$ 270,523	\$ 272,659	\$ (2,136)	\$ 3,030,153	9.00%
4/30/2019	343,092	344,230	(1,138)	3,333,437	10.33%
4/30/2018	341,590	340,719	871	3,244,993	10.50%
4/30/2017	576,228	576,228	-	3,321,409	17.35%
4/30/2016	571,163	571,163	-	3,450,480	16.55%

*Notes to the Required Supplementary Information*

Valuation date Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

*Methods and Assumptions Used to Determine 2019 Contribution Rates*

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 24-year closed period early retirement incentive plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributed to Public Act 94-712 were financed over 19 years for most employers (3 employers were financed over 28 years and 4 others were financed over 29 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
Price inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For nondisabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2017 actuarial valuation; note two-year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016. The table above is as of the Village's fiscal year-end.

**Village of Alsip, Illinois**  
**Police Pension Fund**  
**Required Supplementary Information**  
**Schedule of Contributions**  
**April 30, 2020**

Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
4/30/2020	\$ 3,390,059	\$ 3,296,996	\$ (93,063)	\$ 3,204,124	102.90%
4/30/2019	3,570,367	3,950,636	380,269	3,103,268	127.31%
4/30/2018	3,299,096	2,677,598	(621,498)	3,560,945	75.19%
4/30/2017	2,990,818	2,572,942	(417,876)	3,724,025	69.09%
4/30/2016	2,333,349	2,439,154	105,805	3,438,864	70.93%
4/30/2015	2,148,485	2,214,723	66,238	3,376,152	65.60%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the May 1, 2018 Actuarial Valuation completed by Lauterbach & Amen, LLP for the December 2018 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation.

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay
Equivalent Single Amortization Period	20.75 Years (Uses Multiple Amortization Periods)
Asset Valuation Method	5-Year Smoothed Market Value
Inflation (CPI-U)	2.50%
Total Payroll Increases	3.25%
Individual Pay Increases	4.00% - 32.48%
Expected Rate of Returns on Investments	6.50%
Mortality Rates	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate
Retirement Rates	100% of L&A 2016 Illinois Police Retirement Rates Capped at Age 65
Termination Rates	100% of L&A 2016 Illinois Police Termination Rates
Disability Rates	100% of L&A 2016 Illinois Police Disability Rates

**Village of Alsip, Illinois**  
**Firefighter's Pension Fund**  
**Required Supplementary Information**  
**Schedule of Contributions**  
**April 30, 2020**

Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
4/30/2020	\$ 2,211,446	\$ 2,222,713	\$ 11,267	\$ 3,653,778	60.83%
4/30/2019	2,179,521	2,340,228	160,707	3,538,768	66.13%
4/30/2018	2,119,572	1,765,714	(353,858)	3,580,058	49.32%
4/30/2017	1,964,649	1,694,818	(269,831)	3,475,471	48.77%
4/30/2016	1,538,355	1,541,749	3,394	2,971,004	51.89%
4/30/2015	1,480,436	1,538,881	58,445	3,011,302	51.10%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the May 1, 2018 Actuarial Valuation completed by Lauterbach & Amen, LLP for the December 2018 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation.

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay
Equivalent Single Amortization Period	20.51 Years (Uses Multiple Amortization Periods)
Asset Valuation Method	5-Year Smoothed Market Value
Inflation (CPI-U)	2.50%
Total Payroll Increases	3.25%
Individual Pay Increases	4.00% - 35.82%
Expected Rate of Returns on Investments	6.50%
Mortality Rates	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate
Retirement Rates	100% of L&A 2016 Illinois Firefighters Retirement Rates Capped at Age 65
Termination Rates	100% of L&A 2016 Illinois Firefighters Termination Rates
Disability Rates	100% of L&A 2016 Illinois Firefighters Disability Rates

**Village of Alsip, Illinois**  
**Illinois Municipal Retirement Fund**  
**Required Supplementary Information**  
**Schedule of Changes in the Village's Net Pension Liability**  
**and Related Ratios**  
**April 30, 2020**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total pension liability					
Service costs	\$ 286,921	\$ 298,594	\$ 348,838	\$ 350,949	\$ 338,319
Interest	1,374,987	1,350,147	1,382,356	1,310,052	1,342,439
Differences between expected and actual experience	5,295	(44,804)	(629,401)	304,721	(1,141,983)
Change of assumptions	-	521,012	(565,439)	(44,517)	21,342
Benefit payments and refunds	(1,330,794)	(980,672)	(900,714)	(1,104,864)	(846,048)
Net change in total pension liability	336,409	1,144,277	(364,360)	816,341	(285,931)
Total pension liability - beginning	19,487,274	18,342,997	18,707,357	17,891,016	18,176,947
Total pension liability - ending	<u>\$ 19,823,683</u>	<u>\$ 19,487,274</u>	<u>\$ 18,342,997</u>	<u>\$ 18,707,357</u>	<u>\$ 17,891,016</u>
Plan fiduciary net position					
Contributions - Village	\$ 246,900	\$ 344,230	\$ 340,719	\$ 589,469	\$ 628,890
Contributions - members	125,852	152,794	147,870	153,572	146,561
Net investment income	3,215,592	(1,071,695)	2,911,791	1,046,264	80,013
Benefit payments	(1,330,794)	(980,672)	(900,714)	(1,104,864)	(846,048)
Administrative expenses	45,731	(170,228)	(296,330)	197,015	(604,709)
Net change in plan fiduciary net position	2,303,281	(1,725,571)	2,203,336	881,456	(595,293)
Plan net position - beginning	16,801,783	18,527,354	16,324,018	15,442,562	16,037,855
Plan net position - ending	<u>\$ 19,105,064</u>	<u>\$ 16,801,783</u>	<u>\$ 18,527,354</u>	<u>\$ 16,324,018</u>	<u>\$ 15,442,562</u>
Village's net pension (asset) liability	<u>\$ 718,619</u>	<u>\$ 2,685,491</u>	<u>\$ (184,357)</u>	<u>\$ 2,383,339</u>	<u>\$ 2,448,454</u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	96.37%	86.22%	101.01%	87.26%	86.31%
Covered payroll	\$ 2,796,682	\$ 3,063,320	\$ 3,164,658	\$ 3,409,309	\$ 3,256,920
Net pension (asset) liability as a percentage of covered payroll	25.70%	87.67%	(5.83)%	69.91%	75.18%

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. The table above is as of the measurement date at December 31 of the year prior to the Village's year-end.

**Village of Alsip, Illinois**  
**Police Pension Fund**  
**Required Supplementary Information**  
**Schedule of Changes in the Village's Net Pension Liability**  
**and Related Ratios**  
**April 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability						
Service costs	\$ 897,793	\$ 861,607	\$ 693,529	\$ 648,158	\$ 689,917	\$ 734,284
Interest	4,117,708	4,003,122	3,917,662	3,714,215	3,471,181	3,368,025
Changes of benefit terms	429,888	-	-	-	-	-
Differences between expected and actual experience	732,150	173,658	202,242	1,833,077	(470,405)	-
Change of assumptions	1,655,469	-	3,964,677	(306,922)	2,545,778	-
Benefit payments and refunds	<u>(3,391,154)</u>	<u>(3,159,867)</u>	<u>(3,156,598)</u>	<u>(2,807,670)</u>	<u>(2,721,440)</u>	<u>(2,535,879)</u>
Net change in total pension liability	4,441,854	1,878,520	5,621,512	3,080,858	3,515,031	1,566,430
Total pension liability - beginning	<u>65,044,938</u>	<u>63,166,418</u>	<u>57,544,906</u>	<u>54,464,049</u>	<u>50,949,018</u>	<u>49,382,588</u>
Total pension liability - ending	<u>\$ 69,486,792</u>	<u>\$ 65,044,938</u>	<u>\$ 63,166,418</u>	<u>\$ 57,544,907</u>	<u>\$ 54,464,049</u>	<u>\$ 50,949,018</u>
Plan fiduciary net position						
Contributions - Village	\$ 3,296,996	\$ 3,950,636	\$ 2,677,597	\$ 2,572,942	\$ 2,439,154	\$ 2,214,723
Contributions - members	424,369	352,823	339,682	352,928	351,042	334,901
Contributions - other	-	-	-	49,538	-	-
Net investment income	(62,240)	1,338,130	1,270,037	1,669,246	(68,814)	1,196,897
Benefit payments	(3,391,154)	(3,159,867)	(3,156,598)	(2,807,670)	(2,721,440)	(2,535,879)
Administrative expenses	(6,031)	(11,003)	(24,529)	(37,965)	(8,720)	(21,288)
Prior period audit adjustment	-	-	(109,595)	(50,630)	-	77,450
Net change in plan fiduciary net position	261,940	2,470,719	996,594	1,748,389	(8,778)	1,266,804
Plan net position - beginning	<u>23,496,695</u>	<u>21,025,976</u>	<u>20,029,382</u>	<u>18,280,993</u>	<u>18,289,771</u>	<u>17,022,967</u>
Plan net position - ending	<u>\$ 23,758,635</u>	<u>\$ 23,496,695</u>	<u>\$ 21,025,976</u>	<u>\$ 20,029,382</u>	<u>\$ 18,280,993</u>	<u>\$ 18,289,771</u>
Village's net pension liability	<u>\$ 45,728,157</u>	<u>\$ 41,548,243</u>	<u>\$ 42,140,442</u>	<u>\$ 37,515,525</u>	<u>\$ 36,183,056</u>	<u>\$ 32,659,247</u>
Plan fiduciary net position as a percentage of the total pension liability	34.19%	36.12%	33.29%	34.81%	33.57%	35.90%
Covered payroll	\$ 3,204,124	\$ 3,103,268	\$ 3,560,945	\$ 3,724,025	\$ 3,438,864	\$ 3,376,153
Net pension liability as a percentage of covered payroll	1427.17%	1338.85%	1183.41%	1007.39%	1052.18%	967.35%

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Covered Payroll shown above for the current year is estimated based on the prior Covered Payroll and expected increases for the plan members during the fiscal year.

**Village of Alsip, Illinois**  
**Firefighter's Pension Fund**  
**Required Supplementary Information**  
**Schedule of Changes in the Village's Net Pension Liability**  
**and Related Ratios**  
**April 30, 2020**

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service costs	\$ 849,778	\$ 878,752	\$ 759,133	\$ 709,470	\$ 659,594	\$ 725,003
Interest	3,346,953	3,235,350	3,137,406	3,075,843	2,882,499	2,763,171
Changes of benefit terms	352,423	-	-	-	-	-
Differences between expected and actual experience	475,298	(20,423)	(16,832)	(517,055)	191,044	-
Change of assumptions	972,046	-	3,242,788	(331,122)	983,020	-
Benefit payments and refunds	(2,497,503)	(2,255,921)	(2,080,017)	(2,035,303)	(1,872,896)	(1,694,070)
Net change in total pension liability	3,498,995	1,837,758	5,042,478	901,833	2,843,261	1,794,104
Total pension liability - beginning	52,740,335	50,902,577	45,860,099	44,958,266	42,115,005	40,320,901
Total pension liability - ending	<u>\$ 56,239,330</u>	<u>\$ 52,740,335</u>	<u>\$ 50,902,577</u>	<u>\$ 45,860,099</u>	<u>\$ 44,958,266</u>	<u>\$ 42,115,005</u>
Plan fiduciary net position						
Contributions - Village	\$ 2,222,713	\$ 2,340,228	\$ 1,765,714	\$ 1,694,818	\$ 1,541,749	\$ 1,538,881
Contributions - members	302,931	310,996	307,846	294,101	313,228	286,786
Contributions - other	90,939	-	-	45	15	-
Net investment income	503,547	1,216,648	1,862,812	2,051,089	(93,196)	1,654,617
Benefit payments	(2,497,503)	(2,255,921)	(2,080,017)	(2,035,303)	(1,872,896)	(1,694,070)
Administrative expenses	(27,730)	(40,401)	(30,298)	(45,473)	(24,740)	(16,982)
Prior period audit adjustment	-	-	81,401	-	-	-
Net change in plan fiduciary net position	594,897	1,571,550	1,907,458	1,959,277	(135,840)	1,769,232
Plan net position - beginning	28,668,608	27,097,058	25,189,601	23,230,324	23,366,164	21,596,932
Plan net position - ending	<u>\$ 29,263,505</u>	<u>\$ 28,668,608</u>	<u>\$ 27,097,059</u>	<u>\$ 25,189,601</u>	<u>\$ 23,230,324</u>	<u>\$ 23,366,164</u>
Village's net pension liability	<u>\$ 26,975,825</u>	<u>\$ 24,071,727</u>	<u>\$ 23,805,518</u>	<u>\$ 20,670,498</u>	<u>\$ 21,727,942</u>	<u>\$ 18,748,841</u>
Plan fiduciary net position as a percentage of the total pension liability	52.03%	54.36%	53.23%	54.93%	51.67%	55.48%
Covered payroll	\$ 3,653,778	\$ 3,538,768	\$ 3,580,058	\$ 3,475,471	\$ 2,971,004	\$ 3,011,302
Net pension liability as a percentage of covered payroll	738.30%	680.23%	664.95%	594.75%	731.33%	622.62%

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Covered Payroll shown above for the current year is estimated based on the prior Covered Payroll and expected increases for the plan members during the fiscal year.



**Village of Alsip, Illinois**  
**Retiree Health Insurance Trust Fund**  
**Required Supplementary Information**  
**Schedule of Changes in the Village's Total OPEB Liability**  
**and Related Ratios**  
**April 30, 2020**

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total OPEB liability			
Service cost	\$ 1,381,192	\$ 1,323,073	\$ 1,272,553
Interest	1,963,702	1,907,572	1,842,087
Change of benefit terms	653	-	-
Differences between expected and actual experience	(2,699,158)	634,293	-
Change of assumptions	13,659,267	1,554,199	-
Benefit payments and refunds	<u>(1,630,873)</u>	<u>(1,592,477)</u>	<u>(1,426,679)</u>
Net change in total OPEB liability	12,674,783	3,826,660	1,687,961
Total OPEB liability - beginning	<u>52,628,157</u>	<u>48,801,497</u>	<u>47,113,536</u>
Total OPEB liability - ending	<u><u>\$ 65,302,940</u></u>	<u><u>\$ 52,628,157</u></u>	<u><u>\$ 48,801,497</u></u>
Covered-employee payroll	\$ 9,163,784	\$ 8,839,089	\$ 8,573,319
Total OPEB liability as a percentage of covered-employee payroll	712.62%	595.40%	569.23%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

Changes in assumptions:

- Discount rate decreased from 3.79% for 2019 to 2.56% in 2020 to better reflect the current high-yield fixed income environment.
- A comprehensive study of Police and Firefighter's Pension Fund in the State of Illinois. The following actuarial assumptions were impacted by the study:
  - Inflation rate
  - Mortality rates
  - Mortality improvement rates
  - Retirement rates
  - Termination rates
  - Disability rates

**Village of Alsip, Illinois**  
**Police Pension Fund**  
**Required Supplementary Information**  
**Schedule of Investment Returns**  
**April 30, 2020**

<b>Fiscal Year Ended April 30</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Annual money-weighted rate of return net of investment expense	(0.27%)	6.00%	6.50%	8.70%	(0.40%)	6.80%

**Village of Alsip, Illinois**  
**Firefighter's Pension Fund**  
**Required Supplementary Information**  
**Schedule of Investment Returns**  
**April 30, 2020**

<b>Fiscal Year Ended April 30</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Annual money-weighted rate of return net of investment expense	1.76%	4.40%	7.40%	8.80%	(0.40%)	7.50%

**Village of Alsip, Illinois**  
**Notes to Required Supplementary Information**  
**April 30, 2020**

**Note 1: Budgetary Basis of Accounting**

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 within the Finance Committee of the Village Board.
3. Expenditure budgets for the General Fund, special revenue funds (Road and Bridge, Motor Fuel Tax, and TIFs), and the Debt Service Fund are legally adopted on the cash basis through passage of an appropriation ordinance.
4. The level of budgetary control is at the fund level. The Village Mayor is authorized to transfer budgeted amounts within a fund (*i.e.*, intrafund transfers) during the fiscal year. The Village Board, through passage of a supplemental appropriation ordinance, amends the appropriation ordinance to increase expenditures or expenses within a fund or to make transfers across funds (interfund transfers). Appropriations lapse at year-end.

The following funds had expenditures over budget:

<b>Fund</b>	<b>Excess of Expenditures Over Budget</b>
Debt service fund	\$ 14,062
Motor fuel tax fund	24,536

**Combining and Individual Fund  
Financial Statements and Schedules**

## **Governmental Fund Types**

## **Major Governmental Funds**

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Balance Sheets**  
**April 30, 2020 and 2019**

**Assets**

	<b>2020</b>	<b>2019 (as restated)</b>
Cash	\$ 12,567	\$ 615,463
Temporary cash investments	14,280,611	12,086,188
Cash held for insurance and related expenditures	12,922,249	9,077,659
Restricted assets		
Temporary cash investments	133,891	122,739
Receivables (net of allowance for uncollectibles)		
Taxes	7,867,541	8,038,214
Accounts	983,193	963,832
Due from other funds	-	2,064
Prepaid expense	211,682	255,459
	<b>\$ 36,411,734</b>	<b>\$ 31,161,618</b>

**Liabilities, Deferred Inflows of Resources and Fund Balances**

**Liabilities**

Accounts payable	\$ 520,284	\$ 750,546
Accrued medical claims	150,169	68,418
Other accrued expenses	476,155	789,554
Due to other funds	-	426,612
	<b>1,146,608</b>	<b>2,035,130</b>

**Deferred Inflows of Resources**

Unavailable revenue - property taxes	<b>5,821,276</b>	<b>5,896,401</b>
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**Fund Balances**

Nonspendable	211,682	255,459
Restricted for police department programs	133,891	122,739
Assigned for insurance premiums, claims and related expenditures	12,922,249	9,077,659
Unassigned	16,176,028	13,774,230
	<b>29,443,850</b>	<b>23,230,087</b>
Total liabilities, deferred inflows of resources and fund balances	<b>\$ 36,411,734</b>	<b>\$ 31,161,618</b>



**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Statements of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b> <b>(as restated)</b>
<b>Revenues</b>		
Taxes and intergovernmental		
Property taxes	\$ 12,217,550	\$ 12,572,975
Sales tax	6,618,912	6,590,111
State income tax	2,589,625	2,590,248
Mini-warehouse tax	240,873	244,817
Hotel/motel tax	592,511	620,813
Replacement tax	375,657	348,529
Transfer tax	311,947	425,711
Total taxes and intergovernmental	<u>22,947,075</u>	<u>23,393,204</u>
Miscellaneous revenue		
Flea market fees	121,386	131,589
Miscellaneous income	474,201	503,061
Damage to Village property - insurance reimbursements	1,829	27,383
Miscellaneous fees	1,469,763	1,456,371
Cable TV franchise fees	302,941	311,123
Boat launch fee	8,861	8,617
Total miscellaneous revenue	<u>2,378,981</u>	<u>2,438,144</u>
Police and court fines	645,216	1,102,493
Licenses and permits	561,914	557,699
Grants	419,844	518,623
Charges for services	907,426	833,052
Interest	243,374	247,213
Total	<u>2,777,774</u>	<u>3,259,080</u>
Total revenues	<u>28,103,830</u>	<u>29,090,428</u>
<b>Expenditures</b>		
General government		
Administrative department	501,516	664,476
Planning commission	1,360	1,185
Police and fire commission	9,644	21,579
Social Security and IMRF	366,233	396,154
Finance department	586,349	530,393
Village clerk department	226,921	255,438
Village hall department	225,220	149,725
Total general government	<u>1,917,243</u>	<u>2,018,950</u>

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Statements of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b> <b>(as restated)</b>
Public safety		
Civil defense	\$ 27,073	\$ 30,717
Fire department	6,699,306	5,338,322
Fire department ambulance service	-	1,772,570
Police department	8,895,182	9,626,721
Total public safety	15,621,561	16,768,330
Building department	262,378	259,252
Health and environmental control department	1,138,484	1,195,205
Insurance department	3,159,224	3,160,460
Boat launch	22,285	14,879
Debt service	24,305	72,915
Total	4,606,676	4,702,711
Total expenditures	22,145,480	23,489,991
<b>Excess of Revenues Over Expenditures</b>	5,958,350	5,600,437
<b>Other Financing Sources</b>		
Operating transfers in	255,413	534,648
<b>Net Change in Fund Balance</b>	6,213,763	6,135,085
<b>Fund Balance, Beginning of Year</b>	23,230,087	17,095,002
<b>Fund Balance, End of Year</b>	\$ 29,443,850	\$ 23,230,087

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u> <u>(as restated)</u>
<b>General Government</b>		
Administrative department		
Salary - mayor	\$ 75,577	\$ 75,289
Salary - administrative assistant	25,277	24,435
Compensation - trustees	60,000	59,791
Hotel/motel tax	89,052	100,592
Membership and dues	33,088	32,628
Legal retainer	12,900	12,100
Legal fees - other	175,759	222,588
Engineer fees	-	5,112
Contingent expenses	17,479	15,439
Newsletter expense	6,805	14,430
Employee travel	898	1,173
Office expense	1,697	3,556
Beautification	4,257	3,613
Street fair	-	1,745
Other expense	136,046	256,923
Reimbursements from other funds	(137,319)	(164,938)
Total administrative department	<u>501,516</u>	<u>664,476</u>
Planning commission		
Staff expense	<u>1,360</u>	<u>1,185</u>
Police and fire commission		
Secretarial service	1,510	1,525
Examinations	6,949	18,694
Staff expense	<u>1,185</u>	<u>1,360</u>
Total police and fire commission	<u>9,644</u>	<u>21,579</u>
Social Security and IMRF		
Social Security and IMRF	351,531	381,702
Unemployment insurance	<u>14,702</u>	<u>14,452</u>
Total Social Security and IMRF	<u>366,233</u>	<u>396,154</u>
Finance department		
Salary - finance director and staff	353,316	310,149
Salary - computer operator	95,736	115,090
Payroll service and administrator	19,042	16,217
Purchase computer equipment	32,292	36,609
Computer forms and supplies	-	1,005

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u> <u>(as restated)</u>
Computer maintenance	\$ 157,858	\$ 102,743
Office supplies	4,192	2,498
Accounting service	78,249	71,238
Contingent expense	6,211	6,500
Reimbursements from other funds	<u>(160,547)</u>	<u>(131,656)</u>
Total finance department	<u>586,349</u>	<u>530,393</u>
Village clerk department		
Salary - village clerk	12,500	12,500
Salaries - clerical	174,049	195,822
Telephone expense	49,544	58,380
Postage expense	18,050	21,500
Contingent expense	3,691	3,595
Legal advertising	5,464	3,391
Codification	8,096	7,693
Decals and tags	1,002	-
Equipment purchase	-	230
Equipment rental	11,274	10,451
Office supplies	5,385	2,997
Printing	-	2,285
Reimbursement from other funds	<u>(62,134)</u>	<u>(63,406)</u>
Total village clerk department	<u>226,921</u>	<u>255,438</u>
Village hall department		
Salary - wages	37,963	29,774
Salary - custodian	10,379	10,083
Maintain village hall	163,473	97,123
Contract repair and utilities	2,789	7,085
Purchase new equipment	-	3,945
Cleaning supplies	8,244	855
Contingencies	<u>2,372</u>	<u>860</u>
Total village hall department	<u>225,220</u>	<u>149,725</u>
Total general government	<u>1,917,243</u>	<u>2,018,950</u>

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u> <u>(as restated)</u>
<b>Public Safety</b>		
Civil defense		
Salary - director	\$ 10,500	\$ 10,000
Repair - warning systems	7,778	7,830
Contingencies	2,298	3,191
Equipment	6,497	9,696
Total civil defense	<u>27,073</u>	<u>30,717</u>
Fire department		
Salaries - firefighter and ambulance	3,343,224	2,167,300
Personnel paid calls and overtime	160,493	219,645
Holiday pay	84,667	44,484
Salaries - incentive pay	48,499	40,125
Retirement buyout	-	126,124
Collection fees	48,100	-
Vehicles	368,130	-
Publications and membership	9,509	4,359
Repair - trucks	-	80,543
Repair - radio equipment	6,262	5,289
Maintenance - fire stations	120,576	28,716
Utilities - fire stations	7,248	2,113
Fire prevention expense	5,767	3,544
Contingent expense	3,299	2,263
Purchase fire equipment	16,314	30,168
Purchase radio equipment	405	4,345
Education reimbursement	8,842	4,884
Gasoline and oil	32,239	33,173
Clothing allowance	45,200	37,968
Training materials	2,378	1,137
Physical examinations	10,770	11,807
Copy machine rental	39,353	55,177
Office supplies	46,462	81,990
FEMA grant expenditures	34,443	29
State grant expenses	3,008	5,664
Firefighter's pension contribution	2,254,118	2,347,475
Total fire department	<u>6,699,306</u>	<u>5,338,322</u>
Fire department ambulance service		
Salaries	-	1,275,282
Holiday pay	-	39,920
Repairs and equipment	-	21,782
Maintenance - stations	-	27,103
Contingent expense	-	2,084

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b> <b>(as restated)</b>
Purchase ambulance	\$ -	\$ 216,809
Ambulance supplies	-	127,806
Clothing allowance	-	15,567
Office supplies	-	803
Collection fees	-	45,414
Total fire department ambulance service	<u>-</u>	<u>1,772,570</u>
 Police department		
Salaries - policemen	3,615,409	3,476,184
Salaries - clerical	174,207	164,971
Salaries - communications	-	112,632
Salaries - overtime	142,703	137,780
Salaries - crossing guards	22,425	24,890
Salaries - municipal court	28,975	30,250
Holiday pay	112,815	77,799
Impoundments	2,992	2,629
Clothing allowance	39,330	37,359
Miscellaneous vehicle equipment	195,632	145,684
Equipment poundmasters and traffic safety	76,378	65,549
Computer purchase	26,024	20,365
Purchase office furniture	1,960	1,549
Photo supplies and rental	64,332	223,265
Gasoline and oil	87,595	82,709
Firearms and ammunition	19,765	19,871
Investigation aids	33,146	137,689
Training	36,066	35,871
Crime prevention	8,753	4,212
Vehicle maintenance	46,410	55,004
Radio equipment repair and maintenance contract	66,918	113,196
Repair - office equipment	-	140
Contingent expense	688,328	635,854
Publications, membership and dues	4,599	2,005
Prisoner food/care	17,485	20,326
Physical examination fee	3,465	4,371
Office equipment	34,299	30,591
Police pension contribution	3,345,171	3,963,976
Total police department	<u>8,895,182</u>	<u>9,626,721</u>
 Total public safety	<u>15,621,561</u>	<u>16,768,330</u>

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b> <b>(as restated)</b>
<b>Building department</b>		
Salary - commissioner	\$ 39,101	\$ 42,747
Salaries - clerical	145,211	121,197
Salaries - building inspectors	9,500	7,866
Salaries - electrical inspectors	3,651	3,042
Salaries - plumbing inspectors	9,738	9,931
Outside inspection fee	9,712	4,576
Equipment	-	21,000
Contingent expense	2,370	1,882
Research, testing and plan review	35,893	40,860
Office equipment and supplies	7,202	6,151
	<u>262,378</u>	<u>259,252</u>
<b>Health and environmental control department</b>		
Salary - commissioner	17,769	17,500
Part-time inspector/office assistant	45,338	44,434
Dues and memberships	235	430
Refuse contract	1,071,227	1,127,590
Rodent control contract	2,670	2,580
Equipment maintenance	266	1,192
Contingent expense	979	1,479
	<u>1,138,484</u>	<u>1,195,205</u>
<b>Insurance department</b>		
Comprehensive general, automobile, umbrella, liability and workmen's compensation	1,153,097	1,053,533
Group health and life	2,257,852	2,351,927
Reimbursements from other funds	(251,725)	(245,000)
	<u>3,159,224</u>	<u>3,160,460</u>
<b>Boat launch</b>		
Salary - wages	7,521	8,548
Utilities	686	531
Grounds and maintenance	6,524	4,924

(Cont.)

**Village of Alsip, Illinois**  
**General Fund**  
**Comparative Schedules of Expenditures**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019 (as restated)</b>
Telephone expense	\$ 123	\$ 117
Rent	7,170	-
Contingencies	95	558
Physicals - boat	166	201
Total boat launch	22,285	14,879
Debt service	24,305	72,915
Total General Fund expenditures	\$ 22,145,480	\$ 23,489,991



**Village of Alsip, Illinois**  
**Road and Bridge Fund (Major Fund)**  
**Comparative Balance Sheets**  
**April 30, 2020 and 2019**

**Assets**

	<b>2020</b>	<b>2019</b>
Temporary cash investments	\$ 3,512,593	\$ 3,224,417
Receivables (net of allowance for uncollectibles)		
Taxes	429,162	397,844
Other	3,392	-
Prepaid insurance	12,412	-
Total assets	<b>\$ 3,957,559</b>	<b>\$ 3,622,261</b>

**Liabilities, Deferred Inflows of Resources and Fund Balances**

**Liabilities**

Accounts payable	\$ 27,711	\$ 71,150
Other accrued expenses	28,068	45,285
Total liabilities	55,779	116,435

**Deferred Inflows of Resources**

Unavailable revenue - property taxes	416,459	396,299
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**Fund Balances**

Nonspendable	12,412	-
Restricted for street maintenance and improvement programs	3,472,909	3,109,527
Total fund balances	3,485,321	3,109,527
Total liabilities, deferred inflows of resources and fund balances	<b>\$ 3,957,559</b>	<b>\$ 3,622,261</b>

**Village of Alsip, Illinois**  
**Road and Bridge Fund (Major Fund)**  
**Comparative Statements of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
Property taxes	\$ 887,154	\$ 823,805
Replacement tax	16,942	19,266
Fuel use tax	1,286,764	1,404,722
Vehicle license	409,514	425,193
Garage fees	118,350	118,350
Waste transfer fee	10,251	9,768
Property rental	15,260	15,844
Grants	15,000	-
Interest	1,080	-
Miscellaneous income	49,447	48,371
	2,809,762	2,865,319
Total revenues		
<b>Expenditures</b>		
Street department		
Salary - superintendent	103,791	100,827
Wages	731,665	706,655
Engineering fees	12,635	23,882
Purchase new equipment and vehicles	325,176	250,737
Uniforms	6,338	6,409
Purchase street signs	9,760	9,431
Resurface and repair streets	70,049	94,918
Sidewalk repair and maintenance	59,686	75,563
Purchase salt	102,072	99,524
Village vehicle stickers	12,941	9,988
Gasoline and oil	19,350	24,049
Equipment and repair	30,078	30,563
Equipment maintenance	19,563	16,424
Radio communication	1,657	5,495
Garage maintenance and supplies	15,751	19,273
Utilities	5,484	6,452
Energy charge - street lights	38,093	21,453
Insurance and administrative	208,264	211,200
Social Security and IMRF	137,388	141,670
Unemployment insurance	1,458	1,792
Continent expense	2,537	2,828
Dumping charges	12,913	19,007
Office supplies	1,923	1,614
Training	1,670	19

(Cont.)

**Village of Alsip, Illinois**  
**Road and Bridge Fund (Major Fund)**  
**Comparative Statements of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Equipment rental - pagers	\$ 3,152	\$ 2,683
Cleaning supplies	17,625	17,379
Physicals	1,196	1,320
Chemicals	206	189
Total street department	<u>1,952,421</u>	<u>1,901,344</u>
Drainage and storm sewer		
Maintenance - storm sewers	1,705	9,521
Supplies	3,853	1,983
Drainage project	5,186	-
Contingent expense	1,000	1,000
Total drainage and storm sewer	<u>11,744</u>	<u>12,504</u>
Forestry maintenance		
Equipment purchase	12,090	48,689
Equipment maintenance	2,057	2,548
Forestry maintenance	72,568	71,482
Equipment repairs	1,461	2,940
Training	90	120
Total forestry maintenance	<u>88,266</u>	<u>125,779</u>
Debt service	<u>399,610</u>	<u>176,376</u>
Total expenditures	<u>2,452,041</u>	<u>2,216,003</u>
<b>Excess of Revenues Over Expenditures</b>	357,721	649,316
<b>Other Financing Sources</b>		
Sale of property	<u>18,073</u>	<u>26,037</u>
<b>Net Change in Fund Balance</b>	375,794	675,353
<b>Fund Balance, Beginning of Year</b>	<u>3,109,527</u>	<u>2,434,174</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,485,321</u>	<u>\$ 3,109,527</u>

**Nonmajor Governmental Funds –  
Combining Statements**

**Village of Alsip, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**(With Comparative Totals as of April 30, 2019)**  
**April 30, 2020**

	Special Revenue				Total	
	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Debt Service	2020	2019
<b>Assets</b>						
Temporary cash investments	\$ 1,996,104	\$ 615,149	\$ 46,641	\$ 349,868	\$ 3,007,762	\$ 3,294,500
Receivables (net of allowance for uncollectibles)						
Taxes	169,649	-	-	66,100	235,749	416,443
Grants	-	176,442	-	-	176,442	-
Other	-	57,173	-	-	57,173	-
Total assets	<u>\$ 2,165,753</u>	<u>\$ 848,764</u>	<u>\$ 46,641</u>	<u>\$ 415,968</u>	<u>\$ 3,477,126</u>	<u>\$ 3,710,943</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 38,483	\$ 4,837	\$ -	\$ -	\$ 43,320	\$ 21,135
Due to other funds	-	-	-	-	-	2,064
Total liabilities	<u>38,483</u>	<u>4,837</u>	<u>-</u>	<u>-</u>	<u>43,320</u>	<u>23,199</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	169,649	-	-	68,132	237,781	373,775
<b>Fund Balances</b>						
Restricted for						
Tax Increment Financing allocation for project areas	1,957,621	-	-	-	1,957,621	2,236,139
Street maintenance and improvement programs	-	843,927	-	-	843,927	653,173
Fire department programs	-	-	46,641	-	46,641	23,686
Debt service	-	-	-	347,836	347,836	400,971
Total fund balances	<u>1,957,621</u>	<u>843,927</u>	<u>46,641</u>	<u>347,836</u>	<u>3,196,025</u>	<u>3,313,969</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,165,753</u>	<u>\$ 848,764</u>	<u>\$ 46,641</u>	<u>\$ 415,968</u>	<u>\$ 3,477,126</u>	<u>\$ 3,710,943</u>

**Village of Alsip, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year Ended April 30, 2019)**

	Special Revenue				Total	
	Special Tax Allocation	Motor Fuel Tax	Foreign Fire Insurance Tax	Debt Service	2020	2019
<b>Revenues</b>						
Taxes	\$ 244,077	\$ 711,353	\$ 44,867	\$ 193,761	\$ 1,194,058	\$ 993,351
Grants	-	176,442	-	-	176,442	-
Interest	9,190	12,494	38	607	22,329	27,583
Total revenues	<u>253,267</u>	<u>900,289</u>	<u>44,905</u>	<u>194,368</u>	<u>1,392,829</u>	<u>1,020,934</u>
<b>Expenditures</b>						
Public safety	-	-	21,950	-	21,950	75,383
Highways and streets	-	709,535	-	-	709,535	382,579
Economic development	234,366	-	-	-	234,366	634,528
Debt service						
Principal retirement	-	-	-	220,440	220,440	379,940
Interest and fiscal charges	-	-	-	20,270	20,270	6,876
Contingencies	-	-	-	6,793	6,793	76,848
Total expenditures	<u>234,366</u>	<u>709,535</u>	<u>21,950</u>	<u>247,503</u>	<u>1,213,354</u>	<u>1,556,154</u>
<b>Excess (Deficiency of Revenues Over Expenditures)</b>	<u>18,901</u>	<u>190,754</u>	<u>22,955</u>	<u>(53,135)</u>	<u>179,475</u>	<u>(535,220)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers out	(297,419)	-	-	-	(297,419)	(968,798)
<b>Net Change in Fund Balances</b>	(278,518)	190,754	22,955	(53,135)	(117,944)	(1,504,018)
<b>Fund Balances, Beginning of Year</b>	2,236,139	653,173	23,686	400,971	3,313,969	4,817,987
<b>Fund Balances, End of Year</b>	<u>\$ 1,957,621</u>	<u>\$ 843,927</u>	<u>\$ 46,641</u>	<u>\$ 347,836</u>	<u>\$ 3,196,025</u>	<u>\$ 3,313,969</u>

**Nonmajor Governmental Funds –  
Individual Fund Statements**

**Village of Alsip, Illinois**  
**Special Revenue Fund**  
**Special Tax Allocation Fund**  
**Combining Balance Sheet**  
**April 30, 2020**  
**(With Comparative Totals as of April 30, 2019)**

	TIF 1	123rd Place	Pulaski Road	NW Cicero	Total	
	(123RD St. to 127th St.)	& Cicero Ave. TIF	Corridor TIF	Ave. & 1-294 TIF	2020	2019
<b>Assets</b>						
Temporary cash investments	\$ 400,000	\$ 453,581	\$ 1,080,286	\$ 62,237	\$ 1,996,104	\$ 2,250,030
Receivables (net of allowance for uncollectibles)						
Taxes	-	32,195	120,184	17,270	169,649	255,468
Total assets	<u>\$ 400,000</u>	<u>\$ 485,776</u>	<u>\$ 1,200,470</u>	<u>\$ 79,507</u>	<u>\$ 2,165,753</u>	<u>\$ 2,505,498</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ 38,483	\$ -	\$ 38,483	\$ 13,891
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	-	32,195	120,184	17,270	169,649	255,468
<b>Fund Balances</b>						
Restricted for Tax Increment Financing allocation for project areas	400,000	453,581	1,041,803	62,237	1,957,621	2,236,139
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 400,000</u>	<u>\$ 485,776</u>	<u>\$ 1,200,470</u>	<u>\$ 79,507</u>	<u>\$ 2,165,753</u>	<u>\$ 2,505,498</u>



**Village of Alsip, Illinois**  
**Special Revenue Fund**  
**Special Tax Allocation Fund**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year Ended April 30, 2019)**

	TIF 1	123rd Place	Pulaski Road	NW Cicero	Total	
	(123RD St. to 127th St.)	& Cicero Ave. TIF	Corridor TIF	Ave. & 1-294 TIF	2020	2019
<b>Revenues</b>						
Property taxes	\$ -	\$ 51,971	\$ 141,250	\$ 50,856	\$ 244,077	\$ 212,867
Interest income	-	2,995	6,195	-	9,190	13,017
Total revenues	-	54,966	147,445	50,856	253,267	225,884
<b>Expenditures</b>						
Construction	-	-	64,086	-	64,086	429,484
Administrative, legal fees and other	-	-	70,280	-	70,280	106,030
Surplus distribution	100,000	-	-	-	100,000	99,014
Total expenditures	100,000	-	134,366	-	234,366	634,528
<b>Excess (Deficiency of Revenues Over Expenditures)</b>	(100,000)	54,966	13,079	50,856	18,901	(408,644)
<b>Other Financing Uses</b>						
Transfers out	-	-	(297,419)	-	(297,419)	(434,150)
<b>Net Change in Fund Balances</b>	(100,000)	54,966	(284,340)	50,856	(278,518)	(842,794)
<b>Fund Balances, Beginning of Year</b>	500,000	398,615	1,326,143	11,381	2,236,139	3,078,933
<b>Fund Balances, End of Year</b>	\$ 400,000	\$ 453,581	\$ 1,041,803	\$ 62,237	\$ 1,957,621	\$ 2,236,139

**Village of Alsip, Illinois**  
**Special Revenue Fund**  
**Special Tax Allocation Fund**  
**Budgetary Comparison Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Year Ended April 30, 2020**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>			
Taxes	\$ 232,500	\$ 244,077	\$ 11,577
Investment income	7,000	9,190	2,190
Total revenues	<u>239,500</u>	<u>253,267</u>	<u>13,767</u>
<b>Expenditures</b>			
Construction	827,000	64,086	762,914
Administrative, legal fees and other	209,000	70,280	138,720
Surplus distribution	100,000	100,000	-
Total expenditures	<u>1,136,000</u>	<u>234,366</u>	<u>901,634</u>
<b>Excess (Deficiency) in Revenues Over Expenditures</b>	(896,500)	18,601	915,101
<b>Other Financing Uses</b>			
Transfers Out	-	(297,419)	(297,419)
<b>Net Change in Fund Balance</b>	<u>\$ (896,500)</u>	<u>(278,518)</u>	<u>\$ (1,185,286)</u>
<b>Fund Balance, Beginning of Year</b>		<u>2,236,139</u>	
<b>Fund Balance, End of Year</b>		<u>\$ 1,957,621</u>	

**Village of Alsip, Illinois**  
**Special Revenue Fund**  
**Motor Fuel Tax Fund**  
**Comparative Balance Sheets**  
**April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Temporary cash investments	\$ 615,149	\$ 617,748
Receivables		
Allotments from the State of Illinois	57,173	42,669
Grant receivable	176,442	-
Total assets	\$ 848,764	\$ 660,417
 <b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 4,837	\$ 7,244
 <b>Fund Balance</b>		
Restricted for street maintenance and improvement programs	843,927	653,173
Total liabilities and fund balance	\$ 848,764	\$ 660,417

**Village of Alsip, Illinois**  
**Special Revenue Fund**  
**Motor Fuel Tax Fund**  
**Budgetary Comparison Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Year Ended April 30, 2020**  
**(With Comparative Actual for Year Ended April 30, 2019)**

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
<b>Revenues</b>			
State allotments	\$ 488,672	711,353	\$ 489,339
Grants	-	176,442	-
Interest income	11,500	12,494	13,017
Total revenues	<u>500,172</u>	<u>900,289</u>	<u>502,356</u>
<b>Expenditures</b>			
General maintenance	180,000	90,970	94,533
Road maintenance	504,999	618,565	288,046
Total expenditures	<u>684,999</u>	<u>709,535</u>	<u>382,579</u>
<b>Net Change in Fund Balance</b>	<u>\$ (184,827)</u>	190,754	119,777
<b>Fund Balance, Beginning of Year</b>		<u>653,173</u>	<u>533,396</u>
<b>Fund Balance, End of Year</b>		<u>\$ 843,927</u>	<u>\$ 653,173</u>

**Village of Alsip, Illinois**  
**Foreign Fire Insurance Tax Fund**  
**Comparative Balance Sheets**  
**April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Temporary cash investments	<u>\$ 46,641</u>	<u>\$ 23,686</u>
<b>Fund Balance</b>		
Restricted for fire department programs	<u>\$ 46,641</u>	<u>\$ 23,686</u>

**Village of Alsip, Illinois**  
**Foreign Fire Insurance Tax Fund**  
**Comparative Statements of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
Foreign fire insurance tax	\$ 44,867	\$ 43,856
Interest income	38	50
Total revenues	44,905	43,906
<b>Expenditures</b>		
Public safety		
Clothing allowance	2,291	4,755
Furniture and fixtures	6,003	19,319
Equipment and supplies	6,998	38,657
Training	450	896
Contingent expense	6,208	11,756
Total expenditures	21,950	75,383
<b>Net Change in Fund Balance</b>	22,955	(31,477)
<b>Fund Balance, Beginning of Year</b>	23,686	55,163
<b>Fund Balance, End of Year</b>	\$ 46,641	\$ 23,686

**Village of Alsip, Illinois**  
**Debt Service Fund**  
**Comparative Balance Sheets**  
**April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Temporary cash investments	\$ 349,868	\$ 403,036
Receivables (net of allowance for uncollectibles)		
Taxes	66,100	118,306
Total assets	\$ 415,968	\$ 521,342
 <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
<b>Liabilities</b>		
Due to other funds	\$ -	\$ 2,064
 <b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	68,132	118,307
 <b>Fund Balances</b>		
Restricted for debt service	347,836	400,971
Total liabilities, deferred inflows of resources and fund balances	\$ 415,968	\$ 521,342

**Village of Alsip, Illinois**  
**Debt Service Fund**  
**Comparative Statements of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
Taxes	\$ 193,761	\$ 247,289
Interest income	607	1,499
Total revenues	194,368	248,788
<b>Expenditures</b>		
Debt service		
Principal retirement	220,440	379,940
Interest and fiscal charges	20,270	6,876
Contingencies	6,793	76,848
Total expenditures	247,503	463,664
<b>Excess (Deficiency) in Revenues Over Expenditures</b>	(53,135)	(214,876)
<b>Other Financing Uses</b>		
Transfers out	-	(534,648)
<b>Net Change in Fund Balance</b>	(53,135)	(749,524)
<b>Fund Balance, Beginning of Year</b>	400,971	1,150,495
<b>Fund Balance, End of Year</b>	\$ 347,836	\$ 400,971



**Village of Alsip, Illinois**  
**Debt Service Fund**  
**Budgetary Comparison Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Year Ended April 30, 2020**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>			
Taxes	\$ 232,240	\$ 193,761	\$ (38,479)
Investment income	-	607	607
Total revenues	232,240	194,368	(37,872)
<b>Expenditures</b>			
Debt service			
Principal retirement	220,440	220,440	-
Interest and fiscal charges	13,001	27,063	14,062
Total expenditures	233,441	247,503	14,062
<b>Net Change in Fund Balance</b>	\$ (1,201)	(53,135)	\$ (51,934)
<b>Fund Balance, Beginning of Year</b>		400,971	
<b>Fund Balance, End of Year</b>		\$ 347,836	

**Proprietary Fund Type  
Enterprise Funds**

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Statements of Net Position**  
**April 30, 2020 and 2019**

**Assets**

	<b>2020</b>	<b>2019</b>
<b>Current Assets</b>		
Temporary cash investments	\$ 8,844,126	\$ 7,023,996
Receivables (net of allowance for uncollectibles)		
Account customers	1,031,557	979,373
Estimated unbilled water and sewer charges	555,527	587,340
Grants	200,000	-
Prepaid insurance	83,911	-
Due from other funds	-	426,612
Total current assets	10,715,121	9,017,321
<b>Noncurrent Assets</b>		
Restricted temporary cash investments	35,473	62,683
<b>Property, Building and Equipment, Net</b>		
	19,384,136	18,657,191
Total assets	19,419,609	18,719,874

**Deferred Outflows of Resources**

Related to pension	96,405	503,871
Related to OPEB	582,974	-
Total deferred outflows of resources	679,379	503,871
Total assets and deferred outflows of resources	30,814,109	28,241,066

**Liabilities**

<b>Current Liabilities (Payable From Current Assets)</b>		
Accounts payable	1,608,705	747,738
Accrued interest payable	34,104	36,173
Customer deposits payable - restricted assets	35,196	33,331
Other accrued expenses	22,298	28,875
Utility overpayment	21,328	21,989
Current portion of total OPEB liability	69,014	-
Current portion of notes payable	184,243	878,792
Current portion of general obligation bonds	363,250	428,000
Total current liabilities	2,338,138	2,174,898

(Cont.)

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Statements of Net Position**  
**April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Long-Term Liabilities</b>		
Total OPEB liability	\$ 2,694,421	\$ 2,227,074
IMRF net pension liability	172,612	644,940
Notes payable	2,652,358	2,120,541
Long-term portion of general obligation bonds (net of unamortized discount, premium)	4,101,294	4,647,856
Total long-term liabilities	9,620,685	9,640,411
Total liabilities	11,958,823	11,815,309
<b>Deferred Inflows of Resources</b>		
Related to pensions	296,345	182,120
Related to OPEB	101,335	-
Total deferred inflows of resources	397,680	182,120
<b>Net Position</b>		
Net investment in capital assets	11,532,669	10,582,002
Unrestricted	6,924,937	5,661,635
Total net position	\$ 18,457,606	\$ 16,243,637
Total liabilities, deferred inflows		

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Statements of Revenues, Expenses**  
**and Changes in Net Position**  
**Years Ended April 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>Operating Revenues</b>		
Charges for sales and services		
Water	\$ 11,709,484	\$ 11,877,132
Sewer	773,154	659,825
Tapping fees	54,253	40,482
Fines and penalties	124,209	122,466
Other income	333,388	1,681,289
Total operating revenues	12,994,488	14,381,194
<b>Operating Expenses</b>		
Water department	9,708,482	9,778,077
Sewer department	349,910	267,557
Total operating expenses	10,058,392	10,045,634
<b>Operating Income Before Depreciation</b>	2,936,096	4,335,560
<b>Depreciation</b>		
Water department	547,226	538,795
Sewer department	252,423	252,420
Total depreciation	799,649	791,215
<b>Operating Income</b>	2,136,447	3,544,345
<b>Nonoperating Revenues (Expenses)</b>		
Amortization of bond premium	183,312	34,527
Note and bond interest and fiscal charges	(228,532)	(214,226)
Investment earnings	80,736	47,782
Total nonoperating revenues (expenses)	35,516	(131,917)
<b>Net Income</b>	2,171,963	3,412,428
<b>Transfers</b>		
Transfers in	297,419	434,150
Transfers out	(255,413)	-
Total and transfers	42,006	434,150
<b>Change in Net Position</b>	2,213,969	3,846,578
<b>Net Position, Beginning of Year</b>	16,243,637	12,397,059
<b>Net Position, End of Year</b>	\$ 18,457,606	\$ 16,243,637

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Statements of Cash Flows**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Cash Flows From Operating Activities</b>		
Operating income	\$ 2,136,447	\$ 3,544,345
Items not requiring cash		
Depreciation	799,649	791,215
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources		
Receivables - account customers	(52,184)	(70,448)
Receivables - unbilled charges	31,813	(9,818)
Receivables - other	-	429,169
Grants receivable	(200,000)	-
Prepaid insurance	(83,911)	-
Due from other funds	426,612	(67,358)
Utility overpayment	(661)	1,589
Accounts payable	310,368	(375,112)
Other accrued expenses	(6,577)	(1,512,197)
Deferred outflow - post-employment benefit obligation	(582,974)	-
Deferred inflow - post-employment benefit obligation	101,335	-
Postemployment benefit obligation	536,361	(82,623)
Deferred outflow - IMRF	407,466	(238,294)
Deferred inflow - IMRF	114,225	(468,891)
IMRF net pension liability	(472,328)	630,897
Restricted liabilities	1,865	(1,690)
Net cash provided by operating activities	<u>3,467,506</u>	<u>2,570,784</u>
<b>Cash Flows From Investing Activities</b>		
Earnings on investments	<u>80,736</u>	<u>47,782</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Transfers in	297,419	434,150
Transfers out	<u>(255,413)</u>	<u>-</u>
Net cash provided by non capital financing activities	<u>42,006</u>	<u>434,150</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Purchase of property, building and equipment	(975,995)	(852,775)
Principal payments on bonds payable	(428,000)	(413,500)
Proceeds from issuance of notes payable	-	162,170
Principal payments on notes payable	(162,662)	(159,714)
Interest paid on notes and bonds	<u>(230,671)</u>	<u>(215,949)</u>
Net cash used in capital and related financing activities	<u>(1,797,328)</u>	<u>(1,479,768)</u>
<b>Net Change in Cash and Temporary Cash Investments</b>	1,792,920	1,572,948
<b>Cash and Temporary Cash Investments, Beginning of Year</b>	<u>7,086,679</u>	<u>5,513,731</u>
<b>Cash and Temporary Cash Investments, End of Year</b>	<u>\$ 8,879,599</u>	<u>\$ 7,086,679</u>
<b>Unrestricted Temporary Cash Investments</b>	\$ 8,844,126	\$ 7,023,996
<b>Restricted Temporary Cash Investments</b>	<u>35,473</u>	<u>62,683</u>
Total	<u>\$ 8,879,599</u>	<u>\$ 7,086,679</u>
<b>Schedule of Noncash Capital and Related Financing Activities</b>		
Purchase of property, building and equipment on account	\$ 550,599	\$ -

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Schedules of Operating Expenses**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Water Department</b>		
Salary - commissioner	\$ 103,791	\$ 100,827
Salary - clerical	54,482	56,808
Wages - general labor	318,223	327,817
Uniforms	2,490	2,998
Engineering fees	51,562	67,302
Audit fees	-	15,000
Tools and equipment	90,621	24,665
Purchase - office equipment	3,142	2,717
Purchase - new equipment	1,605	7,441
Purchase - meters	101,478	93,369
Purchase - computer	12,366	927
Repairs - equipment	15,476	17,591
Restoration (main breaks)	110,036	90,184
Maintenance water system	227,692	126,208
Utilities	149,974	152,507
Water tap-ons	-	19,870
Purchase - water	7,654,198	7,969,587
Social Security and IMRF	93,055	98,269
Insurance and administrative expense	425,470	420,226
Contingent expense	3,705	4,844
Water system expense	29,178	12,841
Building and ground maintenance	105,466	240,980
Pager service	2,445	1,233
Office supplies	1,933	3,288
Water sampling fees	7,089	6,643
Purchase chlorine	3,791	6,412
Gasoline and oil	4,946	8,755
Water billing charges	18,795	18,433
Dues and memberships	2,790	2,728
Postemployment benefit obligation	112,683	(122,393)
	<u>9,708,482</u>	<u>9,778,077</u>
 Total water department	 <u>9,708,482</u>	 <u>9,778,077</u>

(Cont.)

**Village of Alsip, Illinois**  
**Waterworks and Sewerage Fund**  
**Comparative Schedules of Operating Expenses**  
**Years Ended April 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Sewer Department</b>		
Salary - clerical	\$ 60,471	\$ 50,864
Wages - general labor	82,000	93,959
Purchase - new equipment	1,500	77,618
Material and supplies	59,936	11,544
Repair - equipment	2,055	8,666
Maintenance - sanitary sewers	123,326	32,073
Contingent expenses	870	1,000
Garage rentals	28,350	28,350
Postemployment benefit obligation	<u>(8,598)</u>	<u>(36,517)</u>
 Total sewer department	 <u>349,910</u>	 <u>267,557</u>
 Total operating expenses	 <u>\$ 10,058,392</u>	 <u>\$ 10,045,634</u>



**Village of Alsip, Illinois**  
**Senior Citizen Complex Fund**  
**Combining Statements of Net Position**  
**April 30, 2020**  
**(With Comparative Totals as of April 30, 2019)**

	Heritage I	Heritage II	Total	
			2020	2019
<b>Assets</b>				
<b>Current Assets</b>				
Temporary cash investments	\$ 1,520,029	\$ 7,746,178	\$ 9,266,207	\$ 6,116,047
Other receivable	7,662	113,344	121,006	-
Prepaid insurance	5,214	-	5,214	-
Total current assets	<u>1,532,905</u>	<u>7,859,522</u>	<u>9,392,427</u>	<u>6,116,047</u>
<b>Restricted Assets</b>				
Temporary cash investments	68,951	438,231	507,182	2,312,523
Total restricted assets	<u>68,951</u>	<u>438,231</u>	<u>507,182</u>	<u>2,312,523</u>
<b>Property, Building and Equipment, Net</b>				
	<u>5,017,704</u>	<u>5,616,586</u>	<u>10,634,290</u>	<u>11,289,847</u>
<b>Other Assets</b>				
Deposits	202,548	1,000	203,548	199,184
Total assets	<u>6,822,108</u>	<u>13,915,339</u>	<u>20,737,447</u>	<u>19,917,601</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accrued interest payable	4,444	22,947	27,391	28,934
Accounts payable	-	137,209	137,209	80,483
Current portion of general obligation bonds	136,120	209,604	345,724	331,560
Security deposits	134,505	280,440	414,945	411,009
Total current liabilities	<u>275,069</u>	<u>650,200</u>	<u>925,269</u>	<u>851,986</u>
<b>Long-Term Liabilities</b>				
General obligation bonds (net of unamortized discount, premium and loss from extinguishment of debt)	<u>493,257</u>	<u>2,927,144</u>	<u>3,420,401</u>	<u>3,823,886</u>
Total liabilities	<u>768,326</u>	<u>3,577,344</u>	<u>4,345,670</u>	<u>4,675,872</u>
<b>Net Position</b>				
Net investment in capital assets	4,457,278	2,643,055	7,100,333	7,134,401
Unrestricted	<u>1,596,504</u>	<u>7,694,940</u>	<u>9,291,444</u>	<u>8,107,328</u>
Total net position	<u>\$ 6,053,782</u>	<u>\$ 10,337,995</u>	<u>\$ 16,391,777</u>	<u>\$ 15,241,729</u>

**Village of Alsip, Illinois**  
**Senior Citizen Complex Fund**  
**Combining Statement of Revenues, Expenses**  
**And Changes in Net Position**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year April 30, 2019)**

	Heritage I	Heritage II	Total	
			2020	2019
<b>Operating Revenue</b>				
Rental income	\$ 1,570,000	\$ 3,283,260	\$ 4,853,260	\$ 4,724,217
Other income	10,517	47,112	57,629	69,279
Total operating revenue	<u>1,580,517</u>	<u>3,330,372</u>	<u>4,910,889</u>	<u>4,793,496</u>
<b>Operating Expenses</b>	<u>1,114,710</u>	<u>1,908,599</u>	<u>3,023,309</u>	<u>2,751,351</u>
<b>Operating Income Before Depreciation</b>	465,807	1,421,773	1,887,580	2,042,145
<b>Depreciation</b>	<u>292,818</u>	<u>362,740</u>	<u>655,558</u>	<u>776,954</u>
<b>Operating Income</b>	<u>172,989</u>	<u>1,059,033</u>	<u>1,232,022</u>	<u>1,265,191</u>
<b>Nonoperating Revenues (Expenses) and Transfers</b>				
Amortization of bond premium	38,028	14,698	52,726	9,556
Interest income	-	2,731	2,731	-
Bond interest	(23,924)	(113,507)	(137,431)	(99,262)
Total nonoperating revenue (expenses) and transfers	<u>14,104</u>	<u>(96,078)</u>	<u>(81,974)</u>	<u>(89,706)</u>
<b>Net Income</b>	187,093	962,955	1,150,048	1,175,485
<b>Net Position, Beginning of Year</b>	<u>5,866,689</u>	<u>9,375,040</u>	<u>15,241,729</u>	<u>14,066,244</u>
<b>Net Position, End of Year</b>	<u>\$ 6,053,782</u>	<u>\$ 10,337,995</u>	<u>\$ 16,391,777</u>	<u>\$ 15,241,729</u>

**Village of Alsip, Illinois**  
**Senior Citizen Complex Fund**  
**Combining Statement of Cash Flows**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year April 30, 2019)**

	Heritage I	Heritage II	Total	
			2020	2019
<b>Cash Flows From Operating Activities</b>				
Operating income	\$ 172,989	\$ 1,059,033	\$ 1,232,022	\$ 1,265,191
Items not requiring cash				
Depreciation	292,818	362,740	655,558	776,954
Changes in operating assets and liabilities				
Other receivable	(7,662)	(113,344)	(121,006)	-
Prepaid insurance	(5,214)	-	(5,214)	2,481
Deposits	(4,364)	-	(4,364)	(2,147)
Accounts payable	-	56,726	56,726	(14,692)
Security deposits	4,555	(619)	3,936	17,919
Net cash provided by operating activities	453,122	1,364,536	1,817,658	2,045,706
<b>Cash Flows From Investing Activities</b>				
Interest received	-	2,731	2,731	-
<b>Cash Flows From Capital and Related Financing Activities</b>				
Principal payments on bonds payable	(132,801)	(203,760)	(336,561)	(331,559)
Interest paid on bonds	(24,617)	(114,392)	(139,009)	(100,673)
Net cash used in capital and related financing activities	(157,418)	(318,152)	(475,570)	(432,232)
<b>Net Increase in Temporary Cash Investments</b>	295,704	1,049,115	1,344,819	1,613,474
<b>Temporary Cash Investments, Beginning of Year</b>	1,293,276	7,135,294	8,428,570	6,815,096
<b>Temporary Cash Investments, End of Year</b>	\$ 1,588,980	\$ 8,184,409	\$ 9,773,389	\$ 8,428,570
<b>Unrestricted Temporary Cash Investments</b>	\$ 1,520,029	\$ 7,746,178	\$ 9,266,207	\$ 6,116,047
<b>Restricted Temporary Cash Investments</b>	68,951	438,231	507,182	2,312,523
<b>Total</b>	\$ 1,588,980	\$ 8,184,409	\$ 9,773,389	\$ 8,428,570

**Village of Alsip, Illinois**  
**Senior Citizen Complex Fund**  
**Combining Schedule of Operating Expenses**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year April 30, 2019)**

	Heritage I	Heritage II	Total	
			2020	2019
Salaries	\$ 311,241	\$ 340,320	\$ 651,561	\$ 627,273
Repairs and maintenance	286,428	743,584	1,030,012	763,820
Management fee	94,200	196,996	291,196	283,453
Administrative fee	60,000	100,000	160,000	160,000
Decorating	17,610	56,008	73,618	90,343
Office supplies	-	295	295	8,388
Telephone	11,290	10,213	21,503	22,791
Utilities	136,303	213,405	349,708	376,939
Insurance	31,915	71,558	103,473	104,878
Scavenger	39,204	46,623	85,827	75,884
Pest control	13,395	14,910	28,305	29,250
Contingent expense	12,009	4,459	16,468	15,353
Payroll taxes	24,780	20,741	45,521	43,675
Uniforms	-	2,711	2,711	1,248
Union health/pension	76,335	86,776	163,111	148,056
<b>Total operating expenses</b>	<b>\$ 1,114,710</b>	<b>\$ 1,908,599</b>	<b>\$ 3,023,309</b>	<b>\$ 2,751,351</b>

**Fiduciary Fund Type  
Pension Trust Funds**

**Village of Alsip, Illinois**  
**Pension Trust Funds**  
**Combining Statement of Fiduciary Net Position**  
**April 30, 2020**  
**(With Comparative Totals as of April 30, 2019)**

	Police Pension	Firefighter's Pension	Total	
			2020	2019
<b>Assets</b>				
Cash and cash equivalents	\$ 4,264,683	435,922	\$ 4,700,605	\$ 3,954,712
Receivables				
Contributions	-	16,508	16,508	17,446
Accrued interest	33,414	46,607	80,021	111,755
Investments, at fair value				
U.S. Government securities	3,322,270	4,694,388	8,016,658	12,285,306
Corporate bonds	1,717,305	4,635,274	6,352,579	7,453,071
Municipal bonds	554,854	-	554,854	-
Mutual funds - equities	11,799,177	18,893,109	30,692,286	28,356,295
Mutual funds - fixed income	-	541,697	541,697	-
Certificate of deposit	2,066,932	-	2,066,932	-
Total assets	23,758,635	29,263,505	53,022,140	52,178,585
<b>Liabilities</b>				
Accrued liabilities	-	-	-	13,282
<b>Net Position</b>				
Net position restricted for pensions	\$ 23,758,635	\$ 29,263,505	\$ 53,022,140	\$ 52,165,303

**Village of Alsip, Illinois**  
**Pension Trust Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Year Ended April 30, 2020**  
**(With Comparative Totals for Year Ended April 30, 2019)**

	Police Pension	Firefighter's Pension	Total	
			2020	2019
<b>Additions</b>				
Contributions				
Employer	\$ 3,296,996	\$ 2,222,713	\$ 5,519,709	\$ 6,290,864
Employee	424,369	393,870	818,239	663,819
Total contributions	<u>3,721,365</u>	<u>2,616,583</u>	<u>6,337,948</u>	<u>6,954,683</u>
Investment income (loss)				
Net appreciation (depreciation) in fair value of investments	(406,604)	87,159	(319,445)	1,844,195
Dividends	234,751	251,296	486,047	378,245
Interest	244,261	284,425	528,686	572,431
Miscellaneous income	-	290	290	87
	<u>72,408</u>	<u>623,170</u>	<u>695,578</u>	<u>2,794,958</u>
Less investment expense	<u>134,648</u>	<u>119,623</u>	<u>254,271</u>	<u>240,178</u>
Net investment income (loss)	<u>(62,240)</u>	<u>503,547</u>	<u>441,307</u>	<u>2,554,780</u>
Total additions	<u>3,659,125</u>	<u>3,120,130</u>	<u>6,779,255</u>	<u>9,509,463</u>
<b>Deductions</b>				
Retirement benefits	2,962,409	1,588,201	4,550,610	4,101,016
Duty disability benefits	165,799	624,066	789,865	813,217
Surviving spouse benefits	262,946	285,236	548,182	501,556
Miscellaneous	6,031	27,730	33,761	51,403
Total deductions	<u>3,397,185</u>	<u>2,525,233</u>	<u>5,922,418</u>	<u>5,467,192</u>
<b>Change in Net Position</b>	261,940	594,897	856,837	4,042,271
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>23,496,695</u>	<u>28,668,608</u>	<u>52,165,303</u>	<u>48,123,032</u>
<b>Net Position, Restricted for Pensions, End of Year</b>	<u>\$ 23,758,635</u>	<u>\$ 29,263,505</u>	<u>\$ 53,022,140</u>	<u>\$ 52,165,303</u>

**Statistical Section  
(Unaudited)**



**Village of Alsip, Illinois**  
**Statistical Section**  
**April 30, 2020**

This portion of the Village of Alsip, Illinois' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall economic condition.

**Contents**

<b>Financial Trends.....</b>	<b>131</b>
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	
<b>Revenue Capacity .....</b>	<b>141</b>
These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	
<b>Debt Capacity .....</b>	<b>145</b>
These schedules contain information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt.	
<b>Demographic and Economic Information.....</b>	<b>150</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	
<b>Operating Information.....</b>	<b>153</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village's provides and the activities it performs.	

Sources:

*Unless otherwise noted, the information in these schedules is derived from the Village's Comprehensive Annual Financial Reports for the relevant year.*

**Financial Trends**

**Village of Alsip, Illinois**  
**Net Position by Component**  
**Last Ten Fiscal Years**

Fiscal Year	2020	2019***	2018*	2017
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 11,061,194	\$ 10,907,838	\$ 11,131,638	\$ 8,409,663
Restricted	6,802,825	6,546,235	7,468,192	11,456,720
Unrestricted (deficit)	<u>(79,018,169)</u>	<u>(78,530,182)</u>	<u>(80,789,319)</u>	<u>(44,800,427)</u>
Total governmental activities	<u>\$ (61,154,150)</u>	<u>\$ (61,076,109)</u>	<u>\$ (62,189,489)</u>	<u>\$ (24,934,044)</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 18,633,002	\$ 17,716,403	\$ 15,335,413	\$ 20,722,393
Unrestricted	<u>16,216,381</u>	<u>13,768,963</u>	<u>11,127,889</u>	<u>5,377,618</u>
Total business-type activities	<u>\$ 34,849,383</u>	<u>\$ 31,485,366</u>	<u>\$ 26,463,302</u>	<u>\$ 26,100,011</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 29,694,196	\$ 28,624,241	\$ 26,467,051	\$ 29,132,056
Restricted	6,802,825	6,546,235	7,468,192	11,456,720
Unrestricted (deficit)	<u>(62,801,788)</u>	<u>(64,761,219)</u>	<u>(69,661,430)</u>	<u>(39,422,809)</u>
Total primary government	<u>\$ (26,304,767)</u>	<u>\$ (29,590,743)</u>	<u>\$ (35,726,187)</u>	<u>\$ 1,165,967</u>

\*The Village implemented GASB Statement No. 75 in 2018.

\*\*The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

\*\*\*As restated.

Data Source

Audited Financial Statements

(Cont.)

<b>2016**</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
\$ 7,714,910	\$ 6,810,341	\$ 7,374,989	\$ 6,609,013	\$ 5,084,808	\$ 3,822,442
11,837,367	11,636,558	10,348,270	9,189,899	9,785,086	8,085,839
(43,470,953)	5,097,812	5,393,770	5,026,313	3,227,770	3,126,860
<u>\$ (23,918,676)</u>	<u>\$ 23,544,711</u>	<u>\$ 23,117,029</u>	<u>\$ 20,825,225</u>	<u>\$ 18,097,664</u>	<u>\$ 15,035,141</u>
\$ 22,277,214	\$ 18,867,242	\$ 19,257,458	\$ 23,108,772	\$ 19,897,961	\$ 18,752,553
2,706,110	4,865,926	5,834,550	3,281,194	6,756,614	7,395,602
<u>\$ 24,983,324</u>	<u>\$ 23,733,168</u>	<u>\$ 25,092,008</u>	<u>\$ 26,389,966</u>	<u>\$ 26,654,575</u>	<u>\$ 26,148,155</u>
\$ 29,992,124	\$ 25,677,583	\$ 26,632,447	\$ 29,717,785	\$ 24,982,769	\$ 22,574,995
11,837,367	11,636,558	10,348,270	9,189,899	9,785,086	8,085,839
(40,764,843)	9,963,738	11,228,320	8,307,507	9,984,384	10,522,462
<u>\$ 1,064,648</u>	<u>\$ 47,277,879</u>	<u>\$ 48,209,037</u>	<u>\$ 47,215,191</u>	<u>\$ 44,752,239</u>	<u>\$ 41,183,296</u>

(Cont.)

# Village of Alsip, Illinois

## Changes in Net Position

### Last Ten Fiscal Years

Fiscal Year	2020	2019**	2018	2017
<b>Expenses</b>				
Governmental activities				
General government	\$ 3,023,523	\$ 3,032,325	\$ 4,900,132	\$ 3,605,492
Public safety	23,802,774	22,951,280	21,810,737	19,860,868
Highways and streets	3,011,792	2,500,713	2,775,496	3,326,466
Building	530,744	503,373	511,977	313,605
Health and environmental control	1,344,743	1,106,690	1,194,552	1,259,593
Economic development	234,366	-	-	-
Other	129,520	93,283	191,744	42,731
Interest	74,035	97,877	178,467	456,663
Total governmental activities expenses	<u>32,151,497</u>	<u>30,285,541</u>	<u>31,563,105</u>	<u>28,865,418</u>
Business-type activities				
Water	10,255,708	10,531,098	10,864,515	11,447,443
Sewer	602,333	519,977	617,672	473,625
Senior citizen complexes	3,763,572	3,627,567	3,680,207	4,274,631
Total business-type activities	<u>14,621,613</u>	<u>14,678,642</u>	<u>15,162,394</u>	<u>16,195,699</u>
Total primary government expenses	<u>\$ 46,773,110</u>	<u>\$ 44,964,183</u>	<u>\$ 46,725,499</u>	<u>\$ 45,061,117</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 1,547,215	\$ 1,479,346	\$ 1,055,265	\$ 1,150,131
Public safety	1,831,608	2,805,254	2,297,757	2,053,990
Highways and streets	646,205	569,155	539,350	567,984
Building	366,440	180,107	-	71,858
Health and environmental control	949,092	833,052	751,617	681,683
Operating grants and contributions	1,958,475	1,894,061	71,120	66,077
Total governmental activities program revenues	<u>7,299,035</u>	<u>7,760,975</u>	<u>4,715,109</u>	<u>4,591,723</u>
Business-type activities				
Charges for services				
Water	11,763,737	12,134,444	12,281,265	11,403,637
Sewer	773,154	660,000	769,588	701,110
Senior citizen complexes	4,910,889	4,724,217	4,697,102	4,654,694
Operating grants and contributions	-	-	-	-
Total business-type activities	<u>17,447,780</u>	<u>17,518,661</u>	<u>17,747,955</u>	<u>16,759,441</u>
Total primary government program revenues	<u>\$ 24,746,815</u>	<u>\$ 25,279,636</u>	<u>\$ 22,463,064</u>	<u>\$ 21,351,164</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (24,852,462)	\$ (22,524,566)	\$ (26,847,996)	\$ (24,273,695)
Business-type activities	2,826,167	2,840,019	2,585,561	563,742
Total primary government net expense	<u>\$ (22,026,295)</u>	<u>\$ (19,684,547)</u>	<u>\$ (24,262,435)</u>	<u>\$ (23,709,953)</u>

\*Motor Fuel Tax are reclassified to Operating Grants and Contributions

\*\*As restated.

(Cont.)

**Village of Alsip, Illinois**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	2016	2015	2014	2013	2012	2011
\$	3,643,891	\$ 3,761,780	\$ 2,527,227	\$ 2,148,786	\$ 1,615,710	\$ 1,503,353
	19,337,667	15,754,601	15,338,829	14,157,775	13,438,075	12,918,460
	3,278,020	3,315,801	2,423,364	2,760,221	2,839,980	2,867,558
	405,229	480,781	40,083	242,235	335,178	303,921
	1,289,995	1,310,930	1,249,782	1,183,432	1,138,503	1,137,798
	-	-	-	-	-	-
	159,917	350,049	19,539	77,607	162,202	17,918
	325,151	355,624	521,657	429,452	517,994	677,932
	<u>28,439,870</u>	<u>25,329,566</u>	<u>22,120,481</u>	<u>20,999,508</u>	<u>20,047,642</u>	<u>19,426,940</u>
	10,869,261	12,007,569	11,899,218	10,021,742	8,075,930	8,334,540
	189,374	266,208	183,390	207,981	200,400	255,367
	3,797,397	3,891,112	4,158,507	3,353,314	3,377,985	3,595,449
	<u>14,856,032</u>	<u>16,164,889</u>	<u>16,241,115</u>	<u>13,583,037</u>	<u>11,654,315</u>	<u>12,185,356</u>
\$	<u>43,295,902</u>	<u>\$ 41,494,455</u>	<u>\$ 38,361,596</u>	<u>\$ 34,582,545</u>	<u>\$ 31,701,957</u>	<u>\$ 31,612,296</u>
\$	1,310,130	\$ 964,988	\$ 951,796	\$ 917,990	\$ 867,180	\$ 837,596
	1,937,697	1,603,393	1,764,951	1,610,874	1,423,373	1,737,572
	496,279	571,946	609,766	573,971	581,181	593,152
	106,148	86,399	73,647	73,506	70,945	58,261
	642,572	605,542	591,726	562,738	547,336	522,530
	87,577	76,564	62,103	127,816	38,873	71,395
	<u>4,580,403</u>	<u>3,908,832</u>	<u>4,053,989</u>	<u>3,866,895</u>	<u>3,528,888</u>	<u>3,820,506</u>
	10,629,891	9,904,413	10,348,108	9,496,481	8,050,846	7,890,434
	703,753	682,661	757,270	758,780	769,497	759,519
	4,520,321	4,352,807	4,027,660	3,897,719	3,883,257	3,939,219
	-	-	-	-	-	-
	<u>15,853,965</u>	<u>14,939,881</u>	<u>15,133,038</u>	<u>14,152,980</u>	<u>12,703,600</u>	<u>12,589,172</u>
\$	<u>20,434,368</u>	<u>\$ 18,848,713</u>	<u>\$ 19,187,027</u>	<u>\$ 18,019,875</u>	<u>\$ 16,232,488</u>	<u>\$ 16,409,678</u>
\$	(23,859,467)	\$ (21,420,734)	\$ (18,066,492)	\$ (17,132,613)	\$ (16,518,754)	\$ (15,606,434)
	997,933	(1,225,008)	(1,108,077)	569,943	1,049,285	403,816
\$	<u>(22,861,534)</u>	<u>\$ (22,645,742)</u>	<u>\$ (19,174,569)</u>	<u>\$ (16,562,670)</u>	<u>\$ (15,469,469)</u>	<u>\$ (15,202,618)</u>

(Cont.)

**Village of Alsip, Illinois**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

Fiscal Year	2020	2019**	2018	2017
<b>General Revenues</b>				
Governmental activities				
Property taxes	\$ 13,351,583	\$ 12,655,355	\$ 12,961,593	\$ 10,788,933
Sales tax	7,307,907	6,590,111	6,421,934	6,263,159
State income taxes	1,896,567	2,590,248	2,266,790	2,302,666
Fuel use taxes	-	-	1,451,468	1,628,465
Motor fuel taxes	-	-	492,201	488,604
Replacement taxes	392,599	367,795	333,854	397,023
Real estate transfer taxes	311,947	425,711	590,656	602,027
Other taxes	1,176,072	909,486	832,100	873,938
Unrestricted interest/investment earnings	266,783	274,796	171,633	53,555
Other	112,969	258,594	481,508	386,382
Transfers in/out	(42,006)	(434,150)	756,770	(526,425)
	<u>24,774,421</u>	<u>23,637,946</u>	<u>26,760,507</u>	<u>23,258,327</u>
Business-type activities				
Unrestricted interest/investment earnings	38,247	47,783	92,217	519
Other	457,597	1,700,112	5,680	26,001
Transfers in/out	42,006	434,150	(756,770)	526,425
	<u>537,850</u>	<u>2,182,045</u>	<u>(658,873)</u>	<u>552,945</u>
Total primary government	<u>\$ 25,312,271</u>	<u>\$ 25,819,991</u>	<u>\$ 26,101,634</u>	<u>\$ 23,811,272</u>
<b>Change in Net Position (Formerly Net Assets)</b>				
Governmental activities	\$ (78,041)	\$ 1,113,380	\$ (87,489)	\$ (1,015,368)
Business-type activities	3,364,017	5,022,064	1,926,688	1,116,687
Total change in net position	<u>\$ 3,285,976</u>	<u>\$ 6,135,444</u>	<u>\$ 1,839,199</u>	<u>\$ 101,319</u>

\*Motor Fuel Tax are reclassified to Operating Grants and Contributions.

\*\*As restated.

Data Source

Audited Financial Statements

(Cont.)

**Village of Alsip, Illinois**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
\$	10,255,977	\$ 9,871,284	\$ 9,318,749	\$ 8,872,061	\$ 9,075,729	\$ 8,443,290
	5,846,687	5,701,348	5,666,029	5,572,201	5,358,896	5,118,425
	2,400,553	2,369,241	2,223,042	2,287,977	1,927,104	1,821,844
	1,138,049	993,487	786,265	663,633	638,342	669,964
	493,084	472,424	475,907	459,034	477,655	584,666
	378,327	383,040	374,201	349,094	330,457	384,772
	329,903	288,946	169,163	193,655	88,243	106,477
	889,572	846,251	771,228	702,285	752,762	690,090
	20,633	14,590	3,768	13,452	31,348	57,360
	350,492	763,805	337,944	348,639	305,334	338,046
	(686,082)	144,000	232,000	398,143	595,407	657,175
	<u>21,417,195</u>	<u>21,848,416</u>	<u>20,358,296</u>	<u>19,860,174</u>	<u>19,581,277</u>	<u>18,872,109</u>
	792	734	415	7,402	27,751	54,389
	11,526	9,434	41,704	10,127	24,791	14,994
	<u>686,082</u>	<u>(144,000)</u>	<u>(232,000)</u>	<u>(398,143)</u>	<u>(595,407)</u>	<u>(657,175)</u>
	<u>698,400</u>	<u>(133,832)</u>	<u>(189,881)</u>	<u>(380,614)</u>	<u>(542,865)</u>	<u>(587,792)</u>
\$	<u>22,115,595</u>	<u>21,714,584</u>	<u>20,168,415</u>	<u>19,479,560</u>	<u>19,038,412</u>	<u>18,284,317</u>
\$	(2,442,272)	\$ 427,682	\$ 2,291,804	\$ 2,727,561	\$ 3,062,523	\$ 3,265,675
	<u>1,696,333</u>	<u>(1,358,840)</u>	<u>(1,297,958)</u>	<u>189,329</u>	<u>506,420</u>	<u>(183,976)</u>
\$	<u>(745,939)</u>	<u>(931,158)</u>	<u>993,846</u>	<u>2,916,890</u>	<u>3,568,943</u>	<u>3,081,699</u>



**Village of Alsip, Illinois**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>2020</b>	<b>2019**</b>	<b>2018</b>	<b>2017</b>
<b>General Fund</b>				
Reserved (pre-GASB 54)	N/A	N/A	N/A	N/A
Unreserved (pre-GASB 54)	N/A	N/A	N/A	N/A
Nonspendable	\$ 211,682	\$ 255,459	\$ 81,337	\$ 68,358
Restricted	133,891	122,739	216,031	227,909
Committed	-	-	-	-
Assigned	12,922,249	9,077,659	5,448,983	3,328,089
Unassigned	16,176,028	13,774,230	11,348,651	11,142,732
<b>Total General Fund</b>	<b>29,443,850</b>	<b>23,230,087</b>	<b>17,095,002</b>	<b>14,767,088</b>
<b>All Other Governmental Funds</b>				
Reserved (pre-GASB 54)	N/A	N/A	N/A	N/A
Unreserved (pre-GASB 54)	N/A	N/A	N/A	N/A
Nonspendable	\$ 12,412	\$ -	\$ -	\$ -
Restricted	6,668,934	6,423,496	7,252,161	13,732,235
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>6,681,346</b>	<b>6,423,496</b>	<b>7,252,161</b>	<b>13,732,235</b>
<b>Total Governmental Funds</b>	<b>\$ 36,125,196</b>	<b>\$ 29,653,583</b>	<b>\$ 24,347,163</b>	<b>\$ 28,499,323</b>

\*The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2012.

\*\*As restated.

Data Source

Audited Financial Statements

(Cont.)

**Village of Alsip, Illinois**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
N/A	N/A	N/A	N/A	N/A	\$ 239,108
N/A	N/A	N/A	N/A	N/A	7,468,309
\$ 60,307	\$ 57,809	\$ 50,568	\$ 51,315	\$ 38,846	N/A
223,002	220,785	213,841	104,970	104,970	N/A
-	-	-	-	-	N/A
2,290,401	1,959,321	1,653,106	1,335,972	990,069	N/A
10,252,717	10,119,323	9,181,622	10,308,120	8,950,412	N/A
<u>12,826,427</u>	<u>12,357,238</u>	<u>11,099,137</u>	<u>11,800,377</u>	<u>10,084,297</u>	<u>7,707,417</u>
N/A	N/A	N/A	N/A	N/A	7,846,731
N/A	N/A	N/A	N/A	N/A	387,392
\$ 28,325	\$ 26,542	\$ 25,820	\$ 3,341	\$ 3,123	N/A
10,689,686	11,415,773	10,134,429	9,084,929	9,680,116	N/A
-	-	-	-	-	N/A
-	-	240,957	-	-	N/A
-	-	-	(1,404,228)	(1,575,643)	N/A
<u>10,718,011</u>	<u>11,442,315</u>	<u>10,401,206</u>	<u>7,684,042</u>	<u>8,107,596</u>	<u>8,234,123</u>
<u>\$ 23,544,438</u>	<u>\$ 23,799,553</u>	<u>\$ 21,500,343</u>	<u>\$ 19,484,419</u>	<u>\$ 18,191,893</u>	<u>\$ 15,941,540</u>

**Village of Alsip, Illinois**  
**Changes in Fund Balances and Percentages of Debt Service to**  
**Noncapital Expenditures of Governmental Funds**  
**Last Ten Fiscal Years**

Fiscal Year	2020	2019*	2018	2017
<b>Revenues</b>				
Taxes	\$ 26,331,993	\$ 26,634,348	\$ 22,565,439	\$ 23,287,618
Fines and forfeitures	645,216	1,102,493	878,560	758,766
Licenses and permits	1,115,289	982,892	1,125,592	1,199,142
Grants	596,286	518,623	71,120	66,077
Charges for services	907,426	833,052	751,617	681,683
Investment income	265,703	274,796	171,636	53,556
Miscellaneous	2,444,508	2,630,477	2,510,150	2,218,522
Total revenues	<u>32,306,421</u>	<u>32,976,681</u>	<u>28,074,114</u>	<u>28,265,364</u>
<b>Expenditures</b>				
Current				
General government	1,917,243	2,018,950	2,710,347	2,072,866
Public safety	15,643,511	16,843,713	14,046,171	13,775,525
Highways and streets	2,661,956	2,283,923	2,259,359	2,744,585
Building	262,378	259,252	191,606	229,336
Health and environmental control	1,138,484	1,195,205	1,157,584	1,225,422
Insurance	3,159,224	3,160,460	4,207,348	3,992,123
Drainage and storm sewers	11,744	12,504	120,237	15,481
Forestry maintenance	88,266	125,779	71,507	27,250
Economic development	234,366	-	-	-
Miscellaneous	29,078	649,407	2,495,637	696,956
Debt service				
Principal retirement	521,487	600,764	2,050,288	1,057,080
Bond issuance costs	-	-	-	-
Interest and fiscal charges	143,138	112,191	-	372,916
Capital outlay	-	-	-	84,066
Total expenditures	<u>25,810,875</u>	<u>27,262,148</u>	<u>29,310,084</u>	<u>26,293,606</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	<u>6,495,546</u>	<u>5,714,533</u>	<u>(1,235,970)</u>	<u>1,971,758</u>
<b>Other Financing Sources (Uses)</b>				
Loan proceeds	-	-	-	4,165,000
General obligation bonds issued	-	-	-	-
Bond premium	-	-	-	174,737
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	(3,482,598)	(840,000)
Transfers in	255,413	534,648	2,074,520	866,793
Transfers out	(297,419)	(968,798)	(1,317,750)	(1,393,218)
Sale of Village property	18,073	26,037	10,550	9,815
Total other financing sources (uses)	<u>(23,933)</u>	<u>(408,113)</u>	<u>(2,715,278)</u>	<u>2,983,127</u>
<b>Net Change in Fund Balance</b>	<u>\$ 6,471,613</u>	<u>\$ 5,306,420</u>	<u>\$ (3,951,248)</u>	<u>\$ 4,954,885</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<u>2.64%</u>	<u>2.63%</u>	<u>6.82%</u>	<u>5.64%</u>

\*As restated.

Prior to GASB 65, bond issuance costs were amortized rather than expensed.

Data Source

Audited Financial Statements

(Cont.)

**Village of Alsip, Illinois**  
**Changes in Fund Balances and Percentages of Debt Service to**  
**Noncapital Expenditures of Governmental Funds**  
**Last Ten Fiscal Years**

2016	2015	2014	2013	2012	2011
\$ 21,804,140	\$ 20,763,489	\$ 19,686,561	\$ 18,846,721	\$ 18,800,400	\$ 17,948,966
686,771	418,127	473,739	431,330	362,579	495,422
1,228,596	1,153,994	1,242,732	1,249,548	1,129,811	1,250,991
87,577	76,564	62,103	127,816	38,873	71,395
642,572	605,642	591,726	562,738	547,336	522,530
20,633	14,589	3,768	13,452	31,347	57,360
2,283,377	2,645,064	2,030,741	1,868,472	1,772,558	4,083,418
<u>26,753,666</u>	<u>25,677,469</u>	<u>24,091,370</u>	<u>23,100,077</u>	<u>22,682,904</u>	<u>24,430,082</u>
2,339,242	1,595,194	1,556,367	1,321,430	1,052,539	892,035
13,326,133	12,817,434	11,963,500	11,265,350	11,081,629	10,405,279
2,635,995	3,915,189	1,803,822	1,709,994	1,660,837	1,427,191
238,930	229,750	218,364	217,836	209,680	194,457
1,260,930	1,257,568	1,228,697	1,164,184	1,120,624	1,121,186
3,780,468	3,063,910	3,066,959	2,937,049	2,663,223	4,894,774
22,031	33,652	2,221	2,665	6,276	3,556
137,886	316,397	76,139	22,315	32,971	14,362
-	-	-	-	-	-
648,521	1,131,132	361,574	238,533	64,048	545,362
1,739,041	1,305,017	1,500,863	1,943,207	1,981,493	2,005,689
-	18,790	-	-	-	-
304,665	304,354	353,649	405,595	467,712	705,380
83,911	146,728	245,073	997,189	1,025,418	1,738,797
<u>26,517,753</u>	<u>26,135,115</u>	<u>22,377,228</u>	<u>22,225,347</u>	<u>21,366,450</u>	<u>23,948,068</u>
235,913	(457,646)	1,714,142	874,730	1,316,454	482,014
187,924	2,513,705	58,822	-	306,656	-
-	-	-	-	-	-
-	84,291	-	-	-	-
-	-	-	-	-	3,666,078
-	-	-	-	-	(3,482,531)
400,000	595,400	2,819,505	1,261,890	4,545,035	3,282,227
(1,086,082)	(451,400)	(2,587,505)	(863,747)	(3,949,628)	(2,625,052)
7,130	14,860	10,960	19,653	31,836	-
<u>(491,028)</u>	<u>2,756,856</u>	<u>301,782</u>	<u>417,796</u>	<u>933,899</u>	<u>840,722</u>
<u>\$ (255,115)</u>	<u>\$ 2,299,210</u>	<u>\$ 2,015,924</u>	<u>\$ 1,292,526</u>	<u>\$ 2,250,353</u>	<u>\$ 1,322,736</u>
<u>7.58%</u>	<u>6.21%</u>	<u>8.16%</u>	<u>10.58%</u>	<u>10.57%</u>	<u>11.19%</u>

## **Revenue Capacity**

**Village of Alsip, Illinois**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Tax Levy Year</b>	<b>Residential Property</b>	<b>Farm Valuation</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Railroad Valuation</b>	<b>Total Taxable Equalized Assessed Value</b>	<b>Total Direct Tax Rate <sup>(1)</sup></b>	<b>Estimated Actual Taxable Value</b>	<b>Ratio of Total Assessed Value to Total Estimated Actual Value to</b>
2019	\$ 216,427,558	\$ 5,803	\$ 117,215,122	\$ 235,063,605	\$ 724,556	\$ 569,436,644	2.3668	\$ 1,708,309,932	33.33%
2018	222,488,290	5,797	111,913,989	228,475,378	745,886	563,629,340	2.3479	1,690,888,020	33.33%
2017	232,869,609	5,866	113,301,299	234,052,018	627,963	580,856,755	2.2221	1,742,570,265	33.33%
2016	189,073,871	5,002	97,500,051	206,070,068	582,389	493,231,381	2.0105	1,479,694,143	33.33%
2015	182,379,631	4,852	91,773,307	195,750,079	593,292	470,501,161	2.0097	1,411,503,483	33.33%
2014	188,032,931	4,915	96,490,972	206,717,346	536,562	491,782,726	1.8282	1,475,348,178	33.33%
2013	194,134,661	5,130	93,158,534	223,122,716	528,636	510,949,677	1.7090	1,532,849,031	33.33%
2012	208,598,310	5,130	99,063,666	240,491,245	567,632	548,725,983	1.5157	1,646,177,949	33.33%
2011	228,931,604	5,130	106,227,344	263,068,560	592,229	598,824,867	1.3279	1,796,474,601	33.33%
2010	282,126,493	5,130	127,115,067	312,466,448	450,612	722,163,750	1.1011	2,166,491,250	33.33%

<sup>(1)</sup> Total Direct Tax Rate reflects the Village's only rate.

*Notes:*

Property in the County is reassessed every three years. In general, property is assessed at 33% of actual value, but some other temporary tax incentives exist. EAV shown are less exemptions.

Data Source

Office of the County Clerk  
Tax Extension Division

# Village of Alsip, Illinois

## Property Tax Rates – Direct and Overlapping Governments

### Last Ten Fiscal Years

Tax Levy Year	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>DIRECT</b>										
Village of Alsip <sup>(1)</sup>										
Operating	1.316	1.280	1.160	0.958	0.943	0.872	0.822	0.755	0.681	0.496
Public Safety Pensions	1.051	1.024	1.020	0.908	0.890	0.787	0.710	0.597	0.508	0.413
Debt Service	-	0.044	0.042	0.145	0.177	0.169	0.177	0.164	0.138	0.192
Total Village Direct Rate	2.367	2.348	2.222	2.011	2.010	1.828	1.709	1.516	1.328	1.101
<b>OVERLAPPING</b>										
School Districts										
<sup>(2)</sup> see below	8.948	8.500	8.497	9.536	9.990	9.462	8.919	8.158	7.158	5.867
<sup>(3)</sup> see below	9.159	8.745	8.703	9.952	10.171	9.753	8.975	8.264	7.310	6.018
<sup>(4)</sup> see below	9.804	9.332	9.485	10.561	10.877	10.387	9.665	8.805	7.840	6.422
<sup>(5)</sup> see below	7.249	6.791	6.887	7.716	7.950	7.588	7.151	6.543	5.808	4.705
Cook County	0.454	0.489	0.496	0.533	0.552	0.568	0.560	0.531	0.462	0.423
Cook County Forest Preserve	0.059	0.060	0.062	0.063	0.069	0.069	0.069	0.063	0.058	0.051
Worth Township	0.069	0.070	0.067	0.078	0.078	0.076	0.073	0.068	0.060	0.050
Alsip Park District <sup>(6)</sup>	0.552	0.547	0.518	0.591	0.615	0.585	0.552	0.495	0.453	0.377
Alsip-Merrionette Park Public										
Library District <sup>(7)</sup>	0.471	0.477	0.458	0.539	0.563	0.531	0.499	0.455	0.404	0.330
MWRD	0.389	0.396	0.402	0.406	0.426	0.430	0.417	0.370	0.320	0.274
Total Other Levies <sup>(8)</sup>										
<sup>(2)</sup> see below	-	0.068	0.097	0.073	0.110	0.074	0.100	0.064	0.082	0.048
Total Direct and Overlapping										
<sup>(2)</sup> see below	13.309	12.955	12.819	13.830	14.413	13.623	12.898	11.720	10.325	8.521
<sup>(3)</sup> see below	13.520	13.200	13.050	14.246	14.594	13.914	12.954	11.826	10.477	8.672
<sup>(4)</sup> see below	14.165	13.787	13.807	14.855	15.300	14.548	13.644	12.367	11.007	9.076
<sup>(5)</sup> see below	11.610	11.246	11.209	12.010	12.373	11.749	11.130	10.105	8.975	7.359

<sup>(1)</sup> Operating consists of Corporate and Street & Bridge levies. Public Safety Pensions consists of police and fire pensions.

<sup>(2)</sup> Community College District #524, Community High School District 218, School District 126

<sup>(3)</sup> Community College District #524, Community High School District 218, School District 125

<sup>(4)</sup> Community College District #524, Community High School District 218, School District 130

<sup>(5)</sup> Community College District #524, Community High School District 218, School District 128

<sup>(6)</sup> A small portion of the Village is represented by the Blue Island Park District or the Worth Park District instead of the Alsip Park District.

<sup>(7)</sup> A small portion of the Village is represented by the William Leonard Public Library District or no library district instead of the Alsip-Merrionette Park Public Library District.

<sup>(8)</sup> Includes the levies for South Cook County Mosquito Abatement District, General Assistance, Road and Bridge and for the 2006 levy, the TB Sanitarium District. Does not include the small portion of the Village covered by the Garden Homes Sanitary District.

Data Source

Office of the County Clerk

**Village of Alsip, Illinois**  
**Principal Property Taxpayers**  
**Current Fiscal Year and Nine Years Ago**

Taxpayer	2019			2010		
	Taxable Equalized Assessed Value	Rank	Percentage of Total Village Equalized Assessed Value	Taxable Equalized Assessed Value	Rank	Percentage of Total Village Equalized Assessed Value
Plymouth MWG	\$ 46,318,797	1	8.14%			
Patriot Alsip	28,264,797	2	4.97%	\$ 38,908,251	1	5.39%
WMI CP LLC	27,862,065	3	4.90%			
Cabot Industrial	22,867,721	4	4.02%	8,224,432	12	1.14%
Public Storage	20,114,661	5	3.54%	20,544,094	9	2.84%
Gregory M Layer	17,833,553	6	3.14%			
12161 S Central NZT	16,959,538	7	2.98%			
BRE Alpha Industrial	16,863,695	8	2.97%			
Griffith Foods	14,268,323	9	2.51%	20,014,068	10	2.77%
Home Depot	13,075,108	10	2.30%	22,327,298	7	3.09%
Manheim Services Corp	12,723,080	11	2.24%	35,673,845	3	4.94%
VIP Alsip/Alsip Partners	6,303,765	12	1.11%	20,002,907	11	2.77%
NAI Hiffman				35,694,536	2	4.94%
Coca Cola				32,190,929	4	4.46%
Crane & Norcross				29,898,680	5	4.14%
CBRE Investors				23,297,479	6	3.23%
Greif, Inc.				21,828,896	8	3.02%
	<u>\$ 243,455,103</u>		<u>42.81%</u>	<u>\$ 308,605,415</u>		<u>42.73%</u>

*Note:*

Every effort has been made to seek out and report the largest taxpayers. Many taxpayers own or maintain multiple parcels under various names and it is possible that some parcels and their valuations may have been omitted or that properties with similar names were incorrectly aggregated.

Data Source

Office of the County Clerk  
Tax Extension Division



**Village of Alsip, Illinois**  
**Property Tax Levies and Collections**  
**Last Ten Levy Years**

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date Through April 30, 2020	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2019	\$ 13,548,234	\$ 8,759,190	64.65%	NA	\$ 8,759,190	64.65%
2018	13,229,381	6,452,629	48.77%	NA	13,218,587	99.92%
2017	12,907,318	7,128,474	55.23%	NA	11,957,435	92.64%
2016	9,916,284	NA	NA	NA	9,829,634	99.13%
2015	9,425,226	NA	NA	NA	9,336,514	99.06%
2014	8,973,796	NA	NA	NA	8,819,731	98.28%
2013	8,715,535	NA	NA	NA	8,567,144	98.30%
2012	8,303,734	NA	NA	NA	8,079,220	97.30%
2011	7,935,015	NA	NA	NA	7,698,382	97.02%
2010	7,946,440	NA	NA	NA	7,606,051	95.72%

*Notes:*

Property is assessed at 33 1/3% of actual value by State Statute. Includes levies for general government (Corporate), debt service, police pension, fire pension and street and bridge. Excludes municipal share of township road and bridge levy, which is not under the levy authority or control of the Village. Excludes tax increment financial (TIF) receipts, which are not levied for.

Cook County Treasurer's Office does not have a report which shows levies collected within the fiscal year of the levies. Therefore, this information is not available (N/A) for tax levy years 2014 and prior, but will be on a going forward basis.

Data Source

Office of the County Clerk  
Tax Extension Office  
Cook County Treasurer

## **Debt Capacity**

## Village of Alsip, Illinois

### Outstanding Debt by Type

### Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		Total Outstanding Debt	Total Outstanding Debt as a Percentage of Personal Income <sup>(2)</sup>	Population <sup>(2)</sup>	Debt Per Capita
	General Obligation Bonds <sup>(1)</sup>	Installment Notes	Other Long-Term Liabilities	General Obligation Bonds	Installment Notes				
2020	\$ 3,216,386	\$ 591,772	\$ -	\$ 7,918,614	\$ 2,836,601	\$ 14,563,373	N/A	18,709	778
2019	3,766,775	728,355	-	9,231,302	2,999,262	16,725,694	N/A	18,880	886
2018	4,159,409	949,176	-	10,020,515	2,996,879	18,125,979	N/A	19,079	950
2017	9,468,674	1,193,631	244,408	12,853,120	2,407,648	26,167,481	5.76%	19,158	1,366
2016	6,847,209	1,482,771	244,408	12,701,487	2,543,857	23,819,732	5.24%	19,346	1,231
2015	8,316,460	1,583,294	244,408	12,191,610	2,678,379	25,014,151	5.45%	19,427	1,288
2014	8,036,624	583,544	244,408	11,555,665	3,802,592	24,222,833	5.04%	19,452	1,194
2013	8,996,541	669,470	244,408	11,912,777	2,690,581	24,513,777	5.18%	19,411	1,263
2012	10,748,789	322,365	244,408	12,260,725	-	23,576,287	4.82%	19,346	1,219
2011	12,510,689	166,301	244,410	13,652,938	-	26,574,338	5.74%	19,289	1,378

*Notes:*

<sup>(1)</sup> Presented net of original issuance discounts and premiums.

<sup>(2)</sup> Personal Income and Population are disclosed in the subsequent Demographic and Economic Statistics table.

The Village has had no redevelopment bonds, sales tax increment bonds, revenue bonds, TIF bonds, TANs, COPs, special assessment bonds, term loans or capital leases in the last ten years.

Between FY18 and FY17, the Village of Alsip noted a decrease of \$8 million of Total Outstanding Debt, as a result of repayment of bonds refunded based on 2017 issuance within FY18 instead of FY17.

Data Source

Audited Financial Statements  
U.S. Census

**Village of Alsip, Illinois**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds <sup>(2)</sup>	Less Amounts Available in Debt Service Fund <sup>(2)</sup>	Total	Percentage of Estimated Actual Taxable Value of Property <sup>(3)</sup>	Per Capital <sup>(4)</sup>
2020	\$ 11,135,000	\$ 347,836	\$ 10,787,164	0.63%	N/A
2019	12,998,077	400,971	12,597,106	0.74%	N/A
2018	14,179,924	1,150,495	13,029,429	0.75%	N/A
2017	21,360,000	5,692,061	15,667,939	1.06%	818
2016	16,150,000	3,198,770	12,951,230	0.92%	669
2015	19,830,000	4,490,883	15,339,117	1.04%	790
2014	19,494,994	3,048,915	16,446,079	1.07%	845
2013	21,206,019	3,141,831	18,064,188	1.10%	931
2012	23,367,427	4,691,565	18,675,862	1.04%	965
2011	26,632,798	7,179,964	19,452,834	0.90%	1,008

<sup>(1)</sup> This is the general bonded debt of both governmental and business-type activities.

<sup>(2)</sup> This is the amount restricted for debt service principal payments.

<sup>(3)</sup> See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property for property value data.

<sup>(4)</sup> Population data can be found in the Schedule of Demographic and Economic Statistics.

*Note:*

Details of the Village's outstanding debt can be found in Notes to the Basic Financial Statements.

Data Source

Audited Financial Statements  
Office of the County Clerk  
Tax Extension Division

**Village of Alsip, Illinois**  
**Direct and Overlapping Government Activities Debt**  
**April 30, 2020**

Governmental Unit	Debt Outstanding	2019 Tax Year EAV of Taxing Body	Percentage of Village's EAV Within Taxing Body's EAV (1)	Estimated Percentage Applicable (1)	Amount Applicable to Primary Government
Direct debt					
Village of Alsip	\$ 14,563,373	\$ 569,436,644	100.00%	100.00%	\$ 14,563,373
Overlapping debt					
Alsip Park District	1,010,000	577,934,505	98.17%	96.72%	976,921
Worth Park District	-	173,955,788	1.83%	6.00%	-
Alsip-Merrionette Park Public Library District <sup>(2)</sup>	565,000	621,671,143	99.54%	91.18%	515,171
William Leonard Public Library District <sup>(2)</sup>	-	43,298,918	0.35%	4.59%	-
Community High School District 218	51,045,360	2,324,837,483	100.00%	24.49%	12,502,852
Cook County	3,085,186,750	166,917,611,547	100.00%	0.34%	10,525,063
Cook County Forest Preserve	151,170,000	166,917,611,547	100.00%	0.34%	515,714
Garden Homes Sanitary District	-	13,637,986	0.45%	18.78%	-
Metropolitan Water Reclamation District of Greater Chicago (MWRD)	2,560,241,000	164,054,703,895	100.00%	0.35%	8,886,640
Moraine Valley Community College District 524	110,380,000	10,144,602,038	100.00%	5.61%	6,195,848
School District 125	3,045,000	120,433,453	6.56%	31.01%	944,371
School District 126	1,375,000	499,175,689	66.88%	76.29%	1,048,963
School District 128	1,735,000	306,761,690	5.17%	9.60%	166,495
School District 130	37,255,000	536,884,054	21.40%	22.69%	8,454,320
South Cook County Mosquito Abatement District	-	18,139,637,384	100.00%	3.14%	-
Worth Township	-	3,254,522,187	100.00%	17.50%	-
Total overlapping debt	<u>6,003,008,110</u>	<u>534,647,279,307</u>	<u>100.00%</u>	<u>100.00%</u>	<u>50,732,358</u>
Total direct and overlapping debt	<u>\$ 6,017,571,483</u>	<u>\$ 535,216,715,951</u>			<u>\$ 65,295,731</u>

<sup>(1)</sup> The Estimated Percentage Applicable is determined by the ratio of equalized assessed valuation (EAV) subject to taxation in the Village to the EAV of property subject to taxation in the overlapping unit. The ratio of EAV subject to taxation in the Village is the product of the Village's EAV and the percentage of the Village's EAV within the overlapping unit's EAV.

<sup>(2)</sup> Adding library districts do not equal all of the Village's EAV, as part of the Village is not covered by a library district.

*Notes:*

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Village. This schedule estimates the outstanding debt of those overlapping governments that is bound by the property taxpayers of the Village of Alsip. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Data Source

Cook County Clerk's Office  
Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) System  
Bloomberg Financial

## **Village of Alsip, Illinois**

### **Legal Debt Margin Information**

### **Last Ten Fiscal Year**

The Village passed a home rule referendum on November 6, 1990. Under the provisions of the Illinois Constitution passed in 1970, there is no limit for home rule municipalities, except as set the General Assembly.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentage of the assessed value of its taxable property [...] (3) if its population is 25,000 or less, an aggregate of one-half percent. Indebtedness which is outstanding on the effective date of this constitution (July 1, 1971) or which is thereafter approved by referendum or assumed from another unit of local government shall not be included in the foregoing percentage amounts.”

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of legal debt margin. To date the General Assembly has set no debt limits for home rule municipalities.

**Village of Alsip, Illinois**  
**Pledged Revenue Coverage**  
**April 30, 2020**

The Village of Alsip has no revenue bonds and has not had any within the last 10 years.

## **Demographic and Economic Information**



**Village of Alsip, Illinois**  
**Most Recent Educational Demographics**  
**and Five Years Prior**

<b>Calendar Year</b>	<b>Population <sup>(1)</sup></b>	<b>Median Age <sup>(1)</sup></b>	<b>Per Capita Income <sup>(1)</sup></b>	<b>Personal Income</b>	<b>Total School Enrollment <sup>(1)</sup></b>	<b>Unemployment Rate <sup>(2)</sup></b>
2019	18,709	N/A	N/A	N/A	N/A	4.0%
2018	18,880	36.1	27,413	517,557,440	5,245	4.3%
2017	19,079	35.9	25,132	479,493,428	5,072	6.0%
2016	19,158	33.4	23,696	453,967,968	5,212	6.8%
2015	19,346	33.8	23,486	454,360,156	5,253	6.9%
2014	19,427	34.0	23,643	459,312,561	5,297	8.3%
2013	19,452	35.9	23,671	460,448,292	5,176	10.3%
2012	19,411	34.5	24,393	473,492,523	4,988	10.7%
2011	19,346	36.4	25,286	489,182,956	4,934	12.0%
2010	19,289	35.4	24,008	463,090,312	5,299	12.7%

*Sources/Notes*

<sup>(1)</sup> U.S. Census Bureau. The population estimates are as of July 1.

Note: The official 2010 census number is 19,277. See subsequent tables for more detailed educational information from U.S. Census

<sup>(2)</sup> IL Dept. of Employment Security does not officially estimate and publish rates for communities under 25,000 population. What is shown is IDES' unofficial, unpublished estimates, which come out in early April for the prior calendar year.

## Village of Alsip, Illinois

### Most Recent Educational Demographics and Five Years Prior

Calendar Year	2018			2013		
	Total	Male	Female	Total	Male	Female
<u>Population 18 to 24 Years</u>	1,761	980	781	2,143	937	1,206
Less than high school graduate	7.5%	11.3%	2.7%	8.1%	12.7%	4.5%
High school graduate (includes equivalency)	17.9%	24.9%	9.1%	26.3%	29.3%	24.0%
Some college or associate's degree	64.1%	55.9%	74.3%	53.2%	47.2%	58.0%
Bachelor's degree or higher	10.6%	7.9%	14.0%	12.4%	10.8%	13.6%
<u>Population 25 Years and Older</u>	12,862	6,176	6,686	12,604	6,033	6,571
Less than 9th grade	4.0%	3.8%	4.1%	4.3%	5.0%	3.7%
9th to 12th grade, no diploma	7.3%	7.4%	7.1%	8.7%	9.1%	8.3%
High school graduate (includes equivalency)	32.6%	31.8%	33.3%	33.1%	31.5%	34.6%
Some college, no degree	29.9%	32.5%	27.5%	28.9%	30.3%	27.7%
Associate's degree	6.2%	5.9%	6.5%	9.0%	8.4%	9.6%
Bachelor's degree	13.9%	15.0%	12.9%	11.9%	12.7%	11.2%
Graduate or professional degree	6.1%	3.6%	8.5%	4.0%	3.0%	4.9%
Percent high school graduate or higher	88.8%	88.8%	88.7%	86.9%	85.9%	87.9%
Percent bachelor's degree or higher	20.0%	18.5%	21.4%	15.9%	15.7%	16.1%
<u>Population 25 to 34 to 24 Years</u>	2,889	1,456	1,433	2,666	1,503	1,163
High school graduate or higher	93.8%	93.3%	94.3%	92.2%	92.8%	91.5%
Bachelor's degree or higher	27.5%	27.0%	28.1%	28.3%	20.0%	39.1%
<u>Population 35 to 44 to 24 Years</u>	2,481	1,181	1,300	2,631	1,318	1,313
High school graduate or higher	94.0%	92.4%	95.4%	89.3%	86.9%	91.7%
Bachelor's degree or higher	26.6%	23.5%	29.5%	18.7%	23.1%	14.3%
<u>Population 45 to 64 to 24 Years</u>	4,612	2,136	2,476	4,704	2,105	2,599
High school graduate or higher	88.7%	91.0%	86.8%	89.1%	86.0%	91.6%
Bachelor's degree or higher	16.2%	13.2%	18.8%	11.5%	12.8%	10.4%
<u>Population 65 and Older</u>	2,880	1,403	1,477	2,603	1,107	1,496
High school graduate or higher	79.4%	77.9%	80.8%	75.3%	75.0%	75.5%
Bachelor's degree or higher	13.0%	13.8%	12.2%	8.5%	6.7%	9.8%
<u>Poverty Rate</u>						
Less than high school graduate	16.6%	12.5%	20.5%	14.2%	12.5%	15.9%
High school graduate (includes equivalency)	9.2%	5.7%	12.2%	9.1%	7.2%	10.7%
Some college or associate's degree	9.4%	7.0%	11.9%	11.1%	15.2%	7.1%
Bachelor's degree or higher	5.9%	9.9%	2.8%	4.6%	3.2%	5.9%
<u>Median Earnings</u>						
<u>Population 25 Years and Over With Earnings</u>	41,446	46,432	37,300	35,371	42,486	30,586
Less than high school graduate	30,685	37,361	18,672	22,476	27,125	18,125
High school graduate (includes equivalency)	34,685	45,078	30,586	31,680	39,639	27,931
Some college or associate's degree	42,182	45,326	37,819	32,462	45,271	29,757
Bachelor's degree or higher	49,212	51,338	47,219	52,406	55,132	52,287
Graduate or professional degree	61,633	68,825	56,528	62,134	62,353	61,979

Note:

Median earnings are in the inflation adjusted year listed above.

#### Data Source

U.S. Census Estimates

# Village of Alsip, Illinois

## Principal Village Employers

### Current Year and Nine Years Ago

Employer	Product/Business	FY20			FY11		
		Number of Employees	Rank	Percentage of Total Village Employment (1)	Number of Employees	Rank	Percentage of Total Village Employment (1)
Anixter, Inc	Electric Cable & Wire, Components & Assemblies & Distribution	800	1	8.53%	800	1	9.10%
American Heritage Protective Services	Security Guard Services	500	2	5.33%	500	2	5.69%
Griffith Foods, Inc.	Food Seasonings	400	3	4.26%	400	4	4.55%
Coca-Cola Refreshments USA, Inc.	Soft Drinks	370	4	3.94%	350	5	3.98%
Sertoma Centre, Inc.	Contract Packaging & Assembly	200	6	2.13%	200	6	2.27%
Morrison Security Corp.	Security Guard Services	200	5	2.13%			
GC America, Inc.	Dental Resins	180	7	1.92%	180	7	2.05%
Accord Carton Co.	Folding Cartons	175	8	1.87%			
Kocsis Bros. Machine & Kocsis Technologies	Machine Shop and Hydraulic Starters, Accumulators, & Cylinders	170	9	1.81%	170	9	1.93%
Donson Machine Co	Precision Machining Job Shop	160	10	1.71%			
Polmax, LLC	Transportation & Logistics	150	11	1.60%			
J & J Snack Foods	Fresh & Frozen Breads & Pastries	150	12	1.60%			
M & K Truck Centers	Trucks & Parts Sales, Service & Leasing	125	13	1.33%			
Hayes Beer Distributing Co	Beer Distribution	120	14	1.28%			
Berry Plastics Corp.	Plastic injection molded & thermoformed lids, containers, and tamper resistant packaging				500	3	5.69%
Futuremark Alsip	Recycled Content Coated Papers				171	8	1.94%
Doubletree Hotel Chicago - Alsip	Commercial Hotel				150	10	1.71%
Labriola Baking Co., LLC	Bakery Products				150	11	1.71%
		3,700		39.45%	3,571		40.61%

(1) IL Dept. of Employment Security does not officially estimate and publish rates for communities under 25,000 population. The divisor uses IDES' unofficial unpublished estimates, which start in 2010 and come out in early April for the prior calendar year.

Data Source

20XX Illinois Manufacturers Directory  
 20XX Illinois Services Directory  
 IL Dept. of Employment Security  
 Village  
 ("XX" above is the same year as the fiscal year.)

## **Operating Information**

**Village of Alsip, Illinois**  
**Full-Time Equivalent Employees by Function**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
General Government										
Administrative	1.50	1.50	1.50	1.00	2.00	-	-	-	-	-
Building										
Administrative	0.40	0.40	0.40	1.00	1.00	-	-	-	-	-
Clerical	2.00	2.00	2.00	-	-	-	-	-	-	-
Health	1.00	1.00	1.00	-	-	-	-	-	-	-
Clerk's office										
Administrative	1.00	1.00	1.00	-	-	-	-	-	-	-
Clerical	3.00	2.00	3.00	3.00	3.00	-	-	-	-	-
Finance, I/T and H/R	5.50	5.00	5.00	5.75	5.50	-	-	-	-	-
Village properties and senior housing										
Administrative	0.60	0.60	0.60	1.00	1.00	-	-	-	-	-
Clerical	0.50	0.50	0.50	0.50	0.50	-	-	-	-	-
Maintenance	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Public Safety										
Civil defense	0.20	0.20	0.20	0.20	0.20	-	-	-	-	-
Police										
Non-represented officers	4.00	4.00	4.00	4.00	4.00	-	-	-	-	-
Sgts. and patrol officers	35.00	38.00	35.00	34.00	37.00	-	-	-	-	-
Community service officers (CSOs)	2.00	2.00	1.00	1.00	1.50	-	-	-	-	-
Radio communications officers	-	-	-	8.25	8.00	-	-	-	-	-
Crossing guards	4.00	4.00	4.00	4.00	4.00	-	-	-	-	-
Clerical	3.00	3.00	3.00	3.00	3.00	-	-	-	-	-
Fire/EMA										
Non-represented offices	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Represented firefighters	36.00	37.00	33.00	33.00	33.00	-	-	-	-	-
Other non-represented	2.50	2.50	2.00	1.75	1.80	-	-	-	-	-
Public Works										
Administrative	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Clerical	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Operators, foremen and mechanics	11.50	11.50	11.00	11.50	12.00	-	-	-	-	-
Water										
Administrative	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Clerical	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Operators and foremen	5.00	5.00	5.00	5.00	5.00	-	-	-	-	-
	<u>126.70</u>	<u>129.20</u>	<u>121.20</u>	<u>125.95</u>	<u>130.50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Village of Alsip, Illinois

## Operating Indicators

### Last Ten Fiscal Years

Function/Program	2020	2019	2018	2017	2016	2015
<b>General Government</b>						
Number of building permits issued	1,092	1,168	1,152	1,110	2,915	3,063
Cost of construction of all permits	\$ 41,543,599	\$ 96,995,133	\$ 48,914,871	\$ 20,634,520	\$ 13,464,234	\$ 31,489,896
<b>Public Safety</b>						
<b>Police <sup>(1)</sup></b>						
911 calls police incidents	30,431	33,706	31,865	34,204	12,080	17,645
Number of State charges filed	510	784	1,227	1,126	523	852
Number of traffic violations	1,887	2,189	3,009	2,515	1,138	1,689
Number of parking violations	3,398	3,746	4,007	2,605	1,006	2,532
Number of school crossing guards	6	6	6	6	5	5
Number of code violations	1,153	983	1,007	669	348	664
<b>Fire</b>						
911 calls fire/emergency incidents	3,561	3,676	3,329	3,244	3,216	3,206
Number of fire emergency responses	1,093	1,255	1,149	55	63	42
Number of ambulance responses	2,468	2,421	2,180	2,091	2,123	2,015
Number of ambulance transports	1,829	1,890	1,822	1,654	1,663	1,688
Number of fires extinguished	77	72	53	55	63	42
Number of fire inspections <sup>(3)</sup>	2,066	2,475	2,635	1,603	1,603	928
Number of mutual aid calls to other areas	278	248	287	292	306	359
<b>Public Works and Water</b>						
<b>Forestry</b>						
Shade trees planted <sup>(2)</sup>	44	35	51	11	139	391
Shade trees removed	48	56	21	56	37	534
Shade trees trimmed	735	809	-	69	9	28
Stumps removed	46	6	49	60	76	523
<b>Wastewater</b>						
Sewer lines blocked/cleaned	10	23	27	36	110	333
Emergency calls	13	11	13	25	16	32
<b>Water</b>						
Total gallons purchased/pumped master meter (million gallons)	1,922	2,025	1,980	2,048	1,955	2,101
Total gallons sold to other municipalities (million gallons)	885	929	953	958	1,002	1,025
Total gallons sold to top 3 industrial customers (million gallons)	238	244	244	296	-	-
Average daily consumption (thousand gallons)	5,266	5,111	5,103	5,158	5,355	5,757
Peak daily consumption (thousand gallons)	6,482	6,568	7,336	7,452	8,140	7,252
Number of metered accounts	5,584	5,516	5,580	5,533	5,493	5,480
New connections (tap-ons)	4	2	5	3	13	10
Number of fire lines	206	203	201	198	195	191
Number of water main breaks	36	27	41	43	39	36
Senior housing units % occupation rate	97.7%	94.7%	97.1%	98.6%	98.8%	97.1%

<sup>(1)</sup> Police records through FY16 are on calendar year. The FY16 column is calendar year 2016 through June 30. The FYXX column is calendar year 20XX. Starting with FY17 they are on a fiscal year.

<sup>(2)</sup> Shade trees were to be planted April 2017 but due to weather they not planted until May 2017.

<sup>(3)</sup> Number of fire inspections is from January to December 2016; not on a fiscal year basis.

#### Data Source

Various Village Departments

## Village of Alsip, Illinois Operating Indicators Last Ten Fiscal Years

2014	2013	2012	2011
2,835	3,083	2,627	2,330
\$ 32,882,645	\$ 40,490,328	\$ 31,385,214	\$ 13,296,385
20,093	17,808	15,202	14,032
1,128	1,125	899	945
2,961	3,005	2,078	1,829
2,876	3,454	3,109	2,677
5	5	5	5
558	811	533	576
3,378	3,021	3,129	3,269
57	42	51	N/A
1,984	1,916	1,872	1,420
1,782	1,697	1,629	N/A
57	42	51	N/A
1,250	478	N/A	N/A
401	271	363	N/A
-	-	-	-
323	45	47	39
37	2	8	106
323	42	47	27
419	274	125	361
41	35	44	40
2,341	2,424	2,332	2,411
1,080	1,115	1,027	1,061
-	-	-	-
6,415	6,641	6,389	6,604
11,754	10,119	10,053	-
5,470	5,458	5,448	5,435
12	10	13	3
185	178	168	165
49	N/A	N/A	N/A
95.5%	89.5%	91.4%	92.0%

# Village of Alsip, Illinois

## Capital Asset Statistics

### Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015
General Government						
Number of general government buildings <sup>(1)</sup>	1	1	1	1	1	1
Public Safety						
Number of police stations <sup>(1)</sup>	1	1	1	1	1	1
Number of police vehicles	35	35	32	32	33	34
Number of fire stations	2	2	2	2	2	2
Number of aerial ladder trucks	1	1	1	1	1	1
Number of engines (pumper)	3	3	3	3	3	3
Number of ambulances	3	3	3	3	3	3
Number of other fire vehicles	6	6	6	6	6	6
Public Works and Water						
Streets						
Number of public works buildings	1	1	1	1	1	1
Miles of streets	55	55	55	55	55	55
Number of street lights	1,255	1,255	1,255	1,255	1,255	1,255
Water						
Miles of water mains	90	90	90	90	90	90
Number of fire hydrants	1,318	1,318	1,318	1,315	1,315	1,315
Number of pumping stations	2	2	2	2	2	2
Number of water towers	2	2	2	2	2	2
Storage capacity (thousands of gallons)	6,200	6,200	6,200	6,200	6,200	6,200
Wastewater						
Miles of sanitary sewers	59	59	59	59	59	59
Number of lift stations	3	3	3	3	3	3
Miles of storm sewers	51	51	51	51	51	51
Senior housing						
Number of housing buildings	29	29	29	29	29	29
Number of housing units	512	512	512	512	512	512
Number of senior complex non-housing buildings	4	4	4	4	4	4

<sup>(1)</sup> General Government and Police share the same building.

#### Data Source

Various Village Departments



# Village of Alsip, Illinois

## Capital Asset Statistics

### Last Ten Fiscal Years

2014	2013	2012	2011
1	1	1	1
1	1	1	1
30	28	26	26
2	2	2	2
1	1	1	1
3	3	3	3
3	3	3	3
6	6	6	6
1	1	1	1
55	55	55	55
1,255	1,255	1,255	1,255
90	90	90	90
1,315	1,315	1,315	1,313
2	2	2	2
2	2	2	2
6,200	6,200	6,200	6,200
59	59	59	59
3	3	3	3
51	51	51	51
29	29	29	29
512	512	512	512
4	4	4	4